NCC Bank
with you always

LEADING WITH VISION

GROWING TOGETHER



ANNUAL REPORT
2024

ANNUAL REPORT | 2024 |

NCC Bank
with you always

NATIONAL CREDIT AND COMMERCE BANK PLC.



LEADING WITH VISION GROWING TOGETHER

We are excited to present the NCC Bank Annual Report for 2024, centered around the theme "Leading with Vision Growing Together." This theme reflects our commitment to innovation, sustainability, and community engagement, driving value for our shareholders, the environment, and society.

In 2024, NCC Bank made significant strides in integrating sustainability into our operations. By leveraging cutting-edge technologies and innovative banking solutions, we enhanced our services and reduced our environmental footprint. Key initiatives included green banking practices, renewable energy investments, and eco-friendly policies.

Our belief that financial success and environmental responsibility go hand in hand guided us to set ambitious goals for reducing carbon emissions, promoting responsible lending, and supporting sustainable development. These efforts have solidified our reputation as a responsible corporate citizen and ensured long-term value creation.

Our commitment to sustainability extends to deep community engagement. We launched initiatives to improve education, healthcare, and economic opportunities, partnering with local organizations to address social issues and enhance community well-being.

We invite you to explore this report to discover our achievements, challenges, and ongoing efforts to redefine sustainable boundaries, positioning NCC Bank as a forward-thinking financial institution. Thank you for your continued support and partnership.

39th Annual General Meeting

39th Annual General Meeting
Digital Platform | 1st August 2024 | 12:00 Noon



The 39th Annual General Meeting (AGM) of National Credit and Commerce Bank PLC. was held on a virtual platform on 01 August, 2024.

The then Chairman Mr. Md. Abul Bashar and Directors of NCC Bank Mrs. Sohela Hossain, Mr. Md. Abdul Awal, Alhaj Md. Nurun Newaz, Ms. Tanzina Ali, Mr. Syed Asif Nizamuddin, Mr. Khairul Alam Chaklader, Mr. Md. Moinuddin, Mr. Mohammed Sazzad Un Newaz, Independent Director Mr. Md. Obayed Ullah Al Masud & Mr. Meer Sajed-Ul-Basher FCA, former Director Mr. S. M. Abu Mohsin, Managing Director Mr. M. Shamsul Arefin and DMD & Company Secretary Mr. Md. Monirul Alam along with a large number of Shareholders joined the AGM virtually. The Audited Financial Statements of the Bank for the year ended on December 31, 2023 along with the Auditors' report thereon and Directors' report were placed before the Shareholders at the AGM and duly approved by them with majority votes.

11th Extra-ordinary General Meeting (EGM)

National Credit and Commerce Bank PLC

Digital Platform | 07 January 2025 | 12:00 Noon



The 11th Extra-ordinary General Meeting (EGM) of National Credit and Commerce Bank PLC. was held at Digital platform on 07 January, 2025 and approved amendments of Article 91, 94(1) and 94(2) of the Articles of Association (AoA) of the Bank.

Chairman of NCC Bank Alhaj Md. Nurun Newaz presided over the meeting while the then Vice-Chairman Mr. A. S. M. Mainuddin Monem and other Directors namely Mrs. Sohela Hossain, Mr. Syed Asif Nizamuddin, Mr. Khairul Alam Chaklader, Mr. Mohammed Sazzad Un Newaz, Independent Director Mr. Meer Sajed-Ul-Basher FCA virtually joined the meeting. Besides, Managing Director Mr. M. Shamsul Arefin and DMD & Company Secretary Mr. Md. Monirul Alam along with Shareholders were present in the EGM through Digital platform and casting their votes.



As we step into the 32nd year of dedicated service, we remain humble reiterating our commitment ensuring an uninterrupted customer service not driven by profit only adage but perpetual values. Hence our aims focus on maximising return of shareholders wealth by mitigating risks and applying prudent technology. We strive for a sustainable business growth for our valued customers, satisfying their evolving and demanding needs. For us, our beliefs remain to be customer-centricity, as we remain with them. Always. At NCC Bank, our customers are at the forefront of our service delivery, and we take utmost care to adhere to the highest principles and standards of integrity and trustworthiness, while rendering our unique service excellence.

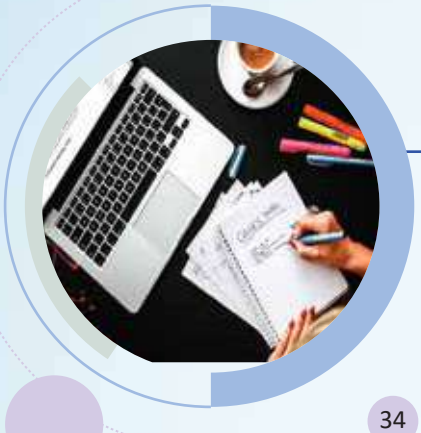


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Letter of Transmittal

All Hon'ble Shareholders of NCC Bank
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Financial Reporting Council
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC.
Central Depository Bangladesh Limited
All other stakeholders of NCC Bank

Dear Sirs,

Annual Report of National Credit and Commerce Bank PLC. for the year 2024

We are pleased to present the Annual Report 2024 of National Credit and Commerce Bank PLC., together with the Audited Financial Statements (consolidated and solo basis) as on December 31, 2024 of the Bank. Among others, this report comprises a detailed overview of the Bank's financial performance, operational highlights, strategic initiatives and stakeholder's engagement efforts.

Financial Statements (solo) of the Bank comprise those of NCC Bank Main operations and Off-Shore Banking Unit, whereas Consolidated Financial Statements comprise Financial Statements of the Bank and those of its subsidiary companies i.e. NCCB Securities and Financial Services Limited and NCCB Capital Limited presented separately.

With best regards,

Sincerely yours,

Md. Monirul Alam, FCS
Deputy Managing Director &
Company Secretary

Notice of the 40th Annual General Meeting

Notice is hereby given that the **40th Annual General Meeting (AGM)** of the Hon'ble Members of National Credit and Commerce Bank PLC. (the Bank/the Company) will be held on **Wednesday, July 02, 2025 at 12:00 Noon** virtually using digital platform (https://nccbank.bdvirtualagm.com) which will be conducted via live webcast to transact the following business:

AGENDA

1. To receive, consider and adopt the annual Audited Financial Statements of the Company together with the Auditors' Report thereon and Directors' Report for the year ended December 31, 2024.
2. To declare dividend for the year ended December 31, 2024.
3. To elect/re-elect Directors as per Laws & Articles of Association of the Company.
4. To appoint External Auditors for the year 2025 and fix up their remuneration.
5. To appoint a practicing professional for the year 2025 in accordance with the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) and fix up their remuneration.
6. To authorize the Management / Board of Directors to sanction/approve financial transactions in the name of Bank-related Persons or Institutions of the Bank complying the rules and regulations in force for the year 2025 and approval of the financial transactions conducted with them in 2024 (Ref: BRPD Circular No. 03 dated 08 May, 2025).

By order of the Board of Directors

Md. Monirul Alam, FCS
DMD & Company Secretary

Dated: Dhaka
June 02, 2025

Notes:

i) The **'Record Date'** for the purpose was on Monday, May 26, 2025. The Members' whose names would appear on the 'Record Date' in the Member/Depository Register of the Company are eligible to participate in the meeting and entitle to dividend.

ii) The Board of Directors has recommended 13.00% (thirteen percent) cash dividend for the year ended December 31, 2024.

iii) All Hon'ble Members/Shareholders are requested to submit their written option to the Company regarding the way of receiving their dividend within June 16, 2025, otherwise, the dividend will be paid through BEFTN or any other mode as may be deemed appropriate by the Company.

iv) A Member eligible to participate and vote at the Annual General Meeting may appoint a proxy to participate and vote on his/her behalf. Proxy Form must be affixed with requisite revenue stamp and submitted to the Registered Office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.

v) Election/re-election will be dealt with in accordance with Laws, Articles of Association of the Company and relevant rules and regulations in force.

vi) The online (real time) or e-voting option will be opened before 24 hours from the time of AGM and shall remain open up to the closure of the meeting.

vii) The member/proxy who wants to cast vote physically may present at Ground Floor of the Bank at NCC Bank Bhaban, 13/1 & 13/2, Toyenbee Circular Road, Motijheel C/A, Dhaka-1000 for casting their vote.

viii) The Shareholders under the category of company are requested to send their representatives to participate/attend in the AGM and vote complying with the Section 86 of the Companies Act, 1994.

ix) The member/proxy who wants to cast vote virtually will have to login to the meeting link and thereafter an OTP (One Time Password) will be sent to his/her registered mobile number/email address and by using that OTP, he/she will be able to cast vote virtually within the specified time period.

x) The existing external auditors, M/s. ACNABIN, Chartered Accountants will retire and as per rule, they are eligible for re-appointment.

xi) The detailed schedule for appointment of a practicing professional for Corporate Governance Certificate for the year 2025 is available in the Notice Board of the Registered Office of the Bank.

xii) Annual Report 2024 including the Proxy Form will duly be sent in soft form at email and also hard copy to the Shareholders address available in their BOID numbers. It will also be available at Share Department for collection and website (www.nccbank.com.bd) of the Bank.

xiii) The concerned Depository Participants (DP)/Stock Brokers are requested to send their list of Margin Account Holders as on the Record Date within June 16, 2025 for facilitating the payment of dividend.

xiv) Link of the meeting and login details will be notified in due time through SMS and email address and also will be available at website of the Bank.



VISION

To become one of the most adorable commercial Bank in serving the nation as a progressive and socially responsible financial institution by bringing credit & commerce together for increased Shareholders' value and sustainable growth.

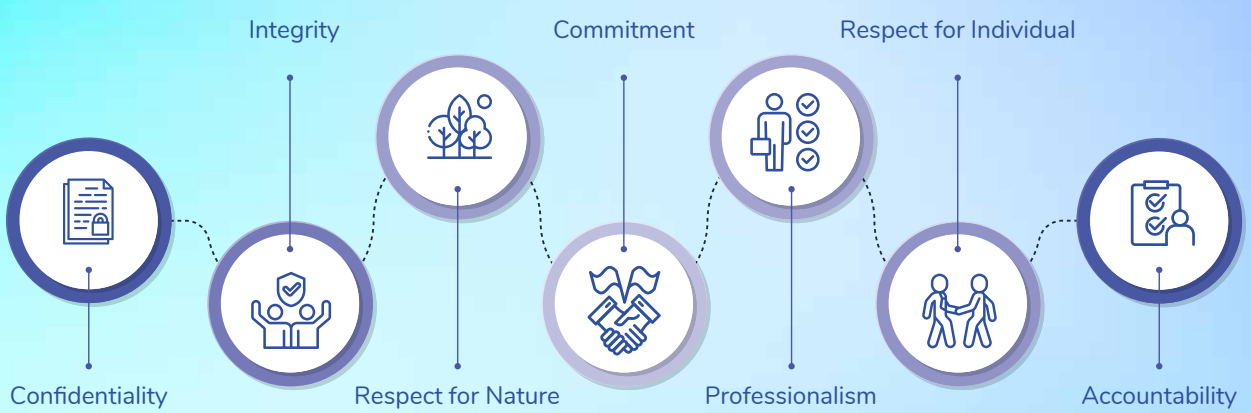


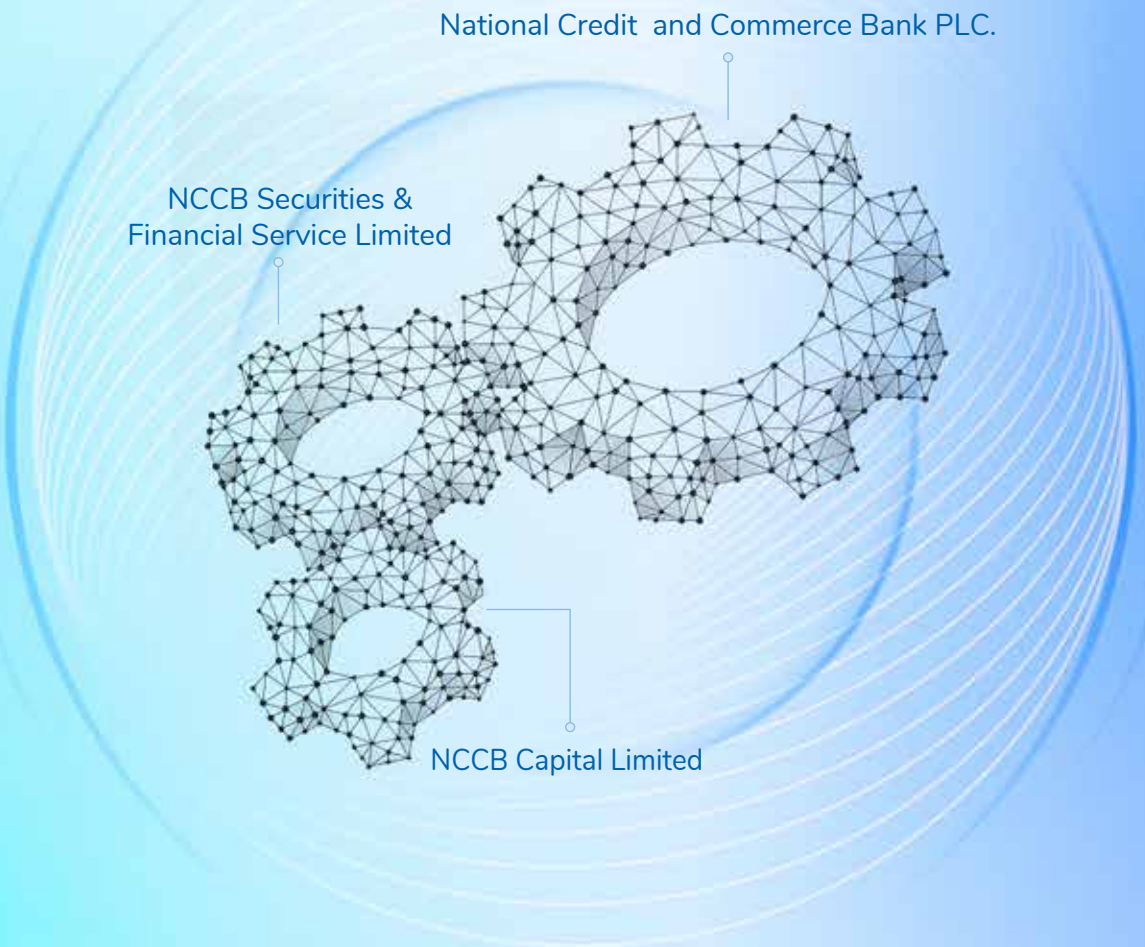
MISION

Delivering excellent financial services to our communities based on strong customer relationship. Providing long lasting solutions combining our cutting edge technology, experience and financial strength to our clients and stakeholders. Creating a cohesive and friendly environment where customers and our people can excel.



CORE VALUES


Integrity
Commitment
Respect for Individual
Confidentiality
Respect for Nature
Professionalism
Accountability



GROUP CORPORATE STRUCTURE

MILESTONES TOWARDS DEVELOPMENT

2024
February 25
Launched Women Banking 'NCC Parama'

2022
November 20
Launched Islamic Banking operations.

2022
February 01
Inauguration of country's first Innovation Centre & Digital on boarding service for banking services

2018
May 17
Celebrated 25th year anniversary

2017
December 26
The Bank has launched modern Cafeteria Fitness Centre and Medical Services for its employees

2017
November 25
The Bank has launched state-of-the-art Data Centre at its Head Office NCCB Bhaban

2015
Certificate of appreciation from Bangladesh Bank for achieving the distribution target of (Agricultural) a Rural Credit for the year 2013-2014

2014
December
Shifting of Corporate Head Office of the Bank at its own 22 storied Building NCC Bank Bhaban at Motijheel. Unveiling our New Face: Change of logo of the Bank

2010
May 06
Second Time Issuance of Rights Share: Subscription Closes

2011
June 14
Incorporation of NCCB Exchange (UK) Limited

2013
May 19
NCCB Mobile Banking "SURE CASH" Launching

2013
December 29
Hundred Branch Coverage of NCC Bank Limited

2010
April 11
Second Time Issuanc of Rights Share

2010
April 04
Incorporation of NCCB Securities and Financial Services Limited

2010
April 01
Incorporation of NCCB Capital Limited

2007
October 11
Membership of Chattogram Stock Exchange Limited

2000
May 16
Listed with Chattogram Stock Exchange

2000
May 28
Listed with Dhaka Stock Exchange

2005
December 21
First Time Issuance of Rights Share: Prospectus date

2006
January 04
First Time Issuance of Rights Share: Subscription Closes

1999
December 26
Subscriptions closes

1999
December 12
Subscriptions opens

1999
November 30
Initial Public Offering: Prospectus date

1997
December 09
Membership of Dhaka Stock Exchange Limited with NCCBL

1985
November 18
Incorporation of the company as Investment Company/ Certificate of Commencement of Business as Investment Company

1988
March 10
Membership of Dhaka Stock Exchange Limited with National Credit Limited

1993
May 15
Converted and newly incorporated from Investment Company to Banking Company

1993
May 17
License issued by Bangladesh Bank



WITH YOU
ALWAYS...

BOARD OF DIRECTORS



Alhaj Md. Nurun Newaz
CHAIRMAN



Mr. A.S.M. Mainuddin Monem
VICE-CHAIRMAN



Mr. Abdus Salam
DIRECTOR



Mrs. Sohela Hossain
DIRECTOR



Mr. Amjadul Ferdous Chowdhury
DIRECTOR



Ms. Tanzina Ali
DIRECTOR



Mr. Syed Asif Nizamuddin
DIRECTOR

BOARD OF DIRECTORS



Mr. Khairul Alam Chaklader
DIRECTOR



Mr. Md. Moinuddin
DIRECTOR



Mr. Mohammed Sazzad Un Newaz
DIRECTOR



Mr. Meer Sajed-Ul-Basher, FCA
INDEPENDENT DIRECTOR



Mr. M. Shamsul Arefin
MANAGING DIRECTOR

Corporate Information

CHAIRMAN	**ALHAJ MD. NURUN NEWAZ**
VICE CHAIRMAN	**MR. A.S.M. MAINUDDIN MONEM**
CHAIRMAN EXECUTIVE COMMITTEE OF THE BOARD	**MR. KHAIRUL ALAM CHAKLADER**
CHAIRMAN RISK MANAGEMENT COMMITTEE OF THE BOARD	**ALHAJ MD. NURUN NEWAZ**
CHAIRMAN AUDIT COMMITTEE OF THE BOARD	**MR. MEER SAJED-UL-BASHER, FCA**
MANAGING DIRECTOR	**MR. M. SHAMSUL AREFIN**
HEAD OF INTERNAL CONTROL & COMPLIANCE	**MR. MOHAMMED MORSHEDUL QUADER KHALILI**
CHIEF FINANCIAL OFFICER (CFO)	**MR. MOHAMMED MIZANUR RAHMAN, FCA**
COMPANY SECRETARY	**MR. MD. MONIRUL ALAM, FCS**
STATUTORY AUDITORS	**M/s. ACNABIN** Chartered Accountants BDBL Bhaban, Level-13 & 15, 12 Kawran Bazar, Dhaka-1215
LEGAL ADVISOR	**Barrister Khan Mohammad Shameem Aziz** Shameem Aziz & Associates Suit No. 502 (5th Floor), Paramount Heights 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000, Bangladesh
CREDIT RATING AGENCY	**Credit Rating Information & Services Ltd.** Nokshi Homes (4th Floor), 6/1/A, Segun Bagicha, Dhaka-1000
CORPORATE GOVERNANCE CERTIFICATE ISSUER	**M/s. Ahsan Manzur & Co.** Chartered Accountants House-373 (2nd Floor), Road-28, DOHS, Mohakhali Dhaka -1206
INDEPENDENT SCRUTINIZER OF AGM	**Mohammad Sanaullah & Associates** Chartered Secretaries & Management Consultants
INVESTORS' ENQUIRY	**Regulatory Affairs & Shareholders' Relations (Share Department)** Nirala Bhaban (1st Floor) 9/A, Toyenbee Circular Road Motijheel C/A, Dhaka-1000
REGISTERED OFFICE	**NCC Bank Bhaban** 13/1-2, Toyenbee Circular Road, Motjheel C/A Dhaka-1000, Bangladesh PABX: +880 2 223381902-4, 223383981-3 Fax: +880 2 223386290 e-mail:info@nccbank.com.bd Web: www.nccbank.com.bd



CORPORATE STRATEGY

During the year under review, our strategy was concentrated on sustainable long-term growth of business, better deposit mix, improving the quality of assets, rationalizing operating cost, improving operational efficiency and productivity of resources, better and faster customer services and strengthening the overall risk management and Corporate Governance system. As a compliant organizaton, NCC Bank firmly believes in enhancing profit in a sustained and controlled manner through ensuring accountability, integrity, ethics and transparency at all spheres of operations.



DIRECTORS' PROFILE



Alhaj Md. Nurun Newaz
Chairman

Alhaj Md. Nurun Newaz is the Chairman of the Board of Directors of National Credit and Commerce Bank PLC. and also one of the Sponsor Directors of the Bank. Mr. Newaz is an iconic industrialist and eminent entrepreneur of the country. Through his prolific leadership and un-relented efforts, he has achieved an elite position in electronics & home appliances sector of the country with global reputation for reliability, experience and professionalism.

Alhaj Md. Nurun Newaz has been recognized as Commercially Important Person (CIP) of the country for the year 2023-2024. Mr. Newaz was a director of Federation of Bangladesh Chambers of Commerce & Industry (FBCCI), the apex trade organization of Bangladesh, and previously served as the director of Bangladesh-Malaysia Chamber of Commerce & Industry. He was also the Senior Vice President of Chittagong Chamber of Commerce & Industries (CCCI). He is the life Member of SAARC Chamber of Commerce & Industry, Member of Dhaka Club Ltd., Gulshan Club Ltd. and Purbachal Club Ltd., Dhaka. He was also the Chairman of Central Insurance Co. Ltd., a renowned Insurance Company of the country.

Mr. Newaz is engaged himself with the various business entities among others Chairman of Electro Mart Ltd., Trade International Industries Ltd. (leading manufacturer of consumer electronics & HVAC marketing organizations in Bangladesh), Newaz Overseas Services Ltd. and Orchid Energy Ltd. Managing Director of Newaz International Ltd. and proprietor of Royal International and The Royal Bengal Agency.

Being a philanthropist and a sincere patron of education, he has established many educational and social institutions like primary school, boys and girls high school, madrasha, college and university (he is now a member of Board of Trustees of a private university in Bangladesh) and associated with many other social and philanthropic activities.



Mr. A.S.M. Mainuddin Monem

Vice-Chairman

Mr. A. S. M. Mainuddin Monem is the Managing Director of Abdul Monem Limited, which is one of the largest business conglomerates in Bangladesh and is involved in sectors such as construction, education, financial services, pharmaceuticals and food products. He is also the CEO of Abdul Monem Economic Zone Limited (AMEZ), which is developing a private specialized economic zone with the goal of creating thousands of jobs via foreign and local investors.

Mr. A.S.M. Mainuddin Monem has been recognized as Commercially Important Person (CIP) for 2021. He completed his MBA from Harvard University Business School (Class of 1996). Prior to that, he earned a BSc degree, Cum Laude from Boston University in 1991. Additionally, he obtained a professional degree on Design and Analysis of Experiments from the Massachusetts Institute of Technology (MIT) in 1994 where he served as the Teaching Assistant of Professor Dr. Paul D. Berger.

Mr. A. S. M. Mainuddin Monem frequently speaks at conferences of national, regional and international importance and has served on panels and task force committees to address national and regional issues. He serves on professional boards including the Convener of the Private Economic Zones Association (PEZA) of Bangladesh, the Secretary for International Affairs, Asia-Pacific Economic Council (APEC). He was also an Executive Member of the Bangladesh Association of Banks (BAB) and an Executive Member of the National Committee of SHUJAN (Shushashoner Jonne Nagarik - Citizens for Good Governance). He is a member of the Board of Trustees of CSR Centre of the Education, Science, Technology and Cultural Development Trust (ESTCDT). He recently joined as a member of Board of Trustees (BOT) of the Bangladesh Institute of Governance and Management (BIGM).

He serves as the President of the AM Foundation which runs an Orphanage, a College, a High School and a School of Religious Education. He has committed to cover the costs of providing 50,000 breast-feeding and lactating women in the next 5 years with the requisite vitamins under the "Every Woman, Every Child" program of the then UN Secretary General, Mr. Ban Ki-Moon. He is also involved with Health and Education for All – HAEFA, an international NGO based in Boston, USA that provides medical services to the Rohingya refugees.

He is often present at academic events such as the ICBM 2017 at BRAC University where he spoke about "Academia-Industry Discussion" and was a keynote speaker where he presented on the topic of "Industry Talk." He often appears on live talk shows at different media outlets and speaks about economic issues and economic zones. He participated actively in the One to One Conversation with the Behavioral Team (BIT) at the Prime Minister's Office which was organized by Access to Information (a2i), Prime Minister's Office.

He was born on 4 December 1967, and ever since, he was nurtured and nourished with an ardent desire to take Bangladesh to the world's stage. Most important of all, he was happily married and raising three wonderful children, all of whom are currently studying in the USA at Boston University and Mount Holyoke College.



Mr. Abdus Salam
Director

Mr. Abdus Salam, former Chairman of the Board of Directors of National Credit and Commerce Bank PLC, is an Electrical Engineer graduated from BUET in 1965. He developed himself as an expert in electromechanical installations in Bangladesh. During the last many decades Engr. Salam had opportunity to work with renowned engineers of different countries like USA, UK, France, Russia, India, China etc. whereby his technical knowledge and experience expanded to a great horizon. He is the pioneer to undertake first Combined Cycle Power Plant as well as first Optical Fibre Cables installation in Bangladesh.

With the help of his expertise, about a dozen of Power Stations ranging from 50 to 400 MW were installed in the country. By dint of his vast knowledge and technical expertise, Engr. Salam has become a leading entrepreneur of the country. His most remarkable contribution to the country are construction of extra heavy rail trolleys of capacity 350 tons and construction of three nos. floating cranes of capacity 200 tons, 600 tons & 1000 tons (last two nos. are the highest capacity floating cranes of the country).

He has expanded his business entities in different sectors among others namely, The Bengal Electric Ltd., Multiple Equipment & Engineering Ltd., Gangatia Fisheries Ltd., Bengal Shipyard Ltd. etc. He has praiseworthy pioneer role in social services and benevolent works to the society. Being a philanthropist, he has founded an educational institution established in a six storied modern building in a remote unknown village of Kishoregonj to ensure proper education to the poor children in that neglected and backward society. His helping attitude towards the poor meritorious students is also remarkable.

He was also the Chairman of the building committee and under his prudent guidance construction of the 22 storied NCC Bank Bhaban building was completed in record time with flawless finishing. This monumental and majestic building stands as pride of NCC Bank in the heart of Motijheel Commercial Area. Last but not the least NCC Bank will not forget his remarkable contributions during his short stay as Chairman of the Bank.



Mrs. Sohela Hossain
Director

Mrs. Sohela Hossain, former vice-chairman of the Board of National Credit and Commerce Bank PLC, obtained her Hons' and Masters degree in Philosophy from Dhaka University. She is the spouse of Bank's Hon'ble Director and past Chairman, Late Mir Zahir Hossain, who was a renowned businessman and entrepreneur of the country. She has been handling her family business and also a media personality known as a very good professional singer of Rabindra Sangeet. She was in teaching profession for 27 (twenty seven) years in different Private Universities and University Colleges. She wrote 3 (three) books, 02 (two) on religious books on the topic of "Shantir Protik Nabiji" & "Prattyahik Jibone Koraner Bhumika" and 01 (one) on the topic of Philosophy. She is associated with different organizations among others namely, Chairman of Mir Akhter Hossain Ltd., President of Mir Cement Ltd., Mir Real Estate Ltd. and Mir Concrete Products Ltd. etc.

Mrs. Hossain made business tours in different countries of the world. She is engaged with different social organizations and her contributions to the country are noteworthy.



Mr. Amjadul Ferdous Chowdhury
Director

Mr. Amjadul Ferdous Chowdhury, a commerce graduate and esteemed industrialist, is one of the pioneers in establishing the garments industry in Bangladesh. With over 42 years of visionary leadership in the Ready-Made Garments (RMG) sector, he has been instrumental in driving the growth of one of the country's most dynamic and influential conglomerates.

His business interests span a diverse range of sectors including Shipping, Cement, consumer goods trading, share and securities, and healthcare. With dynamic leadership and strategic foresight, he has made a remarkable impact on the RMG sector, enhancing its global reputation and attracting substantial foreign investment interest.

In recognition of his outstanding contributions, Mr. Chowdhury received the prestigious Commercially Important Person (CIP) honor from the Government of the People's Republic of Bangladesh for the years 1998–1999. His enterprises have earned multiple accolades, including the "Bugle Boy Award" as Vendor of the Year in 1992, "International Supplier of the Year" by Wal-Mart in 2003 and 2004, and the "Best RMG Exporters" award from the Honorable Prime Minister of Bangladesh in 2002.

Although his business interests are diverse, the readymade garments industry remains central to his legacy. His deep knowledge and longstanding dedication to RMG continue to serve as a benchmark for excellence and an inspiration for emerging leaders in the field. Mr. Chowdhury holds a senior leadership position within the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and is actively engaged with several prominent companies, including Vanguard Garments Ltd., B.S.A. Apparels Limited, Vanguard Dresses Limited, B.S.A. Fashions Limited, B.S.A. Garments Industries (Pvt.) Limited, Afrah Washing Industries Ltd., Vanguard Packages Ltd., B.S.A. Shipping Limited, Vanguard Maritime Limited, Brave Royal Shipping Ltd., Royal P.P Begs Ltd. and Imperial Hospital Ltd.

Since 2009, Mr. Chowdhury has also been involved in Bangladesh's growing maritime sector through his engagement in the shipping business. Under his leadership, B.S.A. is now operating a fleet of seven ocean-going vessels that provide international transportation services, connecting ports around the world and contributing valuable foreign currency earnings to the national economy. He also serves as the Chairman of Royal Cement Ltd., one of the leading cement companies in the country.

Beyond his industrial endeavors, Mr. Amjadul Ferdous Chowdhury is widely acknowledged for his commitment to social development. His philanthropic initiatives encompass education, healthcare, and rural entrepreneurship, aiming to uplift and empower underprivileged communities.

Driven by the belief that sustainable business success must go hand in hand with community development, Mr. Chowdhury has led and funded numerous social initiatives through his own resources, guided by a deep sense of responsibility and compassion.



Ms. Tanzina Ali
Director

Ms. Tanzina Ali, former vice-chairman of the Board and present Director of National Credit and Commerce Bank PLC, is also the Chairman of NCCB Securities and Financial Services Limited, a subsidiary of NCC Bank.

Ms. Tanzina Ali is the member of the Executive Committee of the Board. She was born in a respected Muslim family in Chattogram. She completed her graduation in Finance from Bryant University, USA. She engaged herself in various training and workshops in abroad to enhance professional competency. Coming back from USA, she started her career with different foreign and local companies shouldering responsibilities as a key position. With the help of her academic knowledge gathered from abroad, she is contributing a lot for the growth of this organization.



Mr. Syed Asif Nizamuddin
Director

Mr. Syed Asif Nizamuddin, born in a distinguished Muslim family in Chittagong, is a young energetic Director of NCC Bank PLC. He is also the Chairman of NCCB Capital Limited, a subsidiary of NCC Bank.

Mr. Asif holds a Bachelor's (Hons) degree in Chemical Engineering from Curtin University of Technology, Australia and brings an extensive experience in the Oil & Gas industry, deep-sea Fishing and Petroleum energy sector.

Mr. Asif's blend of international academic credentials, broad experience in the shipping and energy sector, and global outlook highlights his dynamic and visionary leadership, establishing him as a leading young business executive in the country.



Mr. Khairul Alam Chaklader

Director

Mr. Khairul Alam Chaklader is the Chairman of the Executive Committee of the Board of National Credit and Commerce Bank PLC. He was also the Vice Chairman of the Board of Directors of the Bank. Mr. Chaklader is an eminent Industrialist of the country and his vision towards humanity is unparalleled.

He is actively involved as the Chairman of Maxwell Group a top-line conglomerate in Bangladesh with a motto to peruse excellence in the world. The group is involved in multiple business under his leadership among them some to be named as Maxwell Electronics, Maxwell Trading Corporation, Eastern Logistics Limited (Private Inland Container Depot), BMSL Assets Management Ltd., Roots Food and Beverage Ltd., AutoKap Bricks Limited, Total Air Services Limited GSA: Air Asia & Kuwait Airways, Total Logistics and Courier Services Limited GSA: SMSA Express, TAS Aviation Ltd., Total Cargo Services Ltd., Dragon Garden at Ukhiya, Urban Responses Ltd. (real estate), Gulshan Point Pvt. Ltd. etc.

Mr. Chaklader's participation in social and philanthropic activities is remarkable. He is the Founder of MM Chaklader Mohila College, Founder of KNC Foundation, Chairman of Shere-Bangla School and College, Former president of Rotary club of Jahangir Nagar Dhaka, Member of children's Cancer shelter home, and many other Madrasahs and Orphanages.



Mr. Md. Moinuddin
Director

Mr. Md. Moinuddin is a certified commercial pilot currently serving as a Captain with a reputed international airline. He earned his pilot certification and license from the prestigious aviation training academy in Oxford, United Kingdom.

In addition to his aviation career, Mr. Moinuddin is a dynamic and accomplished entrepreneur with a growing footprint across several industries, including investment and finance, real estate, hospitality, and international trade. He is actively involved in the strategic leadership and management of multiple companies operating across the UAE, Europe, and the Caribbean. These include:

- Vyne Global Fortunes Investment Co. L.L.C
- Dar Al Yaqut Property Management L.L.C
- Janata General Contracting L.L.C
- Central Paris Hotel
- Salam Trading
- Gausia Trading
- PT Keys Management

His multifaceted expertise and visionary approach continue to drive innovation and growth across his ventures, making him a notable figure among the new generation of global business leaders.



Mr. Mohammed Sazzad Un Newaz
Director

Mr. Mohammed Sazzad Un Newaz, born in a respected Muslim family of Chattogram, is a young and energetic business entrepreneur of the country.

Presently, Mr. Sazzad is the member of Bank's Audit Committee and Risk Management Committee of the Board. After completing MBA degree with good academic record, Mr. Sazzad engaged himself in family business house shouldering its responsibilities in key position. With the help of his academic knowledge, he is contributing a lot for the growth of his business entities. He is a successful young entrepreneur and associated with a number of companies in the electronics and petroleum sectors. Among others, he is also Director of Electro Mart Limited and Trade International Industries Limited, Managing Director of Orchid Energy Limited, Newaz Overseas Services Limited and CEO of Orchid Corporation, Blueberry Corporation and 3i Services.



Mr. Meer Sajed-Ul-Basher, FCA

Independent Director

Mr. Meer Sajed-Ul-Basher, FCA, is an Independent Director of National Credit and Commerce Bank PLC. and Chairman of the Audit Committee of the Board of the Bank. He is a visionary finance professional and entrepreneur with over two decades of experience in various multinational and local companies (Motorola, IDLC Finance, etc.).

Mr. Sajed is actively involved in the academic community and enjoys imparting his knowledge to the younger generation, and at present, involved as Adjunct Faculty of BRAC University. In academia, he is a fellow member of the Institute of Chartered Accountants of Bangladesh, trained by KPMG-Bangladesh. Sajed has completed sustainable investment course from Harvard University.

Mr. Sajed is the Chairman of SAJ ImpactBLiss Limited, a consulting firm mainly focused on sustainable investing, and also principal & CEO of Sajed Meer, Chartered Accountants. He is also the managing partner of Sustain & Partners.



Mr. M. Shamsul Arefin
Managing Director

Mr. M. Shamsul Arefin was appointed the Managing Director of National Credit and Commerce Bank PLC. (NCC Bank) in May 2024. Before this role, he held several key positions at the same institution, including Additional Managing Director, Deputy Managing Director, and Senior Executive Vice President. During his tenure, he effectively managed critical responsibilities such as serving as the Chief Anti-Money Laundering Compliance Officer (CAMLCO), Chief Risk Officer (CRO), Head of Credit Risk Management, and Head of Corporate Business. He also demonstrated exemplary leadership by guiding high-performing teams across diverse business segments and operational divisions.

Mr. Arefin embarked on his banking career 1994 as a Management Trainee at Eastern Bank. Over the years, he accumulated extensive experience through leadership roles at different banks, such as ONE Bank, Shahjalal Islami Bank, Jamuna Bank, Premier Bank, and SBAC Bank. His career highlights include serving as Divisional Head at the Head Office and managing various categories of branches, underscoring his versatility and strategic acumen.

Academically, Mr. Arefin holds a Bachelor of Commerce (Honors) from Aligarh Muslim University, India, and a Master of Commerce (Finance) from the University of Dhaka, achieving first-class distinctions throughout his studies. He further enhanced his expertise with an MBA in Finance from North-South University.

A lifelong learner, Mr. Arefin has actively participated in numerous banking-related seminars and workshops, both domestically and internationally, reflecting his commitment to staying abreast of global financial trends and best practices. His blend of academic excellence, professional experience, and dynamic leadership continues to drive innovation and growth in the different banks he served.

EXECUTIVE COMMITTEE OF THE BOARD



Mr. Khairul Alam Chaklader
CHAIRMAN



Mr. A.S.M. Mainuddin Monem
MEMBER



Alhaj Md. Nurun Newaz
MEMBER



Mrs. Sohela Hossain
MEMBER



Mr. Amjadul Ferdous Chowdhury
MEMBER



Ms. Tanzina Ali
MEMBER

AUDIT COMMITTEE OF THE BOARD



Mr. Meer Sajed-Ul-Basher, FCA
CHAIRMAN



Mr. Abdus Salam
MEMBER



Mr. Syed Asif Nizamuddin
MEMBER



Mr. Mohammed Sazzad Un Newaz
MEMBER

RISK MANAGEMENT COMMITTEE OF THE BOARD



Alhaj Md. Nurun Newaz
CHAIRMAN



Mr. Abdus Salam
MEMBER



Mr. Syed Asif Nizamuddin
MEMBER



Mr. Khairul Alam Chaklader
MEMBER



Mr. Mohammed Sazzad Un Newaz
MEMBER

SHARI'AH SUPERVISORY COMMITTEE OF NCC BANK



Prof. Dr. Abu Noman Md. Rafiqur Rahman
CHAIRMAN



Prof. Dr. H.M. Shahidul Islam Barakati
VICE-CHAIRMAN



Dr. Md. Anwar Hosain Molla
MEMBER



Dr. Muhammad Shahjahan Madani
MEMBER



Mr. Shah Mohammad Wali Ullah
MEMBER

SENIOR MANAGEMENT TEAM



Mr. M. Shamsul Arefin
MANAGING DIRECTOR



Mr. M. Khurshed Alam
ADDITIONAL MANAGING DIRECTOR



Mr. Md. Zakir Anam
DEPUTY MANAGING DIRECTOR



Mr. Md. Mahbub Alam
DEPUTY MANAGING DIRECTOR



Mr. Mohammed Mizanur Rahman FCA
DEPUTY MANAGING DIRECTOR



Mr. Md. Monirul Alam FCS
DEPUTY MANAGING DIRECTOR

MANAGEMENT COMMITTEE



In Sitting Position (From Left): Mr. Md. Monirul Alam, FCS (DMD), Mr. Md. Zakir Anam (DMD), Mr. M. Shamsul Arefin (MD), Mr. Md. Mahbub Alam (DMD), and Mr. Mohammed Mizanur Rahman FCA (DMD). Mr. M. Khurshed Alam (AMD, not present in the picture).

In Standing Position (From Left): Mr. Zobair Mahmood Fahim (SVP), Mr. Abul Quasem Md. Safiullah (EVP), Mr. Mohammad Mohibullah Khan (EVP), Ms. Nighat Mumtaz (SVP), Mr. Rahat Masood (VP), Mr. Syed Towhid Hossain (SVP), and Mr. A.H.M. Abdus Sadik Khan (SVP).


এনসিসি ব্যাংক
আপনার সাথেই সবসময়
৩১
বছর ধরে
শুধু
আপনার
জন্য

এনসিসি ইসলামিক

এনসিসি ব্যাংক
আপনার সাথেই সবসময়

আস্থা আর নির্ভরতায়

এনসিসি ব্যাংক - আপনার সাথেই সব সময়



ব্যাংকিং ব্যবস্থাপনায় সুশাসনের স্বীকৃতি

ব্যাংকিং খাতে অন্যতম শীর্ষ করদাতা

AA+ ক্রেডিট রেটিং

শীর্ষ ১০ রেমিট্যান্স সংগ্রহকারি ব্যাংক

ADB সহ বিশ্বব্যাপী অর্ধ শতাধিক ব্যাংক এ পর্যাপ্ত ক্রেডিট লাইন

- বেস্ট প্রাইমারি ডিলার এওয়ার্ড
- বেস্ট কমার্শিয়াল ব্যাংক এওয়ার্ড
- বেস্ট ডিজিটাল ব্যাংকিং প্ল্যাটফর্ম এওয়ার্ড



MESSAGE FROM THE CHAIRMAN

Message from the Chairman

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamualikum

I am honored to welcome you all to the 40th Annual General Meeting (AGM) of National Credit and Commerce Bank PLC. We have reunited for our annual event, a vital forum that allows us to benefit from your valuable insights and guidance as key stakeholders in shaping our future direction. I am deeply encouraged by your strong attendance at the AGM, which is a clear testament to the unwavering trust and confidence you place in us.

The global economy has begun to recover from the impacts of COVID-19 but it now faces new challenges stemming from geopolitical instability and war. The ongoing conflicts has sustained volatility in global energy markets,. Supply constraints, coupled with geopolitical sanctions, have led to elevated energy and commodity prices, increasing manufacturing and transportation costs worldwide.

Recent political developments in South Asia have marked a period of significant transformation, with nations navigating unique challenges in their pursuit of governance, stability, and reform. Efforts by governments in the region continue to address the humanitarian crisis, including significant internal displacement and refugee flows. Despite ongoing instability, there is a concerted effort to find solutions to restore peace and security in the region and dialogue about the need for greater stability and democratic development.

Bangladesh, in 2024, saw a profound shift that led to the changeover of a long-standing regime. An interim government is tasked with guiding the nation through a period of transition and reforms on a path towards greater peace and stability.

These developments underscore a regional movement toward political reforms, democratic governance, and enhanced accountability, offering hope for a more stable and prosperous South Asia in the years to come.

According to the International Monetary Fund (IMF), Bangladesh's real GDP growth is projected to slow to 4.5% in fiscal year (FY) 2025 due to challenges such as political instability, flooding, and tighter policies. However, growth is expected to rebound to 6.5% in FY2026 as these factors ease. Inflation is anticipated to average around 11% in FY2025, decreasing to approximately 5% in FY2026 as supply pressures relax, although uncertainties remain. The banking sector faced significant stress in 2024, with non-performing loans reaching a record Tk 3.45 trillion, primarily driven by political instability, economic volatility, and structural issues within the banking system. These challenges, along with rising external debt, led to liquidity constraints and higher inter-bank interest rates. The Bangladeshi Taka depreciated significantly by 12.72% in 2024, largely due to political instability and high inflation, though foreign exchange reserves showed signs of recovery later in the year. Enhanced remittance inflows, totaling USD 27 billion, played a key role in buffering the economy from external pressures. Despite the challenges, the banking sector achieved substantial profits through investments in government treasury bills. The stock market, however, faced a 16.5% decline in the DSEX index, influenced by inflation and political uncertainty. However, the planned reforms offer cautious optimism for a market recovery in 2025. On a positive note, export performance showed resilience, with total export earnings reaching USD 47.3 billion, driven by a 7.01% growth in the ready-made garment (RMG) sector. Remittance inflows also remained strong, contributing to economic stability.

In summary, while 2024 presented substantial challenges for Bangladesh, including economic volatility and financial sector vulnerabilities, the outlook for 2025 remains cautiously optimistic. Policy reforms, international support, and renewed political stability are expected to drive the country's recovery and sustainable growth in the years to come.

Our bank is continuously evolving, driven by our commitment to introducing innovative products and services while strengthening our core competencies. NCC Bank launched "NCC Parama" to increase women's financial inclusion and entrepreneurship, aligning with the Sustainable Development Goals (SDGs). We are dedicated to transforming into a more agile and innovative organization. We launched Internet Banking App “NCC Always” and Customer Self Service (CSS) Portal

for the customers to implement Smart Digital and Paperless Banking Services. Customers will be able to execute various financial transactions including Account & Card money transfer, bill payment, sending money from bank Account to MFS through this App. Moreover, customers will also able to complete other services like updating Account & Card information sitting at their home. Corporate Internet Banking services "NCC ICON (Interoperable Corporate Online Network)" was also launched to facilitate our valued corporate customers for conducting their financial activities at any time in any places. Through this service, they will enjoy digital facilities in making decision of their financial management process efficiently & securely.

International trade plays a critical role in our income generation. Despite a historic decline in the country's foreign exchange reserves—impacted by international crises and substantial repayments related to large-scale projects—we have maintained acceptable margins in our international trade operations, as detailed in the enclosed Directors' Report. Our extensive correspondent network of 357 offices of renowned Banks worldwide positions us favorably to expand our trade activities and secure more favorable borrowing terms from globally recognized financial institutions.

Inward remittances also represent a key funding source for the bank. We actively work to maximize foreign remittance inflows through strategic partnerships with numerous Money Transfer Operators (MTOs) worldwide. By offering competitive market rates to expatriates for channeling their earnings through formal banking channels, we effectively discourage informal methods such as hundi. Furthermore, the government's provision of incentive on remitted amounts benefits recipients directly. Over the past year, our collaboration with MTOs enabled us to receive an impressive volume of foreign exchange, which was distributed through more than 3,500 outlets—including our branches and our partner NGO and partner bank nationwide. The success of these initiatives is further elaborated in the enclosed Directors' Report.

Our bank undergoes regular evaluations by the Bangladesh Bank and renowned rating agencies. These ratings are essential, as they influence our creditworthiness, share value, and overall market reputation. We have consistently received robust ratings over the past few years. These enhanced ratings underscore the bank's solid financial health and promising prospects for future growth. Our customers remain our highest priority, as they are the most important asset for sustaining our business in a competitive market.

We focus equally on customer retention and new acquisition by delivering personalized, prompt, and technologically advanced services. At NCC Bank, we are committed to meeting customer needs through innovative product and service offerings, and our ongoing efforts in this regard are reflected in our continuous success.

Our branch network is expanding in line with growing customer demand. New branches are established after thorough evaluation and with the necessary approvals from Bangladesh Bank, in accordance with established policies. As of December 31, 2024, our network comprises of 129 branches. With an extensive network of branches and ATMs across the country, NCC Bank is well-positioned to serve the nation effectively.

Our human resources are the cornerstone of our success, driving the bank toward its strategic objectives as set by the Board of Directors and implemented by our Management Team. Their dedication and hard work have enabled us to overcome numerous challenges and achieve significant progress. Recognizing that our employees are our greatest asset, we adhere to comprehensive policy guidelines that ensure their well-being in alignment with national laws and Bangladesh Bank directives. Our Training Policy, based on an annual needs assessment by the Training Institute, supports continuous professional development, and our structured annual appraisal process ensures that outstanding performance is recognized and rewarded, while areas for improvement are addressed appropriately.

In response to the evolving needs of our stakeholders and our commitment to delivering exceptional customer service, we remain open to embracing emerging technologies and adaptable to adopting new business models. At the heart of every strategy we formulate, our customers remain our central focus.

As a responsible corporate citizen, we are committed to investing in the communities where we operate by actively supporting initiatives that drive positive change and improve lives. We recognize that our long-term success is closely linked to the progress of the communities and individuals we serve. Over the years, we have demonstrated our commitment to social responsibility through strategic investments in various social initiatives, including education, healthcare, sports, art, and culture, reflecting our engagement with broader societal issues.

We have distributed agricultural materials & machineries among marginal farmers across the country as a part of corporate social responsibility to increase agricultural production. The bank is working for financial inclusion of mass people across the country as well as ensuring Financial Literacy specially for women for all as per Bangladesh Bank guidelines under SDGs. The bank also donated to the Chief Adviser's Relief Fund for the flood-affected people.

To empower the youth and nurture a skilled workforce, we provide scholarships to deserving yet underprivileged students. Additionally, our CSR expenditures are strategically allocated to support emergency disaster relief, enhance the lives of disadvantaged individuals, and promote women's empowerment.

Our performance in 2024 reaffirmed our strength and the resilience of our portfolio. As we look toward 2025, it is essential that we remain vigilant and responsive to emerging challenges. Simultaneously, we must continue to pursue excellence in our risk management and control frameworks while delivering exceptional service to our clients. The Board remains committed along with the management to create an optimal balance between growth opportunities and effective risk controls.

I would like to express my sincere appreciation to my fellow Board members for their invaluable support in policy formulation and strategic business decisions throughout the year. I also extend my heartfelt gratitude to the regulatory bodies such as Bangladesh Bank, the Bangladesh Securities and Exchange Commission, Stock Exchanges and our esteemed shareholders, patrons, well-wishers, and most importantly, our valued customers for their continued trust and support and prudent guidance in delivering excellence. Finally, I would like to commend the Management Team and all employees for their hard work and dedication, which have been instrumental in delivering strong results and maintaining the Bank's reputation and goodwill.



Alhaj Md. Nurun Newaz
Chairman



MESSAGE FROM MANAGING DIRECTOR

Message from the Managing Director

Bismillahir Rahmanir Rahim

Respected Valued Shareholders, Customers, and Stakeholders,

Assalamuaalikum Wa Rahmatullah

As we present the Annual Report 2024, I take immense pride in reflecting on a year marked by resilience, transformation, and forward momentum. In a rapidly evolving financial landscape, we successfully navigated global economic headwinds and various challenges in the domestic market, delivering sustainable growth, digital transformation, and superior customer experience. Our achievements stand as a testament to our agility, innovation, and unwavering commitment to excellence.

Global Economy & Domestic Economic and Banking Landscape in 2024

The global economy in 2024 faced persistent war, wave of government change in different countries, supply chain disruptions, and geopolitical uncertainties. These factors directly impacted financial markets, trade, and investment flows, challenging economic stability worldwide which attributed to global economic slowdown.

Global economic slowdown also impacted our domestic economy. Moreover, in Bangladesh, we faced various other challenges, viz, foreign exchange shortage, rising import costs for various reasons, and persistent inflationary pressure. To tame inflationary pressure, Bangladesh Bank abolished SMART rate on lending and allowed interest rate fixation on market mechanism, while, for the fixation of forex rate, crawling peg exchange rate system was introduced to stabilize the forex position, improve forex management, and maintain the reserve. Despite these adversities, the banking sector in general remained resilient, adaptive, and vibrant. However, some banks were facing pressure on liquidity and therefore, Bangladesh bank used to allow them liquidity support on regular intervals.

However, in the second half of 2024, Political change over followed by reforms, change in different organizations initially made the overall situation a bit uncertain; and consequently business activities got slowdown. Moreover, with the unearthing of significant numbers of directed/insider loan in different banks, recovery of which remained uncertain, NPL at the end of the year rose to a record high level, amount of which was BDT 3.45 Trillion, which was 20.2% of total loans outstanding in banking sector. However, though foreign exchange reserves showed signs of recovery later in the year. Enhanced remittance inflows, totaling USD 27 billion, played a key role in buffering the economy from external pressures. Despite the challenges, the banking sector achieved substantial profits through investments in government treasury bills. The stock market, however, faced a 16.5% decline in the DSEX index, influenced by inflation and political uncertainty. However, the planned reforms offer cautious optimism for a market recovery in 2025. On a positive note, export performance showed resilience, with total export earnings reaching USD 47.3 billion, driven by a 7.01% growth in the ready-made garment (RMG) sector. Remittance inflows also remained strong, contributing to economic stability.

Financial Performance & Strategic Growth of NCC Bank

Despite challenging economic and banking conditions, we achieved remarkable financial milestones, reinforcing our strong market position and customer trust. In 2024, our bank delivered remarkable financial growth, with total deposits increasing by 16.0% to BDT 25,735 Cr, reflecting a growing customers' confidence. Loans & Advances expanded by 5.1% to BDT 24,025 Cr, ensuring a moderate growth with SME business and retail financing; while trade finance surged, with import finance rising by 27.5% and export finance by 5.6%, reinforcing our active role in import-export facilitation. Remittance inflows saw a 5.56% increase, reaching USD 0.70B, driven by our digital remittance initiatives. Most notably, net operating profit soared by 34.6%, while net profit after tax growth was 1.3%, a result of strategic revenue optimization, operational efficiency, and cost control measures. However, Non-Performing Loans (NPL) stood at 7.32%, Although the figure was higher than that of the previous year due to some common reasons faced by the industry in general, the same was well below the industry average. It is noteworthy that, we have maintained enough provisions against those NPLs. Therefore, net NPLs stood at 1.27%. However, to reduce NPL and maintain asset quality at a desired level, we have already strengthened our concerned divisions by employing some experienced bankers and lawyers. Moreover, a good number of initiatives has been taken that will definitely yield a good result in the coming days. These achievements underscore our resilient banking operations, customer trust, and ability to adapt to financial market dynamics.

Accelerating Digital Banking & Transaction Services

In line with our vision for a digital-first banking future, we expanded our technology-driven financial ecosystem, offering seamless and secured banking experiences. In 2024, our digital banking ecosystem expanded significantly. Within a very short time of its launching, 20,000+ new customers onboarded to the NCC Always mobile app, processing BDT 200 Cr in transactions. Corporate Internet Banking, NCC ICON handled BDT 3,669 Cr, while transactions through our cards hit a record BDT 2,023 Cr. Additionally, A-Challan services processed BDT 1,428.75 Cr, facilitating digital government payments; and payroll services grew adding 36 corporate clients for seamless employer-employee banking solutions. We continued investing in AI-driven banking solutions, cybersecurity, and real-time transaction processing, ensuring convenience, security, and efficiency in our digital banking offerings.

Commitment to Sustainable & Inclusive Banking

Sustainability is a core pillar of our growth strategy, and we have significantly expanded our green banking and financial inclusion initiatives. In 2024, our commitment to sustainable and inclusive banking strengthened, with our sustainable finance portfolio expanded by 460% to BDT 14,000 Cr and Green Finance growth by 275% to BDT 656 Cr, supporting eco-friendly initiatives. We also encouraged Green Refinance facility to promote environmentally sustainable businesses. Our commitment to green and sustainable banking aligns with global ESG (Environmental, Social, and Governance) goals, ensuring that we create a lasting, positive impact on the economy and society. Key focus areas included Energy & Resource Efficiency, Blue Economy, Green Establishments, Circular Economy, Liquid Waste Management, Renewable Energy, and Eco-Friendly Brick Production, aligning with ethical and responsible banking practices.

In January 2024, NCC Bank launched "NCC Parama" to enhance women's financial inclusion and entrepreneurship, aligning with the SDGs. Under the motto "For Better You," it offers tailored deposit, loan, and card products. Within a few months of launching, deposits reached BDT 160 crore,

with 42% low-cost funds and 90% new customers, reflecting strong market acceptance. Parama also provides lifestyle banking and specialized financing, including Parama Nari Shabolombi Rin and Bangladesh Bank refinance loans, featuring simplified processing, flexible terms, and reduced interest rates, reinforcing NCC Bank's commitment to women's empowerment.

In 2024, NCC Bank PLC's Financial Inclusion Cell (FIC) made significant strides in expanding banking access to unbanked and marginalized communities. With a focus on No-Frill Accounts (NFAs) and School Banking Accounts (SBAs), the bank recorded 8,981 NFAs and 25,748 SBAs by year-end, accumulating deposits of Tk. 72.09 crore. The bank also introduced Financial Literacy Corners in 127 branches and conducted 18 Financial Literacy Programs. Additionally, 55 school banking campaigns engaged 13,740 students, parents, and individuals, fostering financial awareness. The Financial Inclusion Loan program disbursed Tk. 1.32 million, supporting grassroots entrepreneurs. NCC Bank's innovative initiatives, simplified account opening process, and competitive interest rates reinforce its commitment to sustainable financial inclusion and long-term customer engagement.

In 2024, we made significant strides in the SME sector by introducing dedicated RMs in all branches and sub-branches, driving notable growth. Our SME loan portfolio expanded by 11%, while the deposit portfolio grew by 9.70%. Additionally, we achieved 100% pre-financing and successfully disbursed 106.42% of our targeted agricultural loans, solidifying our competitive position among peers.

Initiatives for Customers' Delight

To enhance customer experience and drive innovation, the bank has introduced several strategic initiatives, including Shariah-based Islamic banking, offering seamless services through dedicated Islamic Banking Branch and windows nationwide. The transformation of Digital Financial Services (DFS) into a full-fledged business center enables customers to conduct banking transactions effortlessly from anywhere. With the NCC Always mobile app for individuals and NCC ICON internet banking for corporate clients, customers can access a comprehensive suite of banking services with enhanced convenience and security. Furthermore, the introduction of Internet Banking ensures a seamless, efficient, and user-friendly banking experience, delivering financial services directly to customers' fingertip while reinforcing the bank's commitment to digital excellence and financial inclusion.

Risk Management & Compliance Excellence

In a volatile economic climate, risk management remains a top priority. We have strengthened our credit assessment, monitoring of liquidity position, and asset quality control, ensuring a stable and resilient banking operation. A dedicated Task Force on NPL recovery has enhanced loan portfolio quality, while Asset Liability Committee optimized liquidity management strategies, ensured a stable funding position both local and forex for a desired business growth. Regulatory compliance with Bangladesh Bank's policies has always been a priority, reinforcing our commitment to financial stability, mitigating risks, and protecting stakeholders' interests. Our focus remains on judicious growth of our lending book optimizing risk adjusted return and ensuring compliance.

Empowering Our People & Leadership Development

Our employees are the driving force behind our success. We believe in continuous learning, leadership development, and performance-driven incentives. To drive excellence, we introduced performance-based promotions, bonuses, and incentives, ensuring that desired contributions are appropriately rewarded. In parallel, advanced training programs were launched to cultivate the next generation skilled banking professionals, aligning with our long-term vision for talent development. Organizational restructuring and process reengineering initiatives were undertaken to streamline processes, enhance efficiency, and boost productivity and ensure segment wise desired level of business growth. By empowering our people, fostering a culture of innovation, and promoting a growth-oriented mindset, we are building a more resilient, agile, and future-ready organization that can thrive in an evolving financial landscape.

Future Roadmap – 2025 & Beyond

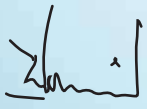
Our vision for the future is anchored in digital expansion, financial inclusion, and sustainable banking. Our key focus areas include expansion of SME and Retail Business, Shahirah Compliant Islamic Banking, enhance fee-based and commission-based income and inflow of forex by increasing remittance and export. We are scaling digital banking innovations by enhancing AI-driven solutions and expanding cashless transactions to offer more efficient and digital platform based services. In parallel, we are ensuring strengthening Retail, SME books and also careful expansion of Corporate lending book. On the top of our judicious expansion of lending book, our cautious efforts will continue to remain always for maintaining assets quality and meticulous compliance of rules and regulation. Moreover, as part of our commitment to sustainable finance, we will continue to invest in eco-friendly and green projects, contributing to a greener future. Additionally, our efforts for optimizing operational efficiency by leveraging cutting-edge technology to reduce costs and improve service delivery will continue. To ensure broader access to financial services, we are enhancing financial inclusion by reaching underserved communities through branchless banking and microfinance solutions on digital platform ensuring that no one is left behind in the financial ecosystem. Through strategic expansion, innovation, and customer-centric solutions, we aim to set new benchmarks for success in 2025 and beyond.

A Heartfelt Thank You

Our success is built on the trust and confidence of our customers, the vision of our Board of Directors, the dedication of our employees, and the unwavering support of regulators and all stakeholders. I extend my deepest gratitude to each of you for being an integral part of our journey.

As we embrace the opportunities of tomorrow, we remain committed to driving financial excellence, fostering innovation, and delivering long-term value for all stakeholders.

Together, we move forward with strength, resilience, and a shared vision for success.



M. Shamsul Arefin
Managing Director

Message from the Chief Risk Officer

Dear Shareholders,

Bangladesh's banking sector endured a catastrophic year in 2024, grappling with an acute liquidity crisis and record-high non-performing loans (NPLs), slow deposit growth, slow loan recovery and a lack of confidence in the banking sector as depositors' trust in banks has been severely shaken as many faced unprecedented difficulties withdrawing their hard-earned savings and number of rampant scams, especially at Shariah-based lenders. In addition, the volatile foreign exchange market, soaring inflation and the global geopolitical turmoil like continuation of Russia-Ukraine war, Middle-East crisis and ongoing supply chain disruptions were mentionable factors which hindered the economic growth of Bangladesh.

The year 2024 has been marked by significant economic shifts, regulatory changes, and evolving risk landscapes. The economic struggles and public discontent of Bangladesh culminated in the fall of an authoritarian regime, brought about by a widespread student-led uprising, further compounded by significant economic challenges. As the country enters a new era, it presents opportunities for much-needed reforms in the financial sector that can support the revival of the economy. In this context, Bangladesh Bank (BB) has initiated essential reforms to address long-standing structured problems in the banking sector and rebuild trust in the sector. Despite severe instability in the banking sector followed by the August Political changes, our Bank has been able to prove itself to be one of the most resilient banks of the country by continuing uninterrupted business operation and satisfactory customer services at time of crisis.

As the Chief Risk Officer of NCC Bank PLC, I am pleased to report that our bank has successfully navigated these challenges through a proactive and dynamic risk management framework.

Before I share my perspective on Bank-specific risk assessment, I have tried to provide a macro-overview of the broader developments in the external environment and the key actions taken by the Bank with a view to protecting business viability and ensure better superintendence of risks internal to the Bank.

Major Global Risk Issues in 2024	Impacts	Management
The U.S Presidential Election	• Trade policy uncertainty-leading to investment slowdowns in many sectors • Imposition of tariffs has affected Bangladesh's export revenues • Escalating trade tensions between the U.S., Europe and China lead to disruptions in global supply chain.	• Our main focus is to establish a strong risk culture that supports a consistent tone. Amid ongoing unrest and economic distress, we have successfully met our profit targets and reduced NPL ratio, reinforcing our stability and strength in challenging times. • We remained vigilant on the economic uncertainties that arose in the later part of 2024 as a result of the abrupt changes in the Government and lack of confidence in the banking sector created for rampant scams in the national economy. • In addition, we also continued to closely monitor factors related to changing international scenarios which have economic impacts.
The Ongoing Israel-Palestine Conflict	• Affecting energy markets, supply chains and financial stability • Humanitarian and reconstruction costs.	
Economic Downturn	• Adversely affected our export sector, particularly the ready-made garments industry.	
Influx of Inexpensive Imports	• The surge of low-cost goods particularly from China impacted local industries. • This posed challenges to domestic manufacturers, leading to concerns about competitiveness and potential job losses	
Rising Global Commodity Prices	• Higher prices for essential imports like fuel, wheat and edible oils • Increasing domestic inflation	

Major Global Risk Issues in 2024	Impacts	Management
Big Technology's Surge in AI Investment	• This influenced various industries and labor markets • AI generated misinformation and disinformation	
Ongoing Russia-Ukraine War	• Disrupted agricultural production and export activities, leading to shortages and escalating food and oil prices which have increased the inflation rates globally. • Several sanctions on Russia have lead to increased volatility in financial markets.	
Extreme Weather Events	• Pollution, particularly in the air and water, has lead to significant health risks and environmental degradation which has increased the frequency and intensity of unusually fierce climatological events causing widespread damage to infrastructure, disrupt supply chains, and threaten lives and livelihoods.	

Risk Management in NCC Bank PLC

Sound Risk Management System

The Risk Management System in NCC Bank includes policies, procedures, limits and controls that provide adequate, timely and continuous identification, assessment, evaluation, treatment, monitoring, review and reporting of risks posed by its operational activities as well as business expansion.

Board and Senior Management Overview

The Board of Directors (BoD) provide strategic direction and approves the overall business strategies and significant policies of the Bank, including those related to managing and taking risks in line with the regulatory guidelines; The Board also sets the Risk Appetite of the Bank at the beginning of the year. Policies, Procedures and Limits approved by the Board of Directors are tailored by Senior Management according to the types of risks that arise from the activities of the Bank.

Adequate Organizational policies and procedures

A Board-approved framework of policies and principles ensures that the Bank operates within its defined Risk Appetite. These policies and procedures are continuously refined and benchmarked against international best practices to enhance resilience and effectiveness.

Comprehensive Internal Controls and limits

The Bank's Internal Control System reviews effectiveness of risk management practices, confirms level of compliance and recommends improvements and enforces corrective action where necessary.

Ensure appropriate Management Information System (MIS)

NCC Bank ensures effectiveness of the risk measurement by monitoring and management of reporting system and escalates the inherent and potential risk to the Board and Senior Management of the Bank. Our effective management of appropriate MIS focuses:

A) Utilization of well-integrated core banking system (CBS).
B) Providing real-time analysis and reporting
C) Synchronized report management for regulatory bodies and stakeholders
D) Implementation of automated reporting for online and other digital transaction monitoring.

Bank's major risk indicators and their status in 2024:

Capital Adequacy and resiliency

Our Bank solemnly comprehends that capital plays a pivotal role in absorbing shocks under stressed scenario. We have been able to maintain strong capital base over the years. We meticulously conduct stress testing on our capital resilience under different shock scenarios and economic downtrends. NCC Bank was able to maintain Basel requirement for capital adequacy, which was 15.14% as on 31st December, 2024 against the regulatory requirement of 12.5%.

Credit Risk Management

Due to the nature of business Banks are very much prone to credit risk. The main objective of credit risk management is to minimize negative impact through adopting proper mitigation measures and to restrict credit risk exposures within acceptable limit. The Board of Directors sets credit policies and delegates authority to the management for setting procedures, which together have structured the credit risk management framework in the bank. The Credit Monitoring Division has been strengthened by deploying required skilled manpower. Law Division has been recast by appointing CLO and law officers in compliance to regulatory directives. Besides, we have formed a separate team according to the regulatory guidelines namely "Task Force to Recovery Classified and slow-moving Advances" chaired by the Managing Director to dedicatedly work on to reduce non-performing loans, decrease requirement of specific provision and interest suspense and improve the quality of assets of the bank.

At end of 2024 NCC Bank has been abled to restrict the NPL Ratio at 7.27% of total amount of loan outstanding. The acceptable rated customer (risk weight upto 100%) stood at 82.75 % to the amount of total rated borrowers at the end of December 2024. The Special Asset Management Team is actively engaged in the resolution and recovery of classified and written-off loans to ensure effective control and facilitate potential interest from acquiring institutions. Concurrently, the Credit Monitoring Team and the Stressed Loan Management Team are undertaking rigorous monitoring efforts to minimize past dues and improve the overall asset quality.

Asset-Liability Management (ALM) Risk Management

Asset Liability Management (ALM) in risk management involves balancing assets and liabilities to ensure financial stability and mitigate risks. Bank has been able to prove itself to be one of the most resilient banks of the country by continuing uninterrupted business operation and satisfactory customer services at time of crisis by focusing the following key risk areas:

- Liquidity Risk: Ensuring sufficient liquidity to meet obligations.
- Interest Rate Risk: Managing the impact of interest rate fluctuations on the value of assets and liabilities.
- Currency Risk: Managing exposure to currency fluctuations in global operations.
- Capital Adequacy: Ensuring sufficient capital is available to absorb potential losses.

NCC Bank has developed a comprehensive contingency funding plan which is a cash flow projection forecasting funding needs and funding sources under market scenarios including aggressive asset growth and rapid liability erosion. Bank's liquidity positions were among the best in management of different liquidity ratios like CRR, SLR, LCR, NSFR, MCO, MTFR and ADR etc. all through 2024.

Foreign Exchange Risk Management

Volatile foreign exchange market was the major concern in 2024 for Banks as well as business houses. Due to the crisis of US dollar, import payments was challenging as there was no other option to defer payment obligations with our international counterparties. In May 2024 Bangladesh Bank introduced crawling peg system in the Banking Transaction, which has been shifted to Foreign Exchange Spot Reference Exchange Rate (RR to control the reinless Fex Market of the country). However, we were able to survive the volatile market through rational management of our export proceeds and remittance collection. In addition to that, we have access to foreign currency from renowned correspondent foreign banks.

The FX Risk Management Desks of the Bank regularly monitored Dealers' Dealing Limit, Overnight Open Position Limit, Stop Loss Limit (per deal, per day, per month), long pending Un-reconciled Nostro Accounts, Non- Repatriation of Export Bills, un- matched overdue bill of entry, overdue accepted bills (Receivable & Payable) etc.

The Senior Management also strictly monitored these limits throughout the year 2024 and actual position never exceeded the set limits in 2024. We are confident to continue on expanding our relationship with foreign counter parts and remittance inflow in coming years.

Operational Risk Management

NCC Bank promotes proactive Operational Risk Management culture that starts with identification and escalation of risk. Risk Management Division (RMD) monitors specific Key Risk Indicator (KRIs) for centralized operating Units like CRM, NITS, CAD, CUGB, AML-CFT and Treasury Mid Office and regularly shares KRI monitoring result in periodic meeting of Risk Forum (RF) as well as in Executive Risk Management Committee (ERMC). Major focus of Operational Risk Management in NCC Bank revolves around managing AML risks, ICC risk, Complaint Management; identifying and mitigating risks escalated through different Business as Usual (BAU) operations and Audit & Inspection findings. During the financial crisis and liquidity crunch followed by the 5th of August 2024 political changes while a number of Banks struggled to retain customer confidence, we were able to serve our customers and counterparties with optimum satisfaction.

NCC Bank follows the following control and measurement process for Operational Risk Management:

- Regular monitoring of Manuals and Standard Operating Procedures.
- Review of system and network by concerned divisions and related committees on regular interval.
- Self-Assessment of Anti-Fraud Internal Control is being carried out with due diligence under the purview of best practices in the banking industry.
- Risk Based Internal Audit (RBIA), Comprehensive Audit, Special Audit are being carried out by Internal Control and Compliance Division.
- IT Audit is being carried out on a regular basis by separate IT Audit units.
- Independent Anti Money Laundering (AML) Audit is being conducted at branch level by Internal Audit & Inspection Division.
- Segregation of duties and multi-tier approval procedure are in place.
- Operational risk at different levels of activities through combined effort are escalated & captured, evaluated and mitigated in Risk Forum (RF) by related stakeholders.

Money Laundering & Terrorist Financing Risk Management

NCC Bank has implemented an enterprise-wide AML (Anti-Money Laundering) and CFT (Combating the Financing of Terrorism) compliance program, which covers all the activities of the Bank and is reasonably designed to comply with applicable laws and regulations. The Central Compliance Committee has met quarterly to take decision for implementing and enforcing the strategies and activities regarding AML/CFT issues in all area of banking. In the year 2024 officials of the ALM-ACT Division led by the CAMLCO of the Bank visited number of branches for checking of records, papers and documents related to Prevention of Money Laundering & Combating Financing of Terrorism; successfully arranged special awareness program, and teleconferences with Branches and also arranged several training sessions to develop the knowledge base of the desk officials regarding AML & CFT. Initiatives have also been taken to automate different report generation to expedite the monitoring system and expedite the accuracy of regulatory reporting.

Compliance Risk Management

NCC Bank employs a comprehensive approach to manage compliance risk, ensuring legal, regulatory and internal standards. The bank's Risk Management Committee oversees the identification, assessment and mitigation of various risks. The bank has also implemented robust internal control and compliance framework to monitor and ensure adherence to applicable laws and regulations.

NCC Bank believes in zero tolerance for breaching regulatory compliance. During the year 2024, all the regulatory requirements and reports were submitted with maintaining rigorous compliance. To identify control lapses across the bank NCC Bank scrutinizes Risk Based Internal Audit and Internal IT Audit Report; subsequent follow up with the relevant units is conducted by Compliance Unit of ICCD. Rigorous drives have been initiated in 2024 to regularize non-compliance issues with success. NCC Bank PLC established a separate Customer Service & Complaint Management Cell; a well-established process for settlement of complaints raised by customers and through Bangladesh Bank.

Our approach towards challenges during 2024

Throughout the year, we have undertaken several initiatives to enhance our risk management framework:

Digital Transformation Risk Assessment: Recognizing the increasing reliance on digital platforms, we conducted comprehensive assessments to identify and mitigate risks associated with digital banking.

Regulatory Compliance: We ensured strict adherence to regulatory directives, reinforcing our commitment to compliance and ethical banking practices.

Training and Development: Regular training sessions were organized to equip our staff with the necessary skills and knowledge to manage emerging risks effectively.

Risk Culture Enhancement: Conducted extensive training programs and awareness campaigns to embed a strong risk culture across all departments.

Stress Testing & Scenario Analysis: Performed comprehensive stress tests to assess our resilience against macroeconomic uncertainties.

ESG Risk Integration: Incorporated Environmental, Social, and Governance (ESG) risk considerations into our decision-making processes.

In 2024, NCC Bank PLC continued to strengthen its risk management framework, ensuring resilience and adaptability in a dynamic financial environment. Our commitment to proactive risk identification, assessment, and mitigation has been pivotal in safeguarding the bank's assets and stakeholders' interests. A significant milestone of this year was the successful organization of the "Annual Risk Conference-2024" at our Head Office themed "Fostering Proactive Risk Management Culture and Enduring Resilience Power," the conference underscored our dedication to embedding a robust risk management culture across all levels of the organization

Way forward

Bangladesh economy is undergoing a major transformation, and it will take some time for the positive impacts of various government actions to materialize fully. The current interim government's massive economic reform efforts can benefit the economy in the medium to long-term. Strong domestic political support for financial sector reforms and commensurate support from international development partners underpin the prospects for further momentum to economic recovery. These considerations notwithstanding, the near-term challenges continue to be: bringing down inflation further, maintaining exchange rate stability, sustaining the rebuilding of foreign exchange reserves, and reviving confidence in the banking system. Global economic uncertainties, coupled with domestic political uncertainties, create complex macroeconomic challenges requiring vigilance and proactive policy response.

Considering the mentioned overall global and national financial trend, growth and apprehension of risks, our bank will focus on compliance, resilience and strength in all the financial and non-finance concerns like capital adequacy, liquidity ratios, reduction of NPL, recovery against NPL, monitoring stressed loan, security coverage against disbursement of new loan limits etc. Focus will also be given in automation of data processing and report generation to expedite monitoring, As, we move forward, NCC Bank remains committed to:

Continuous Improvement: Regularly updating our risk management policies to align with global-best practices.

Stakeholder Engagement: Engaging with stakeholders to understand their perspectives and address potential risks proactively.

Technological Integration: Leveraging advanced technologies to enhance our risk detection and mitigation capabilities.

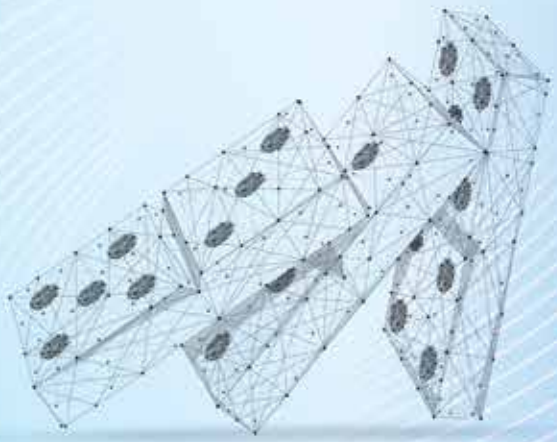
Resilient Banking: Fostering a resilient and adaptive risk culture to address emerging financial risks.

I extend my gratitude to the Board, Senior Management Team and all employees for their dedication to maintain a robust risk management framework. Our proactive approach will continue to drive NCC Bank toward sustainable growth and financial stability.

Sincerely,



M. Khurshed Alam
AMD & Chief Risk Officer



RISK MANAGEMENT REPORT

Risk Management Report for the year 2024

Risk Management in NCC Bank PLC

NCC Bank embraces risk management as an integral part of its business, operations, and decision-making processes. In order to ensure that NCC Bank achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the risk-taking process by providing independent inputs, including relevant valuations, investment evaluations, new product assessments, and quantification of capital requirements. This commitment to rigorous risk management not only safeguards the bank's assets but also underpins its capacity for enduring growth and value creation.

In 2024, The Economic Struggles and Public Discontent of Bangladesh was ended by the fall of the Fascist Government through a mass student-lead sanguinary protest in August that started in July 2024, which further compounded by significant economic challenges. Like all other Financial Institutions, our bank had also faced the same multifaceted economic landscapes, volatile foreign exchange market, inflationary pressure, trade uncertainties continue to roil commodity markets, exacerbated by growing rivalries among vital global powers.

Nevertheless, our bank has carried out business and operations towards achieving the target of budget according to the plans and strategies set at the beginning of the calendar year of 2024. Despite severe instability in the Banking sector followed by the August political changes, our Bank has proven itself to be one of the few resilient banks of the country by continuing uninterrupted business operation and satisfactory customer services at time of crisis. Our Bank has been successful in achieving the profit target and reduced the NPL ratio in this ongoing unrest and uncertain political turmoil and economic distress.

No business is immune from the possibility of risk. Though bank risk management programs cannot always ensure that problems do not arise, they can help businesses to survive crisis through careful contingency planning. Moreover, the practice of risk management can help customers to gain a sense of trust with the bank, which in turn may engender customer loyalty. The core objective of Risk management is to help reinforce our resilience by encouraging a holistic approach to the management of risk and risk adjusted return throughout our organization.

Our honorable Board Directors and Senior Management frequently communicate the importance of a strong risk culture to support a consistent tone from the top. Our employees exhibit behaviors that support a strong risk culture in line with our Code of Business Conduct and Ethics; thus, NCC Bank promotes a strong risk culture where employees at all levels are responsible for the management and escalation of risks. Our policies also assure that risk-related behavior is taken into account during performance assessment and compensation processes.

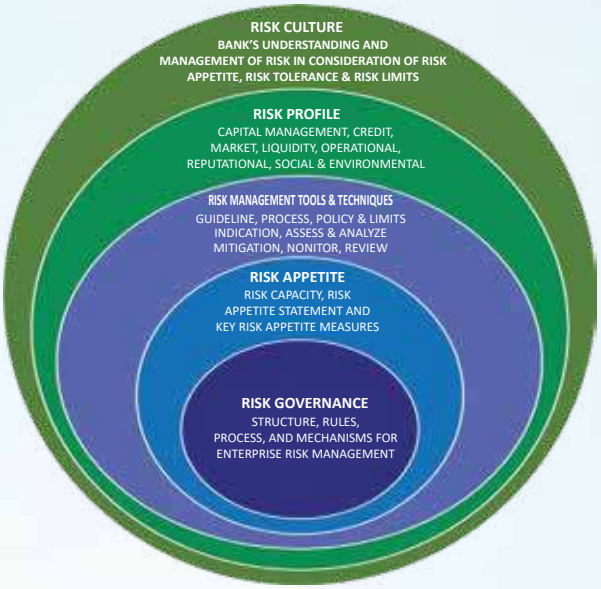
Risk Management framework

Risk Management Framework (RMF) is a set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organization. The notion of a risk management framework is essentially equivalent to the concept of Enterprise Risk Management (ERM).

The key purpose of risk management is to ensure that the outcomes of risk-taking activities are consistent with the Bank's strategies and risk appetite, and that there is an appropriate balance between risk and reward to maximize Shareholders' value. NCC Bank's Enterprise-Wide Risk Management Framework articulates the foundation for achieving these purposes. This Framework is subject to constant evaluation in order to meet the challenges and requirements including regulatory standards and industry best practices.

NCC Bank Risk Management Framework is designed to protect the capital base, reputation, revenue and earnings of the bank without compromising the growth of the Bank.

The Bank has a well-established risk governance structure, with an active and engaged Board of Directors supported by an experienced Senior Management Team and a dedicated Risk Management Team that is independent from the business lines. For sound risk management, NCC Bank manages risk at Strategic level, Managerial level, and Operational level; which operates under following structure:



Risk Governance at NCC Bank

Risk governance at NCC Bank primarily follows three-lines-of-defense-model, which is described below:

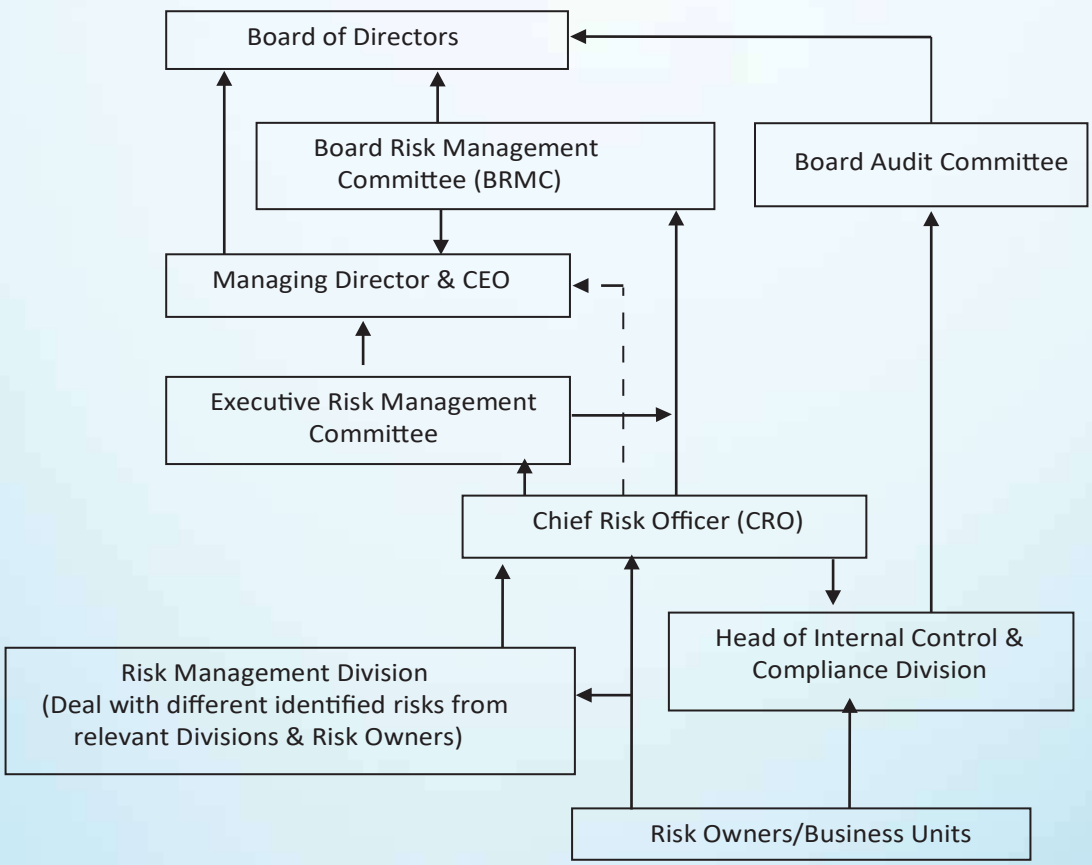
Lines of defense	Definition	Key Responsibilities
The First Line of Defense (Business & Operational Line)	Refers to those roles in the Bank whose activities generate risks, whether financial or non-financial, and who own and are accountable for these risks. Management control is the 1st Line of Defense,	• Embeds risk management framework and sound risk management practices into standard operation procedures. • Monitors risk management performance in operation. • Accountable for effectiveness of risk management in operation.
The Second Line of Defense (Risk Management & Other Control Functions)	Refers to the roles in the Bank which define the risk management framework for specific risk types. Risk control and compliance oversight functions established by NCC Bank management are the 2nd Line of Defense.	• Develops and implements risk management framework: policies, processes, systems, and tools • Identify, monitor and escalate risks and issues to the Chief Risk Officer, Senior Management and the Board to promote a healthy risk culture and good conduct. • Oversee and challenge first-line risk-taking activities and review first-line risk proposals. • Propose Risk Appetite to the Board; monitor and report adherence to Risk Appetite and intervene to curtail business if it is not in line with existing or adjusted Risk Appetite. • Ensure that there are appropriate controls to comply with applicable laws and regulations.

Lines of defense	Definition	Key Responsibilities
The Third Line of Defense (Internal Audit)	Refers to the Independent Internal Audit and Assurance, which is accountable for providing independent and objective assurance on the adequacy of the design, operating effectiveness and efficiency of the risk management system and systems of internal control.	• Reviews effectiveness of risk management practices, • Confirm level of compliance • Recommend improvements and enforces corrective action where necessary

Risk management outline in NCC Bank

- Each of the three lines of defense plays distinct roles in NCC Bank's broader governance framework.
- Every employee of NCC Bank is to act consistently in line with our risk appetite, risk management standards and values.
- The Management approved risk appetite is cascaded and adhered to across all dimensions of the Bank, with appropriate consequences in the event of a breach.
- Within NCC Bank's Risk Management Framework, Risks are first identified and assessed and then actively managed via appropriate risk mitigation and effective internal control systems.
- Risks are measured and escalated with accurate, complete and timely data using approved models.
- Regular stress tests are carried out against adverse scenarios and appropriate crisis response planning are thus established.

There is a clear risk management structure in NCC Bank that shows a well-defined reporting line:



Different Risk Management Committees of NCC Bank

Committee	Key Objectives
Board Risk Management Committee (BRMC)	Ensure management of Bank-wide risks within the risk appetite set by the Board of Directors.
Asset Liability Committee	Review the asset-liability position of the bank, ensure that all liquidity ratios are within permissible ceiling, and manage market risks.
Executive Risk Management Committee (ERMC)	Review the risk reports produced by different risk owners and Risk Management Division; and ensure all limits are within the Risk Appetite Limit.
Head Office Credit Committee	Review Bank's credit risk appetite, tolerance and strategy considering current and prospective macroeconomic and financial environment.
BASEL III Committee	Implementation of BASEL Accords as per the requirement of regulatory.
Internal Control & Compliance Committee	Review the findings of ICCD reports, external audit and BB inspection team and ensure compliance of the same within the shortest time.
Central Compliance Committee	Review Anti-money Laundering – Combating Financing of Terrorism (AML-CFT) guidelines and enforcing the strategies and activities regarding AML/CFT issues in all areas of the bank.
ICT Steering Committee	Provides guidelines related to risks, monitor and evaluates ICT projects implementation and achievements against ICT strategic plan.
Sustainable Finance Committee	Formulate, Review and update policies and guidelines related to Sustainable Finance, Environmental & Social Risk Management.
Customer Service & Complaint Management Committee	To deal and settle, maintain correspondence and respond duly and timely with the complaints received directly from customers and through Bangladesh Bank.
Task Force	"Task Force to Recovery Classified and Slow-Moving Advances" is a dedicated committee formed to reduce Non-performing Loans, decrease requirement of specific provision and interest suspense.

Effectiveness of Risk Management Framework in NCC Bank

NCC Bank has introduced flawless, operational and vigorous risk governance structure with well-defined sets of responsibilities duly approved by the Board of Directors. Identification and assessment of all material risks that are integral part of products, activities, processes and system are in process; and material risk profiles and its estimated loss are regularly monitored. NCC Bank focuses on optimization of capital utilization by providing sense of firm budgeting of Capital. We have also incorporated risk management activities in the Bank's overall business operation. The Board approved risk appetite, tolerance and limit statement for all material risks that articulate the nature, types and levels of risks those are regularly reviewed to strengthen the overall risk management practices and facilitate accurate capital planning.

Bank prioritized effectiveness of risk management above anything else, all the stakeholders in the three different layers of the framework are equally contributing in following manner to make it more effective according to the directives of Board of Directors (BoD):

- The Board of Directors (BoD) provide strategic direction and approves the overall business strategies and significant policies of the Bank, including those related to managing and taking risks in line with the regulatory guidelines; The Board also sets the Risk Appetite of the Bank at the beginning of the year.
- Policies, Procedures and Limits approved by the Board of Directors are tailored by Senior Management according to the types of risks that arise from the activities of the Bank.
- The Board Risk Management Committee (BRMC) oversees the overall risk management of the Bank. The

committee also reviews risk management policies & guidelines and submits to the Board for necessary revision each year.

- The Executive Risk Management Committee (ERMC), an apex body in management level to identify, measure and managing bank's existing and potential risks through detailed risk analysis, formulate risk policies for business units and implement the decisions of BRMC and Board meetings regarding risk issues.
- Chief Risk Officer (CRO) supervises the Bank's overall risk management function and the institution's comprehensive risk management framework across the entire organization.
- Managing risk for specific functions, NCC Bank has established Credit Risk Management (CRM) Division, Credit Administration Division (CAD), Internal Control and Compliance Division (ICCD), Risk Management Division (RMD), Information Security & IT Governance (ISG) and AML & CFT Division under a dedicated Chief Anti Money Laundering Compliance Officer (CAMLCO).
- Risk committees at management level, like Head Office Credit Committee (HOCC), Asset Liability Committee (ALCO), Senior Management Team (SMT), and Central Compliance Committee (CCC) etc. have been actively performing respective roles.
- Risk Forum (RF), consists of risk manager/associates from support functions and branches has been formed to ensure proactive risk escalation, assessment, reporting and monitoring for bank.
- Online risk escalation platform namely Risk Index promotes the risk identification and escalation culture, timely risk analysis and mitigation; open to all employees of the bank.

Risk Management Culture in NCC Bank

The bank has established an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how they are managed, considering risk tolerance and appetite. There are risks that pose greater threats to business objectives and must be addressed proactively. Therefore, it is imperative to implement effective policies and action plans to ensure sound risk management. In the banking sector with inherent risk, risk management is crucial for financial stability. To adhere to regulatory standards and global best practices, NCC Bank has developed its risk management culture through policies, examples, communication, and training of staff regarding their responsibilities for risk. Every member of the bank is fully aware of his or her responsibility regarding risk management. Risk-taking and risk management activities across NCC Bank are guided by the following ideas:

- **Balancing Risk and Reward:** Business and risk decisions are consistent with strategies and risk appetite.
- **Tone from the top:** Clear and consistent communication from leaders on risk behavior expectations and the importance of NCC Bank's values.
- **Understanding the Risks:** Material risks to which the Bank is exposed, including both financial and non-financial, are identified and managed.
- **Risk Reporting and Mitigation:** Emerging risks and potential vulnerabilities are proactively identified and reported to the authority concerned for sustainable mitigation.
- **Monitoring mitigation measures:** Monitoring expedites tracking of inherited risks and possibilities of repetition and ensures Bank's capacity to tolerate those risks.
- **Shared Accountability:** Every employee is responsible for managing risks relating to their field of work.
- **Performance and compensation structures:** Programs are designed to discourage and punish behavior that is inconsistent with the bank's values, policies and Code of Conduct.
- **Customer Focus:** Understanding our customers and their needs is essential to all business and risk related decision making.
- **Protection and retention of reputation:** All risk-taking activities must be in line with the Bank's risk appetite, NCC Bank's Code of Conduct, values and policy principles.
- **Control & Resiliency:** Maintaining a robust and resilient control environment to protect our stakeholders and control on Business, Service and Work Environment. Being prepared operationally and financially to respond to adverse events.

Risk Management Process in NCC Bank

Risk management function of NCC Bank strives to proactively anticipate vulnerabilities at the transaction as well as at the portfolio level, through quantitative and qualitative examination of the embedded risks. Risk is managed through a framework of policies and principles approved by the Board of Directors which ensures that the Bank operates within its Risk Appetite. The policies and procedures established for this purpose are continuously benchmarked with international best practices. Furthermore, the Internal Capital Adequacy Assessment Process (ICAAP) of the Bank assesses all the significant risks other than the risks under Pillar-1 of Basel III and calculates the adequate capital requirement.

As the objective of risk management process is to i***dentify the risk, assess & manage consequences of those,*** NCC Bank follows holistic approach towards an inclusive risk management process that starts with identification of risk.

Risk Identification: Beginning of understanding and managing risks and/or crucial activities; NCC Bank promotes proactive identification of risk, that includes the nature of risk, domain of risk, areas of impacts, events, their causes and their potential consequences, in order to measure and manage risk i.e. either mitigate or transfer the risk.

Risk Assess & Analyze: Identified risks are assessed as per the Risk Grading Matrix. Risk analysis involves measuring risk by considering consequences of an unfavorable event and likelihood of such event occurring. Factors that affect consequences and likelihood should also be identified. Risk analysis has been undertaken with varying degrees of detail, depending on the nature of risk, severity of risk; and the information, data and resources available. Analysis should be quantitative and qualitative in nature and the assessment process should be consistent for successful risk management.



Risk Control: The business strategy is considered while planning and setting control for mitigating risk. As risk management is balancing between risk and return, NCC Bank always tries to manage the risk without hampering the business growth and stakeholders' return. Internal Capital Adequacy Assessment Process (ICAAP) is one of the largest parts of planning and controlling risk.

Risk Mitigation: NCC Bank chooses the best option to eliminate or mitigate unacceptable risks after evaluating the exposed risks. The options include the following and applied either individually or in combination:

- Avoid the risk by deciding not to start or continue with the activity that gives rise to the risk.
- Accept and retain the risk by making informed decision and having plans for managing and funding the consequences of the risk if it occurs.
- Reduce the likelihood of the risk through staff training, changing procedures, or reduce the impact through diversifying credit portfolio, setting up off-site data backup etc.
- Share the risk with another party or parties through insurance, consortium financing, etc.

Monitoring: Risk monitoring is the most important and challenging task in the entire risk management process as monitoring helps the Bank to identify a probable risk at an early stage. Monitoring expedites tracking of inherited risks and possibilities of repetition and ensures an institution's capacity to tolerate those risks.

Risk Review: Risks need to be reviewed periodically to ensure that risk priorities do not alter in changing circumstances. Very few risks will remain static, therefore the risk management process needs to be regularly reviewed, so that new risks are captured in the process and effectively managed. Risk Management Plan at every business level should be reviewed at least on annual basis. Combined risk planning or risk review with annual business planning expedites the effectiveness of Risk Management Plan.

NCC Bank has undertaken the above process of risk management, which implies that if any risk(s) remains un-attended, that will be addressed through the review of the process which starts with identification of those risks and the process continues.

Risk Mitigation Methodology at NCC Bank

Success of business operation of NCC Bank mostly depends on balancing between risk and risk adjusted return. Ensuring sustainability among others is a basic requirement. Keeping the uncertainty in mind we have adopted a robust risk management framework to manage all material uncertainties in order to achieve the goal of the organization. Besides, bank identifies major risks that the bank is exposed to and takes necessary arrangement for managing and mitigating those on a continuous basis.

In managing investment, market, liquidity, and operational risks, the bank follows the latest six (6) Core Risk Management Guidelines, Stress Testing Guidelines, Recovery Plan and related circulars issued by Bangladesh Bank. Sound risk management includes different tools and models that are guided by the bank's risk appetite framework and integrated with the bank's strategies and business planning process.

Principal risk types at a glance:

Quantitative Risks	Quantitative Risks
• Credit Risk • Liquidity Risk • Market Risk • Strategic Risk	• Operational Risk • Reputational Risk • AML Risk • ICT Risk • Internal Control and Compliance (ICC) Risk • Environmental & Social Risk

Quantitative Risks	
Risk type: Credit Risk	Credit risk is the possibility of loss due to a borrower's defaulting on a loan or not meeting contractual obligations. Like on balance sheet claims such as loan and overdrafts and off balance sheet commitments such as guarantee, acceptance, letter of credit etc.
Governing documentation:	Credit Policies, Credit Risk Management Policies, Guidelines, Manuals, setting up of Credit Risk Appetite, Limit, Tolerance etc.

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- Formulation & review of credit risk management policies, guidelines, manuals, setting up of credit risk appetite, limit, tolerance etc. With due consideration for sector, industry, geographical location, regulatory limits, best practices, current business and economic conditions.
- Monitoring credit concentration and ensuring compliance of internal limit.
- Borrower evaluation through Internal Credit Risk Rating System (ICRRS) and Credit Rating Report from authenticated external agencies.
- Maintaining liaison with independent internal loan review desk as per revised CRM guidelines and ensuring its proper functioning.
- Monitoring and follow up loan portfolio to ensure good quality asset growth; overdue and stressed loans, SMA loans, NPL, law suit cases, written off loans, regular accounts with unsatisfactory repayment, loans having excess over limit, off-balance sheet exposures, forced loans, collateral against loans, credit rating of borrowers etc.

• Conducting and analyzing Stress Testing report, to understand shock resilience capacity of the bank, finding out the vulnerable areas that need to be addressed and accordingly advising the same to Senior Management and Board to ensure maintenance of adequate capital for absorbing unforeseen losses.	
Risk type: Liquidity Risk	Potential for loss arising from an institution's inability to meet its payment obligations in full and on time when they become due.
Governing documentation:	Asset Liability Management Policy

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- Hold appropriate levels of unencumbered high quality liquid assets that can be readily sold or pledged.
- Ensuring that the treasury department prepares Structural Liquidity Profile, projected sources and uses of funds, statement of total time and demand liabilities and monitors all regulatory liquidity ratios such as CRR, SLR, ADR, LCR, NSFR, MCO, MTFR etc.
- Monitor liability concentration, growth of asset and liability including off-balance sheet items, asset-liability of off-shore banking unit etc. to manage liquidity risk.
- Set liquidity strategy; Assess opportunity loss resulted from improper liquidity management.
- Conducting and analyzing Stress Testing report to understand shock resilience capacity of the bank, finding out the vulnerable areas that are needed to be addressed and accordingly advising the same to Senior Management and Board to ensure maintenance of adequate capital for absorbing unforeseen losses.

Risk type: Market risk	Risk of losses on financial investments caused by adverse price movements; which may impact the Bank's earnings and capital. The underlying risk is also considered as non-diversifiable risk, i.e. risk that cannot be avoided.
Governing documentation:	Asset Liability Management Policy, Foreign Exchange Risk Management Policy, Standard Operating Policy & Procedure Guidelines on Foreign Exchange and International Trade, Standard Operating Policy & Procedure Guidelines on Off-Shore Banking Operation

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- Measuring interest rate risk of the Bank by applying various tools such as sensitivity analysis, duration gap analysis etc. for determining the impact of interest rate fluctuation on the profitability of the bank.
- Monitoring foreign exchange-related risk such as exchange rate risk, maintenance of FX related limits, repatriation of export proceeds, outstanding of overdue accepted bill, reconciliation of long pending, Nostro account transaction etc. through concerned departments.
- Measuring equity price risk and Fex trade risk by using various tools like VaR and monitoring the same to keep market exposure safe and sound.
- Conducting and analyzing Stress Testing report to understand shock resilience capacity of the Bank, find out the vulnerable areas that are needed to be addressed and accordingly advising the same to Senior Management and Board to ensure maintenance of adequate capital for absorbing unforeseen losses.

Risk type: Strategic risk	It is the risk that a bank's business strategies are ineffective, being poorly executed or insufficiently resilient to changes in the business environment. Strategic risk refers to the internal and external events that may make it difficult, or even impossible, for an organization to achieve their objectives and strategic goals.
Governing documentation:	Risk Appetite, Annual Budget, Strategic Planning

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- It links the Bank's risk appetite framework with the enterprise strategy, business line strategies and corporate function strategies.
- NCC Bank believes that a prudent and proactive approach in managing strategic risks would deliver results and outperform its peers in many aspects including profitability, customer loyalty and market share.
- NCC Bank is very much focused in Strategic Risk; as it possesses a significant space in the ICAAP of the banks, in consideration to the following aspects:

- CAMELS rating – optimum level (satisfactory)
- Operating expenses as % of operating income - optimum level up to 45%
- Classified loans as % of total outstanding loans - optimum level up to 5%
- Classified loan recovery as % of total classified loans - optimum level minimum 20%
- Written-off loans as % of total classified loans - optimum level up to 15%
- Interest waiver as % of total classified loans - optimum level up to 5%.

Qualitative Risks

Risk type: Operational Risk	Operational risk summarizes the chances a company faces in the course of conducting its daily business activities, procedures, and systems. Operational risk is potential loss resulting from inadequate or failed internal process, people and system or from external events, including legal risk but excluding strategic and reputational risk.
Governing documentation:	HR Policies, Internal Control & Compliance Policy, Information Technology Policy, Policy & Procedure on General Banking Operations, Standard Operating Policy & Procedure on Finance & Accounts, social media Policy, Fund Transfer Policies.

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- Assisting in managing risks related to lapses in people, process and system.
- Identifying the vulnerable areas related to operational risk and suggesting Senior Management and the Board to review the existing policies to prevent recurrences of the unexpected incidents.
- Minimization of residual operational risk and
- Expressed quantitatively by an aggregate loss limit.

Third consultative paper of Basel-II recommended the following event-based classification of operational risks:

- Internal fraud.
- External fraud.
- Employment practices and workplace safety.
- Client, products and business practices.
- Damage to physical assets.
- Business disruption and system failure.
- Execution, delivery and process management.

NCC Bank follows the following control and measurement process for Operational Risk Management:

- Regular monitoring of Manuals and Standard Operating Procedures.
- Review of system and network by concerned divisions and related committees on regular interval.
- Self-Assessment of Anti-Fraud Internal Control is being carried out with due diligence under the purview of best practices in the banking industry.
- Risk Based Internal Audit (RBIA), Comprehensive Audit, Special Audit are being carried out by Internal Control and Compliance Division.
- IT Audit is being carried out on a regular basis by separate IT Audit units.
- Independent Anti Money Laundering (AML) Audit is being conducted at branch level by Internal Audit & Inspection Division.
- Segregation of duties and multi-tier approval procedure are in place.
- Operational risk at different levels of activities through combined effort are escalated & captured, evaluated and mitigated in Risk Forum (RF) by related stakeholders.

Risk type: Reputational Risk	Reputational risk is a threat or danger to the good name or standing of a business or entity. Reputational risk arises from the failure to meet stakeholders' reasonable expectation of bank's performance and behavior.
Governing Documentation:	Customer Service & Complaint Management Policy

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- Low tolerance for reputational, legal, or taxation risk arising from business activities, initiatives, products, services, transactions or processes, or from lack of suitability of products for clients.
- NCC Bank assesses reputational risk in ICAAP document under Pillar-2 by considering the following key indicators and maintains additional capital for these risks in case of requirement:
  - Credit Rating of the Bank conducted by ECAIs
  - Internal fraud and External fraud
  - Non-payment or delayed payment of accepted bills (foreign & domestic)
  - Quality of customer service.

Risk type: Money Laundering & Terrorist Financing Risk	Money Laundering Risk arises from non-compliance of money laundering related instructions of the regulatory body. Its consequences are dire & far-reaching and may be in the form of financial penalty, reputation loss, legal harassment and even the risk of sustainability.
Governing documentation:	Money Laundering & Terrorist Financing Risk Management Guideline, Guidelines for Trade Based Money Laundering, Customer Acceptance Policy

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- To prevent money laundering and combat terrorist financing through our banking channel, Bank has developed own Program, Policy & Procedure and Bank has proper Customer Due Diligence (CDD) & Enhanced Due Diligence (EDD) in place as per regulatory requirement for customer on boarding & their life cycle management.
- NCC Bank ensures the identity, source of fund, purpose of Account Opening, Sanction Screening of Customers and monitor customer transactions/activities for the purpose to identify the unusual transactions/activities.
- The Senior Management Role and their commitment towards prevention of money laundering and terrorist financing is one of the most significant strengths of our compliance structure.
- Anti-Money Laundering policy is reviewed at the beginning of every year; we have also developed the Guidelines for Trade Based Money Laundering,
- The Managing Director and CEO of the Bank conveys a special massage to all employees of the Bank which clearly sets forth the way forward for the present year and shares the initiatives taken in the previous year pertaining to combating Money Laundering & Terrorist Financing

Besides, NCC Bank had performed the following mentionable tasks in 2024:

- Furnished approximately 666 bank account information and 12 bank accounts Freeze-Unfreeze function of different persons/their associates/ institutions to BFIU, Bangladesh Bank from time to time.
- Arranged BAMLCO Conference for creating awareness.
- As a part of ongoing Employee awareness program on AML-CFT Issues, Bank has conducted workshop on AML/CFT Issues, where 278 participants participated in refreshers' training course on money laundering and 131 BAMLCOs attended training titled 'Training for BAMLCO's' during Jan-Dec, 2024.
- Bank has taken initiatives to review and update TP, KYC of all customers on a regular interval by Branch.
- AML-CFT Division has monitored branch activity on threshold based transaction (CTR, Structuring, and Large Volume Cash Transaction) to identify the unusual transaction or activity.
- Completed AML/CFT Questionnaire (KYC) before establishing RMA relationship with different Banks. Moreover, we have completed structured questionnaire of different remittance partner related to AML-CFT.
- Successfully arranged special awareness program, teleconference with Top 10 Model Branches and issued Circular & Instruction to make preparation for upcoming **BFIU System Check Inspection.**

Risk type: Information and Communication Technology (ICT) Risk	ICT risk is the risk of losses or potential losses related to the use of network information systems or communication technology, including breach of confidentiality, failure of systems, unavailability or lack of integrity of data and systems, and cyber security risk.
Governing Documentation:	Cyber Security Policy, IT Security Policy

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

The purpose of managing ICT risk is to provide continuous assurance on NCC Bank's information system security specially on integrity, confidentiality and availability of Information by assuring appropriate security controls are being implemented in all sectors. Unlike other organizations, ICT risk management is rapidly developing into a more forward looking, enterprise-wide approach. To ensure effective ICT risk management, NCC Bank focuses on being proactive, rather than reactive; manages risk for both competitive advantages and sustains profitability & growth. To establish this goal, NCC Bank prioritized actions to address ICT Risks more proactively. A competent ICT Risk Management framework is developed to address ICT risk with greater efficiency and outcome.

- NCC Bank PLC is an ISO 27001 Certificate and PCI DSS Complied Bank.
- NCC Bank PLC has comprehensive documented policy developed by Information Technology (IT) Division in compliance with regulatory and Bangladesh Bank regulations & guidelines.
- IT is dedicated to provide information security services & expert security guidance to all employees of the Bank to ensure confidentiality, integrity, & availability of the information assets & resources.
- IT Division conducts Information Security Risk Assessment of various Applications, Systems & Business Processes on regular basis with consideration of latest vulnerabilities, threats and information security breaches.

In addition, the main objective of ICT Risk Management is to limit the damages that can be done from any ICT process gaps or by the intruder and make sure the system remains secure and operational at desired timeline. Multiple initiatives have been taken to manage ICT risk and to improve the security posture of the Bank in 2024. Major initiatives are:

- Core Banking System (CBS) upgradation project is initiated to comply regulatory requirement and provide efficient service to bank users.
- Implemented DNS Security solution to provide an extra layer of security to internet enabled users to prevent users browsing harmful and malicious domain/website.
- Regular IT Risk Assessment is conducted to ensure IT risks are identified, planned for mitigation and escalated to concern stakeholders.
- DR site in different Seismic zone project has been initiated to expedite the protection and recovery of data and information for uninterrupted BAU.

Risk type: Internal Control and Compliance (ICC) Risk	Internal control is a process, rather than a structure, effected by a bank's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance.
Governing documentation:	Internal Control and Compliance Policy, All Internal Policies, Guidelines and SOPs.

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

NCC Bank has a defined and comprehensive policy guideline for internal control and compliance, which precisely articulated the followings:

- Responsibilities of the Board of Directors.
- Responsibility of Senior Management.
- Risk Recognition and Assessment.
- Control Activities and Segregation of Duties
- Management Reporting System
- Monitoring Activities and Correcting Deficiencies
- Role of External Auditors in evaluating Internal Control System
- Regulatory Compliance
- Establishment of Compliance Culture.

Internal control is the process, affected by a company's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies. Bank's senior management is responsible for establishing a compliance policy that contains the basic principles to be approved by the board and explains the main processes by which compliance risks are to be identified and managed through all levels of the organization.

Pillar 1 and Pillar 2 of Basel Accord also focuses on operational risk and supervisory review respectively attaching considerable importance to internal control & compliance and on supervision & monitoring. As prescribed in the Bangladesh Bank core risk guideline on Internal Control & Compliance, Senior Management Team (SMT) of NCC Bank reviews the overall effectiveness of internal control system.

Risk type: Environmental and Social Risk	Environmental and Social risk refers to the uncertainty or probability of losses that originates from any adverse environmental or Social change events (natural or manmade) and/or the non- compliance of the prevailing national environmental regulations.
Governing documentation:	Credit Policies and Manuals, Policy and Procedure Guideline on Sustainable Banking, Standard Operating Policy & Procedure on Environmental & Social Risk Management

Application to risk appetite limits/ tolerances and Risk Mitigation Methodology at NCC Bank:

- It is the risk that refers to possibility that environmental concerns might affect financial performance of the Bank.
- Ensuring that projects are developed in a socially responsible manner.
- How NCC Bank addresses the issue is more elaborately highlighted in the Sustainable Banking Report.
- NCC Bank follows Bangladesh Bank prescribed Environmental & Social Risk Management Manual (ESRM) to evaluate Customer Rating for all loan proposals (New / Renewal / Enhancement / Rescheduling / Restructuring).
  - In case the Environmental & Social Risk Rating (ESRR) is **High**, then the transactions are escalated to the Board/Executive Committee (as applicable) after review by the MD, for approval.
  - In Case ESRR is "**High**", the credit risk management function is to **ensures an E&S Action Plan (ESAP)** and include additional covenants/conditions to be used to mitigate the identified problems.

Different Risk Management Tools of NCC Bank

Effective risk management includes tools that are guided by the Bank's Risk Appetite Framework and integrated with the Bank's strategies and business planning processes.

Policies

Industry best practices and regulatory requirements are also factored into the policies. Policies are guided by the Bank's risk appetite and set the limits and controls within which the Bank and its subsidiaries can operate.

- Key risk policies are approved by the Board of Directors.
- Management level risk policies/ instructions manuals associated with processes such as Credit Instruction Manual and new products initiation are approved by senior executive management and/or key risk committees.

Guidelines

Ensure the Bank has the appropriate knowledge of clients, products, and markets and that it fully understands the risks associated with the business it underwrites. Guidelines may change from time to time, due to market or other circumstances. Risk taking outside of guidelines usually requires approval of the Bank's Managing Director & CEO.

Process

The activities are associated with identifying, evaluating, documenting, reporting and controlling risk.

Series of steps or actions that are taken to achieve the desirable outcome. We used processes to streamline operations and improve service to achieve better outcomes for customers.

Standards

Documents developed on an enterprise-wide basis in a series of policies, manuals and handbooks under the purview of Risk Management Division.

Limits

Control risk-taking activities within the tolerances established by the Board and senior executive management. Limits also establish accountability for key tasks in the risk-taking process and establish the level or conditions under which transactions may be approved or executed.

Key Risk Indicator (KRI)

The KRI is one of the effective tools for comprehensive risk management that should be maintained by each bank to identify the key business and financial risks, to define and implement respective controls/mitigating factors to reduce the risks faced by the bank and its subsidiaries. Business Line managers report the key risks issues to RMD as and when identified/detected. RMD reviews the KRI based on the reports provided by the line managers, RMD escalates the reported KRI risk issues to Executive Risk Management Committee (ERMC) for suggestions and mitigation measures, convey those to concerned units and submit the effectiveness of the mitigation measures with consultation of concerned units to Board Risk Management Committee (BRMC) on quarterly basis.

As part of effective risk monitoring activities RMD also review few regulatory KRIs against the specific assigned threshold for each KRI.

Stress testing

Allow the Bank to estimate the potential impact on income, capital and liquidity of significant changes in market conditions, credit environment, liquidity demands, or other risk factors. The development, approval and on-going review of the Bank's stress testing programs are subject to Bangladesh Bank's updated guidelines and instructions. Stress testing report is prepared on quarterly basis and presented to the Risk Management Committee of the Board and reports the same to Bangladesh Bank. Due to the efficient management of Risk Weighted Asset (RWA), bank's risk resilience capacity in different shock level has been stable during the year 2024.

Recovery Plan

Bank takes necessary and appropriate corrective action in timely manner in the deteriorated financial and operational situation i.e., to maintain its viability, as long as the bank has not yet reached the stage of non-viability as determined by Bangladesh Bank. Five stress events are assumed, and the stress scenarios included the hypotheses of devaluation of assets, reduction in borrowing capacity, reduced profitability, and deterioration in liquidity due to systemic or idiosyncratic instabilities of domestic or external origin. Bank identified a list of credible options that a bank could adopt to restore financial strength and viability for the bank to remain as a going concern

Different Risk Measurement Methods of NCC Bank

Risk Appetite, Risk Tolerance & Risk Limit

Risk Appetite refers to the amount and type of risk an organization is willing to accept in pursuit of its business objectives; Risk Tolerance is the specific maximum risk that an organization is willing to take regarding each relevant risk and Risk Limit is the thresholds to monitor that actual risk exposure does not deviate too much from the risk target and stays within an organization's risk tolerance/risk appetite. Exceeding risk limits typically act as a trigger for management action.

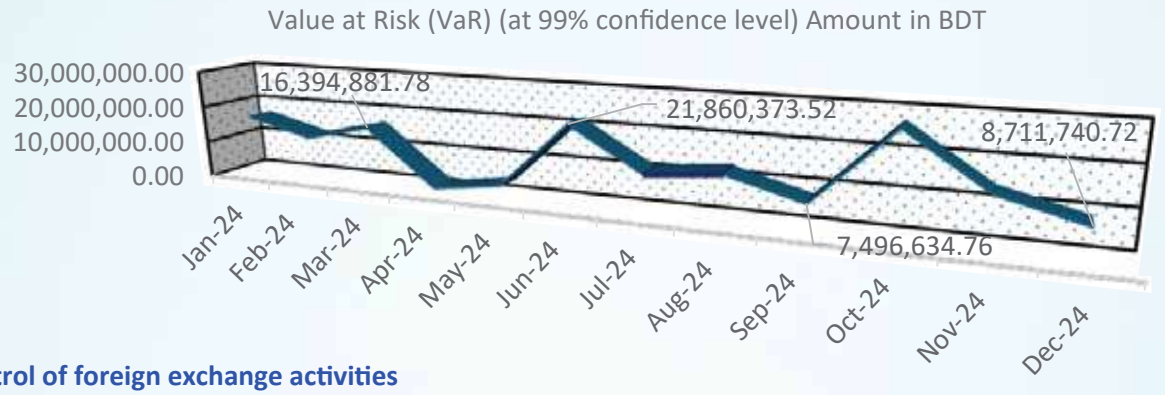
Setting up the risk appetite is an exercise where Bank's risk capital is allocated effectively and risk limits are set within the risk strategy of the Bank. Considering the importance and regulatory requirement, Risk Management Division of NCC Bank develops Risk Appetite Statement every year. The Bank had set parameter wise risk appetite by taking consideration of the Bank's historical trend, Central Bank's benchmark, International best practice and insights of senior management of the Bank.

Value at Risk (VaR)

VaR is a statistical method of measuring potential loss due to market risk based on a common confidence interval and time horizon. The Bank calculates VaR daily using a 99% confidence level, and a one day holding period for its trading portfolios. This means that once in every 100 days, the trading positions are expected not to lose more than the VaR estimate. The Bank calculates general market risk VaR using historical simulation based on 12 months market data.

NCC Bank measures and monitors Foreign Exchange Risk through VaR under variance – covariance method. Value-at-Risk estimates in 2024 (Loss in domestic currency in actual value) is presented below:

Month wise (2024) Value at Risk (VaR) (at 99% confidence level)



Control of foreign exchange activities

(a) Clear and effective segregation of duties between initiator of foreign exchange transactions and the operational units are ensured through organizational controls.

(b) Procedural controls are in action to ensure the following:

i. Compliance of Transactional record.

ii. Settlement of Transactions in time and with accuracy.

iii. Identification, MIS and Reporting of unauthorized dealing.

Gap Analysis

NCC Bank assesses the interest rate sensitivity of re-pricing mismatches in the Bank's non-trading operations. Interest rate sensitive assets, liabilities and off-balance sheet instruments of the Bank are assigned to define time periods based on expected re-pricing dates.

Duration Analysis

Duration GAP Analysis primarily aims to assess a bank's vulnerability to interest rate fluctuations by measuring the sensitivity of its Market Value of Equity (MVE). It evaluates how changes in interest rates affect the MVE and can be utilized to gauge the impact on the bank's equity value across various interest rate scenarios.

NCC Bank measures the relative sensitivity of the value of these instruments to changing interest rates (the average term to re-pricing) through duration analysis; and it reflects how changes in interest rates will affect the Bank's economic value, that is, the present value of equity.



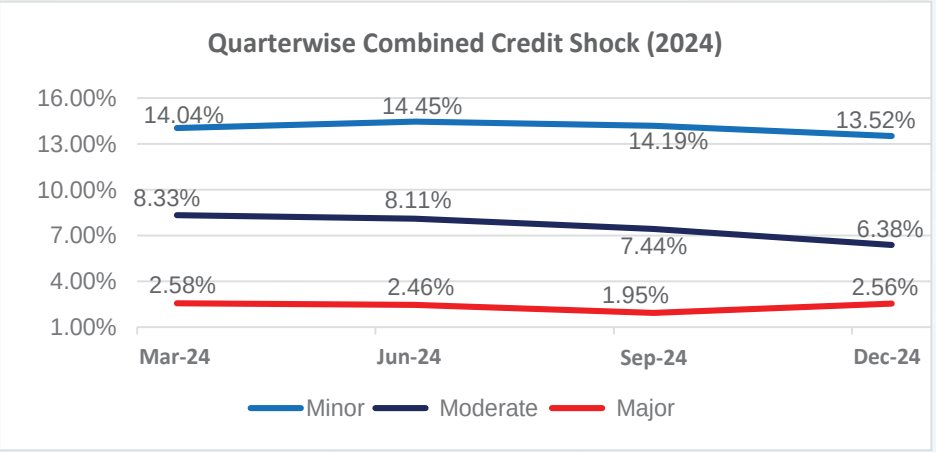
Quarter wise changes in Market value of Equity due to an increase in interest rates in 2024:
(Amount in BDT Crore)

Quarter	1%	2%	3%
Mar-24	-421.63	-843.26	-1264.89
Jun-24	-406.83	-813.66	-1220.49
Sep-24	-401.21	-802.42	-1203.63
Dec-24	-156.77	-313.55	-470.33

Combined Credit Shock:

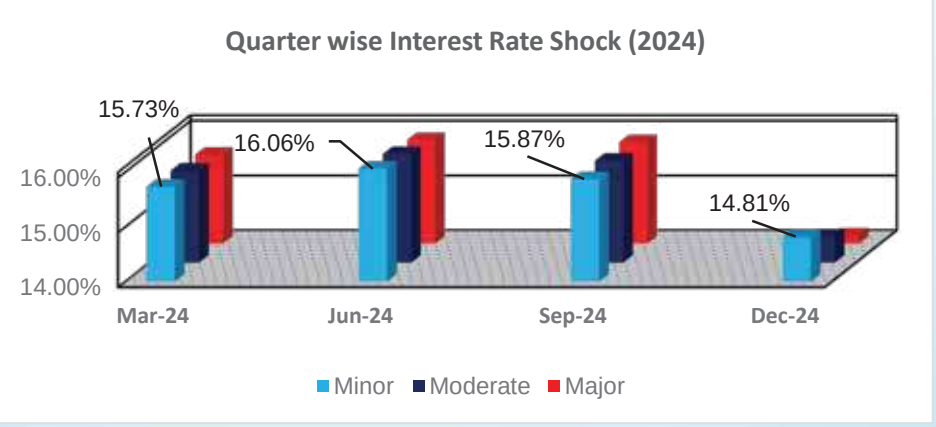
It is a calculation of Capital Adequacy Ratio (CAR) based on the combined credit shock of 06 kinds of credit shocks like Increase in NPL, Shift in NPL Categories, Fall in Forced Sale Value of Collateral, Increase in NPL in particular sectors or borrower segment etc. Capital Adequacy Ratio (CAR) of NCC Bank at the end of December Quarter 2024 will be 13.52%, 6.38% and 2.56% in minor, moderate and major levels of shock respectively when considering combined credit shock

Quarter wise Capital Adequacy Ratio after combined credit shock in 2024:



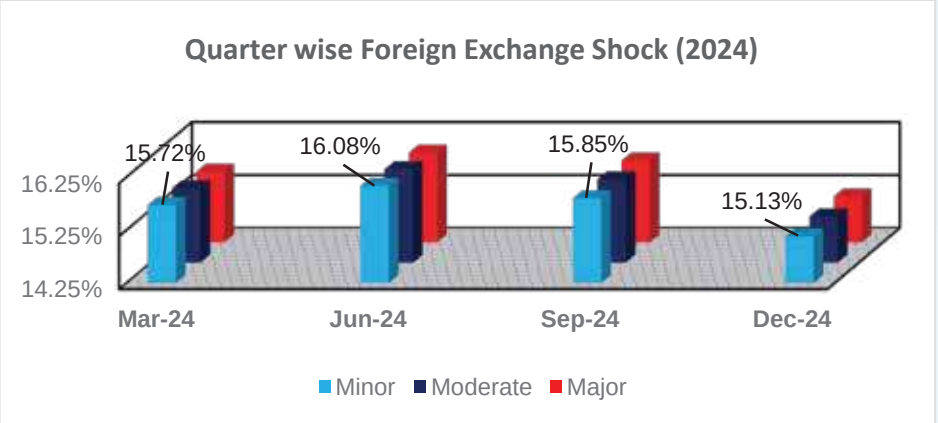
Interest rate shock

It is based on the assumption that the interest rate will change by 1 percent, 2 percent and 3 percent in minor, moderate and major levels of shock respectively, which represents the condition of the bank when interest rate changes significantly. Capital Adequacy Ratio (CAR) of NCC Bank at the end of December Quarter, 2024 will be 14.81%, 14.48% and 14.15% in minor, moderate and major levels of shock when considering individual shock, which reflects the bank's strong resilience capacity in this aspect.



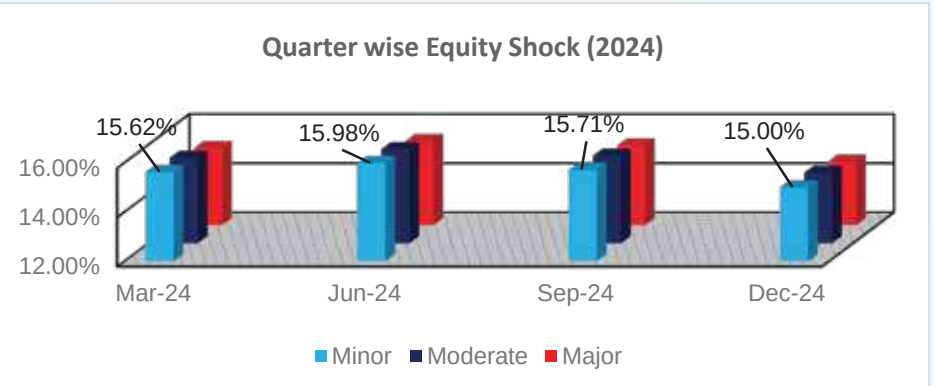
Foreign exchange shock

It is based on the assumption that exchange rate will change by 5 percent, 10 percent and 15 percent in minor, moderate and major levels of shock respectively; Significant changes in exchange rate is represented in this calculation. Capital Adequacy Ratio (CAR) of NCC Bank at the end of December Quarter, 2024 will be 15.13%, 15.12% and 15.11% in minor, moderate and major levels of shock respectively when considering individual shock.



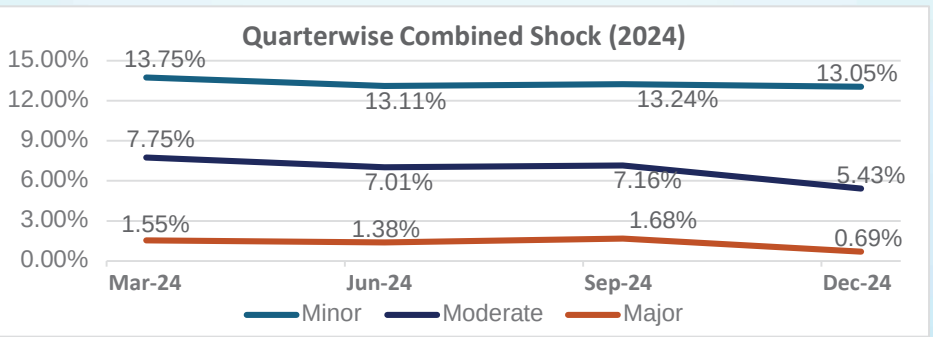
Equity shock

It is based on the assumption that share prices will change by 10 percent, 20 percent and 40 percent in minor, moderate and major levels of shock respectively; which represents the Bank's condition when market value of share falls sharply. Capital Adequacy Ratio (CAR) of NCC Bank at the end of December Quarter, 2024 will be 15.00%, 14.86% and 14.58% in minor, moderate and major levels of shock respectively when considering individual shock.



Combined Shock

Stress Testing result of combination of all shock states that Capital Adequacy Ratio (CAR) of NCC Bank at the end of December Quarter, 2024 will be 13.05%, 5.43% and 0.69% in minor, moderate and major levels of shock respectively. From the results of Combined Shock Stress Testing, it is reflected that the Bank can only absorb minor levels of shock. The Bank may require additional capital and reserve for absorbing Moderate and Major levels of shock, which are very unlikely in the industry.



For absorbing different shocks under Stress Testing, NCC Bank took the following measures:

- Exposure on Large Loan and Stressed Loan customers are being monitored closely.
- Rescheduled Loans are being monitored closely in order to avoid further classification.
- Emphasize on enhancing collateral coverage against large loan exposure.
- Persuading Corporate and CMSME customers for new/renewal of ECAI's credit rating.
- Expedited focus on Pre-finance and Re-finance based CMSME business
- Consumer Loan lending through retail, women banking and cards and
- Concentrate in Islamic Banking Business.

DISCLOSURE ON RISK REPORTING OF NCC BANK PLC

Risk management report addresses the disclosure requirements of Basel III pillar 3, and materials risk that affect bank's earning, capital and shareholders' value and management action plan against the risks set out by Bangladesh Bank.

Risk Management Report of the Bank is being prepared on monthly basis considering the risk issues related to credit, market, liquidity, operational, reputational, money laundering, compliance, capital adequacy and submitted the same before management & Bangladesh Bank. Executive Risk Management Committee (ERMC) of our Bank reviews these risk papers on periodical intervals and recommend action plans to the concerned department for mitigating the identified risk issues and follow-up the implementation of previous decisions. Ten ERMC meetings were held during the year 2024.

RISK REPORTS

Name of the Report	Frequency	Frequency Purpose
Monthly Risk Management Report (MRMR)	Monthly	Providing a comprehensive overview of the Bank's risk profile.
Comprehensive Risk Management Report (CRMR)	Half Yearly	Providing comprehensive overview of the Bank's risk profile with specific findings and recommendations to manage risk.
Internal Capital Adequacy Assessment Report (ICAAP)	Annually	Determining capital adequacy against the Bank's overall risk profile under Pillar II of Basel III.
Market Discipline	Annually	Disclosing key information of Bank's assets, risk exposures, risk assessment processes, and capital adequacy to meet the risks so that stakeholders can assess the position of the bank.
Stress Testing	Quarterly	Conducting scenario analysis under a set of exceptional, but plausible assumptions to assess the impact of capital base under different shock level.
Risk Appetite Statement	Annually	Determining the level and type of risk the Bank is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders
Recovery Plan for the Bank	Annually	Five extreme stress events are assumed, and the stress scenarios included the hypotheses of devaluation of assets, reduction in borrowing capacity, reduced profitability, and deterioration in liquidity due to systemic or idiosyncratic instabilities of domestic or external origin.

Basel III Approach Adopted

Basel III, a Global Regulatory Framework for Resilient Banks and Banking Systems, is an evolution rather than a revolution for many banks. It was developed from the existing Basel II framework, and the most significant differences for banks are the introduction of a simple, transparent, non-risk based regulatory leverage ratio, enhanced minimum capital requirements and strengthen banks' transparency and disclosures instead of Crisis Management. Full, timely and consistent implementation of Basel III is fundamental to a sound and properly functioning banking system that is able to support economic recovery and growth on a sustainable basis.

Globally Basel III was introduced in 2010 as the previous version of capital standard, was felt inadequate to maintain financial stability during global financial crisis started in 2007 with the intention of gradual implementation starting from January 01, 2013 and full implementation starting from January 01, 2020. Key Features of Basel-III are:

i. Improve the banking sector's ability to absorb shocks arising from financial and economic stress;
ii. Reducing the risk of spillover from the financial sector to the real economy;
iii. Improve risk management and governance as well as strengthen banks' transparency and disclosures instead of Crisis Management.

In compliance with the 'Revised Guidelines on Risk Based Capital Adequacy (RBCA)' issued by Bangladesh Bank in December 2014, banks in Bangladesh have formally entered into Basel III regime from January 01, 2015, which was fully implemented from January 2020. The new capital and liquidity standards have greater business implications for banks. NCC Bank has also adopted Basel III framework as part of its capital management strategy in line with the revised guidelines. These Market discipline disclosures under Basel III are made following the same guidelines in order to complement the minimum capital requirements and the supervisory review process. Establishing a transparent and disciplined financial market through providing accurate and timely information related to liquidity, solvency, performance and risk profile of a bank is another important objective of this disclosure.

Capital:

Regulatory capital base is quite different from accounting capital. As per Basel III guidelines, regulatory capital consists of Tier-1 (Common Equity Tier 1 and Additional Tier 1) and Tier 2 capital. Tier I Capital is known as going concern capital and Tier II Capital also known as gone concern capital.

- Common Equity Tier-1 (CET1) capital of NCC Bank consists of Fully Paid-up Capital, Statutory Reserve, General Reserve, Retained Earnings and Dividend Equalization Fund.
- Additional Tier 1 (AT1) Capital of NCC bank consists of Instruments issued by the Bank that meet the qualified criteria of AT1 (as specified in Annex 4 for Basel III Guidelines).
- Tier-2 capital of NCC Bank consists of general provision and subordinated debt.

Quantitative disclosures

AMT in million BDT

Particulars	As on 31-12-24	
	Solo	Consolidated
Common Equity Tier-1 (CET-1) Capital	24,269.89	24,404.92
Regulatory adjustments	(176.30)	(176.62)
Total Common Equity Tier -1 Capital	24,093.59	24,228.30
Total Admissible Additional Tier 1 Capital	5,000.00	5,000.00
Tier-2 Capital (after regulatory adjustment)	3,122.67	3,409.23
Total Regulatory Capital	**32,216.26**	**32,637.53**

Besides meeting regulatory capital requirement, the Bank maintains adequate capital to absorb material risks foreseen. Therefore, the Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently above regulatory requirements during 2024. The surplus capital maintained by NCC Bank will act as a buffer to absorb

all material risks and to support future activities. To ensure the adequacy of capital to support the future activities, the bank assesses capital requirements periodically considering future business growth. The SRP team is taking active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to.

Quantitative disclosures

AMT in million BDT

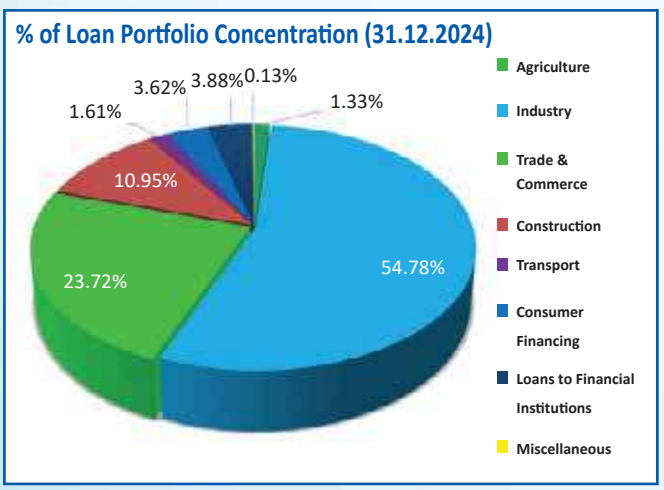
Particulars	As on 31-12-24	
	Solo	Consolidated
Risk Weighted Asset - Credit Risk	182,383.41	181,500.07
Risk Weighted Asset - Market Risk	10,393.39	11,077.04
Risk Weighted Asset - Operational Risk	20,060.81	20,011.84
Total Risk weighted Assets	**212,837.62**	**212,588.95**
Minimum capital requirement (MCR)	21,283.76	21,258.89
Total Regulatory Capital	**32,216.26**	**32,637.53**
Capital to Risk Weighted Asset Ratio	**15.14%**	**15.35%**
Common Equity Tier-1 (CET-1) Capital Ratio	11.32%	11.40%
Tier-1 Capital Ratio (Minimum required 6%)	13.67%	13.75%
Tier-2 Capital Ratio (Maximum limit 4%)	1.47%	1.60%

Overall Credit Portfolio disclosure

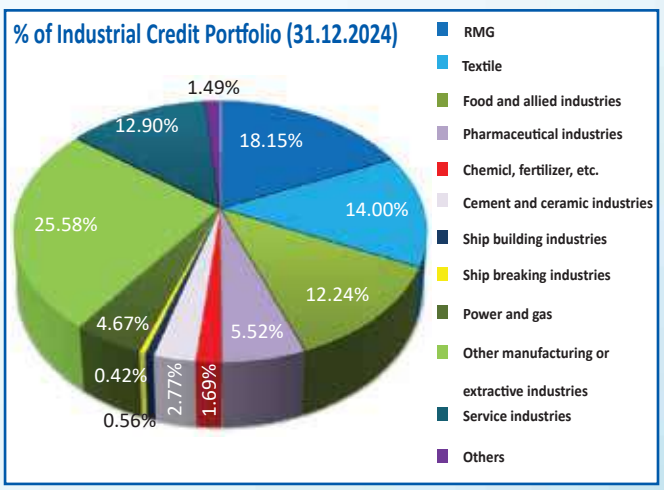
Banks are very much prone to credit risk due to its core activities i.e. lending to Corporate, Consumer, SME, another bank/FI. The main objective of credit risk management is to minimize negative impact through adopting proper mitigates and to limit credit risk exposures within an acceptable limit.

The Board of Directors (BoD) sets credit policies and delegates authority to the management for setting procedures, which together has structured the credit risk management framework in the bank. The Credit Policy Manual contains the core principles for identifying, measuring, approving, and managing credit risk in the bank and is designed to meet the organizational requirements that exist today as well as to provide flexibility for future. These policies represent the minimum standards for credit extension by the bank, and are not a substitute of experience and good judgment.

Total gross credit risk exposures (by major sectors):



Total credit risk exposures (by industrial concentration):



The Bank ended the year with 7.27% Non-performing loan or classified loan which was amounted to BDT 17,588.98 Million. We recovered BDT 2,217.23 Million against Classified loans of 2023 in the year 2024.

(AMT in Million BDT)

SL	Status of classifications	31.12.2023	31.12.2024	Increase/decrease (in %)
1	Unclassified standard (including staff loans)	210,811.49	216,053.02	2.49%
2	SMA	4,930.06	6,605.24	33.98%
3	% of Total Loan	2.16%	2.75%	27.53%
4	SS	627.73	328.99	-47.59%
5	DF	224.99	147.98	-34.23%
6	Bad and Loss	12,102.45	17,112.01	41.39%
7	Total CL	12,955.17	17,588.98	35.77%
8	Total loans and advances	**228,696.72**	**240,247.24**	**5.05%**
9	NPL Ratio	5.66%	7.27%	28.45%
10	Cash recovery against classified loans during the year	1,695.20	2,217.23	30.79%

Market Risk Management Disclosure

Market Risk encompasses the risk of adverse impacts on the value of both on and off-balance sheet positions due to changes in equity prices, interest rates, and currency exchange rates. Our aim with respect to market risk is to strike a balance between risks and return that is optimal, while also fulfilling the needs of our customers, through our policies and procedures.

The primary categories of market risk for the bank are:

- Interest rate risk
- Currency exchange rate risk
- Equity price risk

Bank has a comprehensive Treasury Trading Policy, Asset-Liability Management Policy, Investment Policy approved by the BoD to assess, monitor and manage all the above market risks. Various internal limits have been set to monitor market risk and capital requirement is assessed as per standardized approach of Basel III

Methods used to measure Market Risk: Bank applies maturity method in measuring interest rate risk in respect of securities in trading book. The capital charge for entire market risk exposure is computed under the standardized approach using the maturity method and in accordance with the guideline issued by Bangladesh Bank.

Market Risk Management System: The ALCO regularly monitors a number of ratios to manage the interest rate risk, with key ratios such as Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio and Short term borrowing to Liquid assets ratio. Additionally, the ALCO also regularly tracks the interest rate sensitive gap and duration gap of the total portfolio.

To manage foreign exchange risk of the bank, the bank has adopted the limit set by central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher.

Capital charge required for market risk on the reporting date 31-12-2024:

(AMT in Million BDT)

Particulars	As on 31-12-2024	
	Solo	Consolidated
Interest Rate related instruments	216.27	216.27
Equities	668.11	736.47
Foreign Exchange Position	154.96	154.96
Commodities	-	-
Total	**1,039.34**	**1,107.70**

Operational Risk Management Disclosure

The bank captures some identified risk events associated with all functional departments of the bank through standard reporting format, Departmental Control Function Check List (DCFCL), Quarterly Operation Report (QOR), Key Risk Indicator (KRI), internal audit, monitoring, and system check etc. Internal Control and Compliance Division (ICCD) is detecting 'High' Risk areas and finding mitigation of those risks. ERMC also oversees the operational risk issues. ERMC analyzes 'high' and 'moderate' risk indicators and sets responsibility for specific people to resolve the issues.

The bank applies 'Basic Indicator Approach' of Basel III as prescribed by BB in revised RBCA guidelines. Under this approach, banks have to calculate average annual gross income (GI) of last three years and multiply the result by 15% to determine required capital charge. Gross Income is the sum of 'Net Interest Income' and 'Net non-interest income' of a year or 'Total Operating Income' of the bank with some adjustments as noted below. GI shall:

- Be gross of any provision (e.g. for unpaid interest),
- Be gross of operating expenses, including fees paid to outsourcing service providers,
- Include lost interest i.e. interest suspense on classified loans (SS, DF, BL)

Capital charge required for operation risk on the reporting date 31-12-2024:

Solo BDT 2,006.08 million and Consolidated BDT 2,001.18 million.

Liquidity Risk Management disclosure:

Liquidity risk arises from mismatch in the expected level of cash flows from maturing assets and liabilities. The intensity and sophistication of liquidity risk management system depends on the nature, size and complexity of a bank's activities. Sound methods in measuring, monitoring and controlling liquidity risk is critical to sustainability of the bank. Therefore, The Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management. NCC Bank maintained very strong liquidity ratios all through 2024.

NCC Bank position in managing liquidity risk are as follows:

Measurement tools	Parameters	NCCBPLC's Position	
		31.12.2023	31.12.2024
Cash Reserve Ratio (CRR)	>4.00%	4.04%	4.12%
Statutory Liquidity Requirement (SLR)	>13.00%	24.84%	26.45%
Maximum Cumulative Outflow (MCO)	<17.00%	14.60%	15.44%
Medium Term Funding Ration (MTFR)	>1.00	0.97	0.91
Advance Deposit Ratio (ADR)	< 87.00%	85.57%	82.03%
Liquidity Coverage Ratio (LCR)	>100.00%	121.34%	114.78%
Net Stable Funding Ratio (NSFR)	>100.00%	104.78%	110.66%
Wholesale Borrowing (Fortnightly Average as % of Regulatory Capital)	≤100.00%	57.99%	35.78%

Disclosure on Risk Appetite & Risk Limit

As stated earlier, risk appetite refers to the broad types and amounts of risks that a bank is willing to undertake in implementing its business strategy. Considering the importance and regulatory requirement, Risk Management Division of NCC Bank had developed risk appetite for the year 2024 as below:

Areas	Risk Appetite	NCC Bank's position	
		2023	2024
Credit Risk			
Non-Performing Loans (NPL)	Less than 4.90%	5.66%	7.27%
Maximum funded exposure to any single obligor	Less than 15%	9.78%	13.02%
Large Loan concentration	Less than 46%	31.55%	28.42%
Loan concentration on top 20 borrowers	Less than 22.50%	19.97%	20.02%
Off Balance Sheet exposure as percentage to Total Assets	Less than 45%	36.48%	38.52%
Market Risk			
Impact on Net Interest Income (NII) due to 1% change in interest rate	Less than Tk. 85.00 Crore	80.69	31.88
Value at Risk (VaR)	Less than TK 0.89 Crore	0.51	0.87
Concentration on top 10 depositors	Less than 16%	6.34%	9.34%
Capital Market exposure	Less than 25%	21.92%	20.68%
Liquidity Risk			
Advance to Deposit Ratio (ADR)	Less than 87%	85.57%	82.03%
Liquidity Coverage Ratio (LCR)	More than 110%	121.34%	114.78
Net Stale Funding Ratio (NSFR)	More than 100%	104.78%	110.66%
Maximum Cumulative Outflow (MCO)	Less than 17%	14.60%	15.44%
Operation Risk ***(% of last 3 years' avg operating profit)***			
Internal Fraud	0.10%	0.00	0.00
External Fraud	0.10%	0.00	0.00
Employment practice & Workplace safety	0.20%	0.00	0.00
Clients, products and business practices	0.20%	0.00	0.00
Damage to physical assets	0.20%	0.00	0.00
Business disruption and system failure	0.20%	0.00	0.00
Overall operational risk	1.00%	0.00	0.00
Capital Management		**(Amt. in Crore Taka)**	
Common equity tier 1 (CET 1) Capital		2,354.58	2,409.36
Additional Tier 1 (AT 1)		500.00	500.00
Tier 2 (General Provision & Subordinated debt)		451.39	312.27
Total Capital		3,305.98	3,221.63
Risk Weighted Asset		20,776.21	21,283.76
Leverage ratio	More than 3.50%	7.80%	7.49%
Common equity tier 1 (CET 1) ratio	More than 4.50%	11.33%	11.32%
Capital to Risk weighted Assets Ratio (CRAR)	More than 12.50%	15.91%	15.14%

In addition to this, there is a separate disclosure on Basel Reporting.

Involvement with Green Certified RMG Factories of NCC Bank PLC.

Bangladesh can be proud to have 243 LEED certified green factories. Most of which are in the RMG sector. Among these LEED certified garment factories, 101 are platinum rated, 128 are gold rated, and 10 are silver rated, and 04 are certified only. Among world's top 100 LEED certified green factories, 68 reside in Bangladesh. According to the BGMEA, almost 500 more garment factories are in the pipeline for green LEED certification from the United States Green Building Council (USGBC) for their green initiatives. Environmental, Social, and Governance (ESG) initiatives are always gaining importance in NCCBL. At the first step we run ESCR (Environmental & Social Compliance Rating). We always try to book top ESCR-rated client. Under these initiatives, we also focused our attention on financing environmentally friendly projects such as Green Building construction, Energy-efficient machinery installation, Solar Panel installation, setting up ETPs, etc. and channelling the finance through Bangladesh Bank's Pre/Re-finance program for Sustainable/ Green initiatives.

Currently, a good number of our customers in the RMG sector are LEED Certified Green Factory in different categories.

LEED Certified Green Building Factory having business with NCC Bank PLC:

SL	Client Name	Certification Category	Certification Date	Branch
1	Golden Stitch Design Ltd	Platinum	24.05.2021	Banani
2	Remi Holdings Ltd	Platinum	11.02.2022	Kawranbazar
3	Jinnat Knitwears Ltd. (RMG Building)	Platinum	20.12.2022	Banani
4	Jinnat Knitwears Ltd . (Printing Building)	Platinum	20.12.2022	Banani
5	Intrega Dresses Ltd	Platinum	22.11.2023	Uttara
6	S. M. Sourcing	Platinum	12.12.2023	Mirpur Road
7	K. C. Bottom & Shirt Wear Ltd	Platinum	18.04.2024	Mailbag
8	K. C. Jacket Wear Company Ltd	Platinum	17.05.2024	Malibagh
9	Big Boss Corporation Ltd	Platinum	22.06.2024	Moghbazar
10	Aptech Caswier Ltd	Platinum	22.06.2024	Moghbazar
11	Basic Shirts Ltd	Platinum	05.07.2024	Uttara
12	Ananta Huaxing Ltd	Gold	28.06.2017	NCC Bank Bhaban Branch
13	Ananta Appareals Ltd	Gold	28.06.2017	NCC Bank Bhaban Branch
14	Aspire Garments Ltd	Gold	10.07.2017	Gulshan
15	Swisstex Packaging Accessories Ltd	Gold	21.12.2022	Savar
16	Well Fashion Ltd & Well Dresses Ltd	Gold	22.08.2022	Agrabad
17	Faiza Industries Ltd	Gold	13.07.2022	Banani

NCC Bank PLC have the following agreement with Bangladesh Bank for getting Sustainable/ Green Pre/Re-finance to facilitate environment-friendly RMG Factories:

1. Green Transformation Fund (GTF),
2. Technological Development Fund (TDF),
3. Refinance Scheme for Environment-friendly Products/ Projects/ Initiatives- Refinance Scheme
4. Urban Building Safety Project (UBSP) (JICA funded)
5. Foreign Direct Investment Promotion Project (FDIPP)- Two Step Loan (TSL) (JICA funded)
6. Bangladesh Bank- Long Term Financing Facility (BB-LTFF)
7. CMSME Pre-Finance Scheme
8. Safety Retrofit and Environmental Upgradation Program (SREUP)*
9. Export Facilitation Pre-Finance (EFPF)
10. Pre-Shipment Credit (PSC)**

** The 1st phase of SREUP ended in 2024; policy formulation for the 2nd phase of SREUP is ongoing at Bangladesh Bank end.*

***BB has closed the PSC Refinance Scheme from April 14, 2025.*

Under the agreement, we have the following achievements:

- We have simplified the features of the Sustainable/Green Finance packages of Bangladesh Bank and communicated with the clients.
- We have also introduced SREUP, GTF, TDF, PSC, EFPF, STEF, ECC products to expatiate sustainable export finance.
- Clients are taking advisory services from our end to decide which packages suits them for benefit. Some more of our clients have shown interest in this facility, so the participation will increase in the future.

Management of Non-Performing Loan

Global and Domestic scenario

The NPL (Non-Performing Loan) crisis in Bangladesh is not just a domestic issue—it is influenced by global economic factors. International trade conditions, foreign investment trends, and global financial policies all play a vital role in the rising default rates in Bangladesh's banking sector. COVID-19, the Russia-Ukraine war, the Red Sea and Middle-east crisis have disrupted global supply chains which increased costs for raw materials and logistics. Dependence on imported energy (oil, LNG, coal) means higher global fuel prices increased electricity costs. The US Federal Reserve and European central banks have raised interest rates since 2022 curbing inflation. As a result, Bangladeshi Taka (BDT) depreciated significantly against the US dollar in recent years made the import costs higher and put financial strain on businesses. Inflationary pressures reduce consumers' purchasing power, affecting business revenues and their ability to repay loans. Domestic political reform after July 2024, banking sector was exposed in its real face and Mass people went through a trauma. They are still frustrated regarding their deposit which ultimately reduced the loanable fund for private sector. Media voice and the central Bank's dialog were repeatedly sketching the worsen scenario of the domestic NPL condition and weak financial health.

On the backdrop of the above situation, Banking Sector failed to perform properly and closed the year with huge NPL burden. At the end of December 2024, total NPL of the banking sector was around BDT 3.4 trillion much more higher than that of the previous year.

NPL position of NCC Bank:

The Bank had been keeping NPL ratio below 5% for the last couple of years before 2022. At the end of 2022 as starting of slowdown of global as well as home economy, NPL rose to 6.85% which was scaled down at the end of 2023 at 5.66%. But again economic turmoil both home and abroad, our NPL stood at 7.27% whereas country NPL was 20.20%

Keeping the NPL below 5% was very challenging though we were able to maintain positive improvement in compare to previous year. At the beginning of the year, our total NPL amount was BDT 1,295.52 crore and throughout the year we regularize BDT 1,581.82 crore which is remarkable. Not only this, recovery from Written-off accounts was also satisfactory. In compliance with international financial standards, the central bank provides a model for new classification and provisioning which played a key role to have the higher NPL rate despite our huge recovery.

NPL Management: Our steps:

We are very much concern in managing NPL. We always have vigilant eye on the global & domestic economy and current events related to financial issues so that immediate corrective measures may be taken, policy may be revised and precautionary action may be taken in Managing NPL. In managing NPL we took following steps:

- ✓ Established a separate written-off recovery unit for strengthening written-off loan recovery
- ✓ A separate willful loan defaulter identification unit has been formed for identification willful loan defaulter and recovery from the clients
- ✓ Special Asset Management has been reorganized through zonal based under supervision of the Managing Director.
- ✓ Impaired Assets Review Committee has been formed with members of Senior Management Team, Heads of different business units and SAM teams.
- ✓ Established a separate legal unit for strengthening the legal process
- ✓ The Committee sits once in a week to review the recovery position, follow up of Action Plan against every NPL and review the position of court cases.
- ✓ Recovery meeting with Lawyers to review different court cases is being held at a regular interval to overview the progress thereon.
- ✓ Court cases are personally attended by assigned Law Officer along with concerned Lawyer to ensure expediting case proceedings.

- ✓ Branch-wise target for recovery has been given and the achievement position is being monitored and performers are being rewarded at a regular interval.

Way forward:

In Bangladesh, Non-Performing Loan (NPL) is a major issue in the banking sector. The NPL ratio in Bangladesh's banking sector has been increasing over the years. As of 2024, it was over …% of total loans, one of the highest in South Asia.

Bangladesh economy is going through a serious financial crisis. High NPLs reduce banks' ability to lend, increasing interest rates and slowing economic growth. Financial scams, liquidity crisis, weak base of some Banks & Financial Institutes and mistrust of the depositors have already shrunk the loanable fund & cash-flow which directly affected the recovery and increased the NPL. The NPL ratio stood at 16.90% in Sep 2024 up from 12.60% in June 2024 and in Dec 2024 it is now 20.2%. Bangladesh Bank has acknowledged the issue and actively working with new financial remodelling to handle defaults and maintain financial stability. All these have definitely made business environment ever challenging. However, present situation is in positive trend for reshaping our economy.

Considering financial strength, profitability, sustainable growth and NPL management due to good governance, we are in Bangladesh Bank's book as a green zone bank. Though our present NPL is slight upward swing but in compare to the present industry average, we are in better position which is nothing but the result of extensive recovery and NPL management.

It is obvious that managing NPL properly in a turmoil economy is always challenging. We are committed to bring down the NPL at an optimum level and hopeful to realize remarkable amount from written-off accounts towards ensuring smooth fund flow within the Bank to way forward and to maintain a steady growth.



DIRECTORS' REPORT

Directors' Report

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamualaikum

On behalf of the Bank's Board of Directors of NCC Bank PLC, I am deeply honored to extend a warm welcome to all of you to the 40th Annual General Meeting (AGM) of the Company.

I am pleased to present the Annual Report 2024 of the Bank, including all relevant financial disclosures, such as the Directors' Report, Auditor's Report, and the Audited Financial Statements for the year ended December 31, 2024, for your review, consideration, and subsequent approval and adoption at this Annual General Meeting. Before proceeding with the discussions, it is important to reflect on the global and national economic conditions that prevailed during the year, providing valuable context for the environment in which the Bank operated.

Global Economy

The year 2024 has been marked by significant economic challenges and opportunities, shaped by geopolitical tensions, inflationary pressures, technological advancements, and shifting trade dynamics.

Although the global economy has begun to recover from the impacts of COVID-19, it is now contending with new challenges arising from geopolitical instability, notably the Russia-Ukraine war which started full scale in February 2022, and the Israel-Hamas conflict which burst out in October 2023.

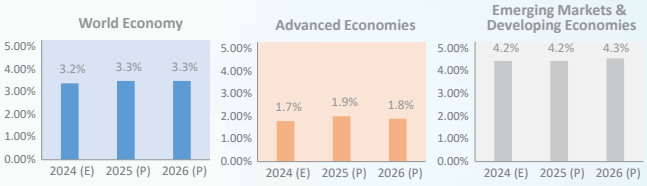
According to the International Monetary Fund's (IMF) World Economic Outlook, global growth was projected to align with earlier forecasts, maintaining a rate of 3.2% in 2024 and an anticipated slight uptick to 3.3% in 2025. This stability was underpinned by a modest acceleration in advanced economies, where growth is expected to rise from 1.7% in 2024 to 1.9% in 2025. On the other hand, in emerging markets and developing economies the growth rates will remain at 4.2% in 2025 the same as in 2024.

Real GDP Growth *(Percentage Change)*

Particulars	2024 (E)	2025 (P)	2026 (P)
World Output	3.2	3.3	3.3
Advanced Economies	1.7	1.9	1.8
United States	2.8	2.7	2.1
Euro Area	0.8	1	1.4
Emerging Market and Developing Economies	4.2	4.2	4.3
China	4.8	4.6	4.5
India	6.5	6.5	6.5
Middle East and Central Asia	2.4	3.6	3.9

Source: IMF, World Economic Outlook Update, January 2025

World Economy, Advanced Economies and Emerging Markets & Developing Economies: Real GDP Growth (Percentage Change)



The U.S. economy has shown resilience with 2.8% growth despite high interest rates and persistent inflation. A strong labor market, technological advancements, and government infrastructure spending have supported economic stability. The Federal Reserve has taken a measured approach to interest rate adjustments, ensuring inflation remains under control without triggering a recession. Europe has navigated economic challenges stemming from the ongoing energy transition and geopolitical tensions. The EU economy has grown modestly at around 0.8%, driven by industrial innovation, green energy investments, and intra-European trade. However, high borrowing costs and sluggish consumer spending have constrained growth in some member states. China's economy has maintained steady growth at approximately 4.8%, supported by consumer spending and government-led infrastructure investments. However, structural issues, including a property market downturn and regulatory uncertainty, have dampened investor confidence. India has continued its strong economic trajectory with GDP growth of 6.5%, fueled by robust domestic consumption, digital expansion, and foreign direct investment (FDI) inflows.

Technological advancements have played a crucial role in shaping the global economy in 2024. Artificial intelligence (AI), blockchain, and automation have driven efficiency gains across various industries, from finance to healthcare and manufacturing. The rapid adoption of AI-driven analytics and machine learning has enhanced productivity and innovation, while concerns regarding data security and ethical considerations have prompted regulatory scrutiny.

The fintech sector has continued to expand, with digital payment systems and decentralized finance (DeFi) platforms gaining mainstream adoption. The integration of cryptocurrencies into traditional financial systems has seen mixed reactions, with some governments embracing digital assets while others imposing stricter regulations.

Global inflation is forecasted to decline steadily, from 5.9 percent in 2024 to 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

Global trade is projected to grow by 3.2% in 2025, slightly down from 3.4% in 2024. Ongoing trade tensions, particularly between major economies, and geopolitical uncertainties continue to pose risks to global trade dynamics.

The prolonged Russia-Ukraine war has continued to disrupt global markets, particularly in energy and agriculture. The Middle East has experienced economic fluctuations due to oil price volatility and political tensions. U.S.-China economic relations have remained a focal point, with both nations implementing strategic trade policies. The re-election of President Trump has introduced potential shifts in U.S. trade policies, including the imposition of new tariffs on imports. These measures could disrupt global supply chains, increase production costs, and elevate consumer prices, thereby affecting global economic stability.

Geopolitical conflicts and rising trade tensions present significant risks to the global economic outlook. These factors contribute to uncertainty, which can dampen investment and disrupt economic activities across regions. High debt levels, particularly in low-income and vulnerable countries, continue to constrain economic growth. Elevated borrowing costs and limited fiscal space hinder these countries' abilities to invest in critical areas such as infrastructure, health, and education.

While the global economy shows signs of stabilization, the recovery remains fragile and uneven across regions. Addressing challenges such as trade tensions, geopolitical uncertainties, and high debt levels will be crucial to fostering a more robust and inclusive global economic recovery in 2025 and beyond.

Bangladesh Economy

The July 2024 Movement

In 2024, Bangladesh experienced a period of significant political turmoil characterized by political instability, economic challenges, and substantial changes in governance. This period witnessed widespread protests and a transformation in the political landscape.

Initially sparked by student protests, the movement in July 2024 rapidly grew into a nationwide call for democratic reforms and accountability. Following the change of previous regime in August 2024, an interim government was established, with Chief Adviser as head of the interim government. Amid the political upheaval, the interim government prioritized restoring stability and guiding Bangladesh through a period of political and economic uncertainty. The government assumed responsibility for overseeing the country's transition towards a more democratic and stable political system.

The interim government is tasked with guiding the nation through a period of transition and reforms on a path towards greater peace and stability. Initiatives were taken to implement reforms in different areas by forming several taskforces.

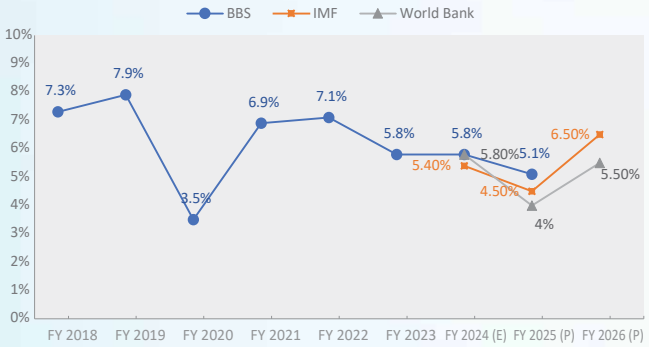
Bangladesh economy faced major economic challenges in 2024 characterized by substantial rise in default loans, tight liquidity situation, significant drop in Taka exchange rate value, high inflationary pressure and external debt burden. However, export performance showed resilience and remittance inflows also remained strong, contributing to economic stability.

While 2024 presented substantial challenges for Bangladesh, including economic volatility and financial sector vulnerabilities, the outlook for 2025 remains cautiously optimistic. Policy reforms, international support, and renewed political stability are expected to drive the country's recovery and sustainable growth in the years to come.

GDP Growth Projected to Slow Down in FY 2024-2025 but Expected to Bounce Back in FY 2025-2026

As per IMF, real GDP growth is projected to slow to 4.5 percent in fiscal year FY 2025 due to output losses caused by the public uprising, floods, and tighter policies but is expected to rebound to 6.5 percent in FY2026 as policies relax. Inflation is anticipated to remain around 11 percent (annual average year-on-year) in FY2025 before declining to 5 percent in FY2026, supported by tighter policies and easing supply pressures. However, the outlook remains highly uncertain, with risks skewed to the downside.

Bangladesh Economy: Real GDP Growth (Percentage Change)



Growing NPL Situation

Non-performing loans (NPLs) in Bangladesh's banking sector soared to a historic high of Tk 2.85 trillion in September 2024 (accounting for around 17 percent of total outstanding loans) compared to the Tk 1.45 lakh crore on December 31, 2023. Manufacturing accounts for 55 percent of these defaulted loans. At the end of 2024 the NPL reached BDT 3.5 trillion.

Rise in External Debt

Bangladesh's external debt in 2024 continued its upward trajectory, reaching USD 103 billion by the end of June, marking a 4% increase from March. The public sector held the majority share at USD 83.21 billion, while the private sector accounted for USD 20.57 billion. This rise in debt has led to a significant increase in per capita external debt, which surged by 135% over the past eight years, reaching USD 605 in the fiscal year 2023-24. Consequently, foreign debt servicing escalated by nearly 26% to USD 3.36 billion in FY24, with interest payments experiencing a record 44% increase, totaling nearly USD 1.35 billion. The devaluation of the local currency against the US dollar has made the country's interest payment against foreign loans costly. These developments have raised concerns about the sustainability of Bangladesh's debt, especially in light of the country's slowing revenue and foreign exchange earnings. Economists attribute the rising debt levels to unplanned foreign-funded projects and corruption, which have exacerbated the financial burden on the nation.

Pressure on Dwindling Forex Reserve

In 2024, Bangladesh's foreign exchange reserves experienced significant fluctuations due to various economic and political factors. At the beginning of the year, reserves stood at approximately USD 25.11 billion in January, as per the BPM6 methodology. However, by June, reserves had declined to around USD 21.69 billion, reflecting challenges such as increased import costs and political instability. Following the political upheaval in August, which led to the ousting of Prime Minister Sheikh Hasina and the establishment of an interim government under Muhammad Yunus, efforts were intensified to stabilize the economy. These measures included seeking international assistance and implementing reforms aimed at economic recovery. Consequently, by December 2024, the reserves had rebounded to approximately USD 21.33 billion, indicating a cautious recovery amid ongoing challenges. After August 2024, with Bangladesh Bank's intervention and the rise in remittance along with growth in exports helped stabilize the dwindling foreign exchange reserve.

Tight Liquidity Situation in 2024 Projected to Improve in 2025

Despite rising interest rates on deposits and various efforts by the central bank, Bangladesh's banking sector continued to face a liquidity crisis in 2024. The primary causes of the crisis include a high volume of non-performing loans (NPLs), slow deposit growth, slow loan recovery, and a lack of confidence in the banking sector due to rampant scams, especially at Shariah-based Islamic Banks. The rush for funds saw the interest rate in the inter-bank money market surge to an all-time high of 13.50 percent for 90-day term loans on November 23, signaling a deepening financial crisis. Similarly, the average overnight interest rate in the call money market stood at 10.04 percent in November, up from 8.19 percent in the same month last year.

Most of the Islamic Banks in the country have been plagued with default loans which in turn resulted in a liquidity crisis to some extent that despite the central bank's support, customers were unable to withdraw

their required funds from these banks. With Bangladesh Bank's active interventions, the situation has gradually improved and is expected to ease in 2025.

USD-BDT Exchange Rate

In 2024, we have seen the highest devaluation of the Bangladeshi Taka (BDT) against the United States Dollar (USD). A combination of political instability, high inflation, declining foreign exchange reserves, and global economic conditions contributed to the significant depreciation of Taka in 2024. Bangladesh Bank (BB) has raised the exchange rate of the US dollar by Tk 12 throughout 2024, resulting in a 12.72% depreciation of the local currency, the taka, over the year. A central bank data analysis shows that the central bank fixed the dollar exchange rate at Tk 122 on December 31, compared to Tk 110 in January 2024. This indicates a Tk 12 increase in the dollar's price and a corresponding 12.72% loss in the taka's value,

High Inflation of 2024 is Projected to be Tamed Down in 2025

In 2024, Bangladesh experienced significant inflationary pressures, with the annual inflation rate reaching 11.38% in November, marking the highest level in over a decade. This surge was primarily driven by escalating food prices, which adversely affected the purchasing power of consumers. In response, the Bangladesh Bank implemented monetary tightening measures, including a 50 basis point increase in the repo rate to 10% in October, aiming to curb inflationary trends. Despite these efforts, inflation remained elevated, averaging 10.34% over the year. However, by December, there was a slight easing, with the rate decreasing to 10.89%. The continuation of high inflation throughout the year posed challenges to economic stability and highlighted the need for continued policy interventions to manage price levels effectively. This persistent inflation was fueled by high commodity and energy prices due to the ongoing Russia-Ukraine war, as well as currency depreciation.

Negative Trend in Capital Market in 2024 Expected to Bounce Back

In 2024, the Bangladesh stock market encountered major challenges, with the Dhaka Stock Exchange's benchmark index, DSEX, declining by approximately 16.5% from Market Index of 6,207 at the beginning of the year to 5,216 at the close of the year, marking the most substantial annual drop in four years. This downturn was primarily attributed to escalating inflation, which reached an average of 11.38% in November 2024—the highest in over a decade—thereby eroding consumer purchasing power and investor confidence. Concurrently, political instability, highlighted by a governmental transition in August 2024, further exacerbated market uncertainties. Despite these adversities, the appointment of new leadership within the Bangladesh Securities and Exchange Commission (BSEC) has ushered in a series of reform initiatives aimed at revitalizing the market. Looking ahead to 2025, there is cautious optimism among market analysts. Global fund manager Asia Frontier Capital anticipates a bullish outlook for Bangladesh's stock market in the latter half of 2025, driven by expected economic stabilization and potential monetary easing as inflationary pressures subside. The successful implementation of regulatory reforms and the restoration of political stability are anticipated to further bolster investor confidence, potentially leading to a market rebound in the upcoming year.

Positive Trend in Export Growth

In 2024, Bangladesh's export sector demonstrated resilience amid economic challenges, achieving a total of USD 47.3 billion in export earnings. This performance was primarily driven by the readymade garment (RMG) industry, which experienced a 7.23% growth, with exports rising from USD 35.89 billion in 2023 to USD 38.48 billion in 2024. Notably, December 2024 marked the highest single-month export earnings since March of the same year, indicating a positive trend in the latter part of 2024. Industry leaders attribute this growth to the robust financial positions of large factories and reliable energy supplies, despite facing challenges such as political instability and global economic uncertainties.

Boost in Remittance after July 2024

The year also witnessed a significant surge in remittance inflows, with Bangladesh receiving a record USD 27 billion in 2024, reflecting a 22% year-on-year increase. This substantial growth is attributed to a 9% rise in the official dollar rate and a decline in money laundering activities during the latter half of the year. December 2024 alone saw remittances reaching an unprecedented USD 2.64 billion, surpassing the previous high of USD 2.59 billion in July 2020. The increased remittance inflows have provided a crucial buffer against foreign exchange crises, bolstering the country's economic stability during a period marked by political and

economic transitions

The political upheaval in 2024 has introduced uncertainties that could impact investor confidence and economic activities. Ensuring a smooth transition and maintaining stability will be crucial for sustaining economic growth. Global economic conditions, including demand fluctuations and supply chain disruptions, will continue to influence Bangladesh's export performance. Diversifying export markets and products will be essential to mitigate external shocks. Implementing structural reforms to address financial sector vulnerabilities, improving fiscal management, and enhancing the business environment will be vital for long-term economic resilience.

Bangladesh's economy in 2024 faced significant challenges amidst political upheaval and economic headwinds. The outlook for 2025 remains cautious, with growth projections tempered by ongoing uncertainties. However, with effective policy reforms, international support, and a focus on stability, Bangladesh has the potential to navigate these

challenges and achieve sustainable economic growth in the coming years.

Banking Sector

In 2024, Bangladesh's banking sector faced significant challenges, including political instability, economic volatility, and structural weaknesses. The ousting of Prime Minister Sheikh Hasina in August led to an interim government under Nobel laureate Muhammad Yunus, focusing on restoring economic stability and implementing critical reforms. Despite these efforts, the sector grappled with liquidity constraints, rising non-performing loans (NPLs), and high inflation.

According to the latest data from Bangladesh Bank, as of September 2024, non-performing loans (NPLs) in the banking sector have surged to Tk 2.85 trillion, accounting for approximately 17% of total outstanding loans. This substantial volume of NPLs poses a serious risk to the country’s financial stability. The economic disruptions caused by the COVID-19 pandemic, coupled with global economic uncertainties, have significantly impacted businesses' ability to meet loan repayment obligations. Additionally, inadequate due diligence in loan disbursement by several banks has resulted in challenges in loan recovery. Political influence has led to the issuance of large loans to unqualified borrowers specially in the Shariah Based Islamic Banks. Despite the presence of stringent loan recovery regulations, their enforcement remains insufficient. Macroeconomic factors such as inflation, the depreciation of the Bangladeshi Taka against the US dollar, and rising import costs have further strained borrowers' financial capacity. The growing volume of NPLs has led to liquidity constraints within banks, hindering new investments and limiting access to international financial assistance. Furthermore, banks are required to maintain higher provisions for NPLs, directly impacting their profitability and overall financial health.

Bangladesh's total exports in 2024 reached USD 50 billion. Exports grew 8.3 percent year-on-year according to data from the Export Promotion Bureau (EPB). The growth is largely attributed to the strong performance of the readymade garment (RMG) industry -- the backbone of the country's economy.

The banking sector's performance in 2024 was adversely affected by the political turmoil. Liquidity

issues became pronounced, with many banks struggling to maintain adequate cash reserves. Non-performing loans increased, reflecting the economic downturn and reduced repayment capacities of borrowers. The central bank's efforts to instill confidence among depositors and stakeholders faced significant hurdles during this period.

In response to escalating inflation, the Bangladesh Bank raised its key interest rate by 50 basis points to 10% in October 2024. This move aimed to curb inflationary pressures but also increased borrowing costs, potentially dampening economic activity. The central bank, under the leadership of Governor Ahsan H. Mansur, appointed by the interim government, emphasized the need for structural reforms to enhance the sector's resilience.

Domestic Credit

Domestic credit growth moderated to 9.12 percent year-on-year as of the end of December 2024, compared to an expansion of 11.89 percent recorded at the end of December 2023. Among the components of domestic credit, public sector credit, and private sector credit increased by 16.32 percent and 7.28 percent year-on-year, respectively, as of December 2024.

Reserve Money

Reserve money (RM) increased by BDT 27,184.10 crore, or 7.30 percent year-on-year, at the end of

December 2024. Among the components of reserve money, the net foreign assets (NFA) of Bangladesh Bank declined by BDT 12,448.10 crore, or 5.02 percent year-on-year, while the net domestic assets (NDA) of Bangladesh Bank rose significantly by BDT 39,632.20 crore, or 31.93 percent, as of December 2024, thereby contributing to the overall growth in reserve money. The money multiplier stood at 5.14 at the end of December 2024, slightly higher than the 5.13 recorded in December 2023.

The Liquidity Situation of the Scheduled Banks

The total liquid assets of scheduled banks increased by 6.17 percent, reaching BDT 502,631.66 crore at the end of December 2024, compared to the level recorded at the end of June 2024. The minimum required liquid assets for scheduled banks stood at BDT 288,345.27 crore as of December 2024, up from BDT 280,479.59 crore at the end of June 2024. Total excess liquid assets (including securities) rose by 9.79

percent to BDT 215,002.19 crore in December 2024 compared to June 2024.

The Advance Deposit Ratio (ADR) of the banking system decreased to 81.17 percent as of December 2024. The maintained Liquidity Coverage Ratio (LCR) of the banking sector was provisionally recorded at 157.50 percent in December 2024, exceeding the minimum requirement of 100 percent necessary to cover banks' net cash outflows for at least 30 days. Additionally, the Net Stable Funding Ratio (NSFR) was maintained at 105.41 percent (provisional) in December 2024, compared to 108.45 percent in December 2023, remaining above the regulatory minimum requirement.

Inflation

Headline inflation (point-to-point) declined by 49 basis points to 10.89 percent in December 2024 compared to the previous month. This reduction was primarily driven by a decrease in food prices, supported by the arrival of winter vegetables. Additionally, the monetary policy measures implemented by the Bangladesh Bank to control inflation may have started to influence price levels. Food inflation (point-to-point) decreased to 12.92 percent in December 2024, down from its peak of 14.10 percent in July. Non-food inflation (point-to-point) also slightly declined to 9.26 percent in December 2024.

The twelve-month average headline inflation increased to 10.34 percent in December 2024 from 10.22 percent in November 2024, reflecting consistently high point-to-point inflation throughout the year. Within non-food inflation components, the highest inflation rate of 12.13 percent (point-to-point) was recorded in the restaurants and hotels sector, while the health sector experienced the lowest inflation rate of 5.17 percent (point-to-point) in December 2024.

In December 2024, urban inflation stood at 10.84 percent (point-to-point), whereas rural inflation was comparatively higher at 11.09 percent (point-to-point).

Agricultural credit and non-farm rural credit

During the period of July-December in FY25, the total disbursement of agriculture and non-farm rural credit amounted to BDT 16,259.11 crore. Of this total, BDT 14,352.24 crore was disbursed as agriculture credit,

while BDT 1,906.87 crore was allocated as non-farm rural credit. During the same period, disbursement of agricultural credit and non-farm rural credit decreased by 8.54 percent (year-on-year) and 27.60 percent (year-on-year), respectively, compared to the corresponding period of the previous fiscal year.

Recovery of agriculture credit increased by 7.56 percent (year-on-year), whereas recovery of non-farm rural credit grew by 7.28 percent (year-on-year) during July-December of FY25.

The overdue ratio of agriculture and non-farm rural credit, as a percentage of total outstanding credit, rose to 20.71 percent in November of FY25 compared to the same month in FY24. Meanwhile, outstanding agriculture and non-farm rural credit recorded a year-on-year growth of 1.13 percent in December of FY25 compared to December of FY24.

Industrial and CMSME loans

Industrial term loans

Total disbursement of industrial term loans increased by 14.16 percent year-on-year during the period of October-December in FY24, while the recovery of industrial term loans declined sharply by 50.46 percent year-on-year compared to the same period of the previous fiscal year.

Disbursement of term loans for large industries registered a substantial increase of 36.08 percent year-on-year, whereas disbursement for small industry term loans decreased by 43.92 percent year-on-year during October-December of FY24.

The outstanding amount of industrial term loans

stood at BDT 433,807.76 crore at the end of the October-December quarter of FY24. Overdue industrial term loans amounted to BDT 71,066.82 crore at the end of the same quarter, representing 16.38 percent of the total outstanding amount.

Disbursement, Recovery and Outstanding Situation of CMSME Loans

Disbursement of Cottage, Micro, Small, and Medium Enterprise (CMSME) loans declined by 16.05 percent year-on-year during the July-September period of FY25 compared to the same quarter of the previous fiscal year. On a quarterly basis, CMSME loan disbursement also decreased by 18.93 percent in July-September of FY25 compared to the April-June period of FY24.

For the full fiscal year, CMSME loan disbursement showed a modest increase of 0.46 percent during July-June of FY24 compared to the same period of the prior year. The outstanding amount of CMSME loans at the end of September FY25 was 0.54 percent higher than in the same month of the previous fiscal year.

At the end of September FY25, CMSME loans accounted for 17.96 percent of total outstanding loans, maintaining a similar proportion compared to the corresponding quarter of the previous fiscal year.

Exports

Exports increased by 17.58 percent to USD 4.62 billion in December 2024, up from USD 3.93 billion in December 2023. During the period of July-December in FY25, exports recorded a strong year-on-year growth of 12.73 percent, reaching USD 24.53 billion. This growth was primarily driven by robust performance in knitwear and woven garments, which contributed 44.17 percent and 36.87 percent of total export earnings, respectively. Exports of knitwear and woven garments rose by 12.95 percent and 13.52 percent, respectively, during July-December of FY25 compared to the same period of the previous fiscal year.

Readymade garment products, including knitwear and woven garments, accounted for a substantial 81.04 percent of the country's total exports during July-December of FY25.

Several export categories demonstrated notable growth during July-December of FY25. Plastic products led the expansion with a significant increase of 29.11 percent, followed by frozen and live fish at 12.93 percent. Exports of agricultural products grew by 9.27 percent, while leather and leather goods recorded an increase of 10.28 percent. Chemical products and home textiles also saw growth of 6.34 percent and 6.01 percent, respectively. Additionally, engineering products posted a modest increase of 2.81 percent, reflecting broad-based growth across export sectors.

However, a decline in exports was observed for jute and jute goods, which contracted by 5.46 percent during July-December of FY25 compared to the same period of the previous fiscal year.

Imports

During July-December of FY25, custom-based imports increased by USD 1,154.90 million, representing a year-on-year growth of 3.50 percent, in contrast to a sharp contraction of 19.90 percent during the same period in FY24. This growth in imports was largely driven by a significant rise in intermediate goods imports, particularly those related to the ready-made garments (RMG) sector, as well as an increase in food grains imports. Additionally, the opening and settlement of import Letters of Credit (LCs) grew by 4.18 percent (year-on-year) and 2.65 percent (year-on-year), respectively, during July-December of FY25.

The composition of custom-based imports during July-December of FY25 was predominantly skewed towards intermediate goods, which accounted for 62.30 percent of the total imports. Capital goods followed with a 14.17 percent share, reflecting ongoing investments in infrastructure and machinery to enhance long-term productive capacity. Consumer goods, representing direct household consumption, comprised 6.95 percent of total imports, while food grains constituted the smallest segment at 2.58 percent, indicating a limited reliance on imported staples during this period.

During July-December of FY25, imports of intermediate goods grew by 6.67 percent compared to the corresponding period in FY24. Conversely, imports of capital goods experienced a significant decline of 13.68 percent. In contrast, imports of food grains and consumer goods increased by 15.02 percent and 2.50 percent, respectively. The notable rise in intermediate goods imports underscores a revival of economic activity across key industries during the reviewed period.

Workers' Remittances

In December 2024, workers' remittances inflow reached USD 2,638.78 million, reflecting a 32.52

percent increase compared to the same month of the previous year. This growth in remittances can be attributed to the gradual easing of political tensions and improved stability in the foreign exchange market.

For the period of July-December in FY25, total workers' remittances amounted to USD 13,776.08 million, marking a 27.56 percent increase compared to the same period of the previous fiscal year. The United States remained the largest source of remittances, followed by the United Arab Emirates in second place during this period.

The Gulf Cooperation Council (GCC) countries—namely Saudi Arabia, UAE, Kuwait, Qatar, Oman, and Bahrain—accounted for 44.27 percent of the total remittance inflows, while the United States contributed 18.11 percent. Among European countries, the United Kingdom and Italy together contributed 14.37 percent of the total remittances received during July-December of FY25.

Balance of Payments

The current account balance recorded a surplus of USD 33.0 million during July-December of FY25, in contrast to a deficit of USD 3,465.00 million for the same period in FY24. The overall balance posted a reduced deficit of USD 384 million in July-December FY25, representing a significant improvement compared to the USD 3,451 million deficit during the corresponding period of FY24. This reduction in the deficit can be primarily attributed to a substantial financial account surplus of USD 1,379 million, coupled with the aforementioned marginal surplus in the current account, which helped mitigate the overall deficit during the review period.

As of December 2024, the foreign exchange reserves were sufficient to cover 4.6 months of import costs for goods (CIF), slightly lower than the coverage recorded in December 2023.

Foreign Aid

Total foreign aid declined by USD 601.76 million, or 14.60 percent year-on-year, during July-December of FY25 compared to the same period in FY24. After accounting for principal repayment, the net receipt of foreign aid during July-December of FY25 decreased by USD 910.14 million, or 28.73 percent, year-on-year, while principal repayments increased by 32.32 percent. During this period, 7.33 percent of the aid received was in the form of grants and food aid, while the remaining 92.67 percent was received as loans.

Performance of the Bank:

The Capital and Other Reserves:

The Authorized and Paid-up Capital of the Bank as on the 31st December 2024 was BDT 20,000 million and BDT 11,104 million respectively; and Statutory Reserve stood at BDT 11,104 million only as on date.

Operational Profit:

At end of the year as on the 31st December 2024, the Operational Profit of the Bank stood at BDT 11,091 crore.

Deposits:

Banks rely on stable and readily available deposits, to invest in profitable ventures. This strategy enables banking institutions to generate a margin that exceeds their funding costs over a specified period. As a result, banks continuously pursue cost-effective sources of funds to enhance their net margins. NCC Bank as a prudent scheduled bank, offers a comprehensive range of both conventional and specialized financial products and services to meet customer needs.

As of the end of the reporting year, the Bank's total deposits stood at BDT 257,353 million, compared to BDT 221,835 million in the previous year. The chart below illustrates the deposit trends over the past five years for reference.



Loans and Advances:

Banks and financial institutions continuously seek profitable investment opportunities to secure acceptable profit margins by the end of the fiscal year. Typically, banks implement various strategies when extending credit to projects and schemes anticipated to generate timely returns. NCC Bank, in accordance with its Credit Policy—which integrates guidelines issued periodically by Bangladesh Bank and is endorsed by the Board of Directors—extends credit to promising investors across various sectors. Under this

policy, proposals submitted through branches are rigorously analyzed based on their merits and nature by dedicated departments responsible for corporate clients, CMSMEs, and retail borrowers. Following this detailed scrutiny, proposals demonstrating substantial merit and potential are selected and forwarded to the appropriate forum for a final decision. Moreover, the Bank has established specific mechanisms to select and supervise loan proposals and portfolios, including:

Head Office Credit Committee: The Bank has a Head Office Credit Committee for making decisions regarding the justification of the loan proposals that meets at least once a week.

PIF monitoring: For proper Post Import Finance monitoring, the Bank has PIF Monitoring Cell.

Large Loan Monitoring: For proper monitoring, supervising and reporting to the regulatory authority, the Bank has a Large Loan Monitoring Committee.

Proposal Tracking System: A Loan Tracker has been established to track the proposals during the approval process. The Loan Tracker system will help to reduce the turnaround time at each stage, which may shorten proposal disposal time.

Islamic Banking Committee: To support the investment facility under Islamic Shariah, a Committee has been formed.

Project Monitoring Cell: A project appraisal and monitoring team has been formed with a view to ensuring uninterrupted surveillance of the existing and future construction related project finance, house building finance, and other Govt./Non-Govt /autonomous work order financing. This team plays a very important role in this regard.

Credit Monitoring Division: The Bank has a separate division called the Credit Monitoring Division (CMD), which serves as a specialized unit within the organization dedicated to meticulously tracking the health of loans and identifying potential stress points, with a primary focus on mitigating Non-Performing Loan (NPL) risks.

Cash Incentive Unit: The Bank formed this unit for centralization of the process of cash incentive claims. This unified system has minimized processing time of disbursement of cash incentives and ensured compliance as per banking norms.

Green financing: As part of Sustainable/Green Finance initiatives, the Bank has introduced Green Refinance Schemes such as SREUP, GTF, TDF, PSC, EFPF, STEF, ECC products to expedite sustainable export finance. Continuous promotion of Pre/Re-finance facilities is going on through training for branch RMG & Export officials.

Moreover, the Bank has been arranging training/workshops/seminars/symposiums on a regular basis for executives and officers to support them and enrich their credit knowledge level. At the end of the year, the total volume of Loans and Advances stood at BDT 240,246 crore recording an increase of 5.05% over the last year's figure.

Corporate Banking Business:

NCC Bank PLC has maintained a strong corporate focus, establishing a dedicated Corporate Banking Division in 2022 to streamline policies and operations. This division assigns customer-specific relationship managers, offers tailored transaction banking and cash management services, and has developed specialized units to deliver comprehensive support to corporate clients. In 2024, these initiatives contributed to a 4% growth in the corporate loan portfolio and a 32% increase in corporate deposits, with Corporate Loans & Advances accounting for 76% of the total portfolio and corporate deposits representing 26% of total bank deposits. The division is now targeting an enhanced foreign exchange position by forging relationships with leading exporters while further improving loan portfolio quality.

CMSME Business:

Bangladesh's Cottage, Micro, Small, and Medium Enterprise (CMSME) sector is a vital growth engine, driving grassroots development and generating significant employment opportunities while contributing substantially to the nation's GDP. The government's steadfast support and timely regulatory initiatives further empower these enterprises to overcome challenges.

Aligned with this vision, NCC Bank is committed to broadening access to formal banking services for unbanked customers through its extensive nationwide network. As a leading provider of CMSME banking solutions, the bank offers tailored financial products—ranging from flexible loan options and efficient credit processing to comprehensive advisory services—designed to promote sustainable growth. Enhanced by innovative digital banking solutions, these services improve both accessibility and

convenience for CMSME clients.

Moreover, NCC Bank's CMSME Business Division remains dedicated to inclusive economic development. By expanding deposit and loan portfolios, bolstering digital capabilities, establishing strategic partnerships, and championing women's entrepreneurship, the bank continues to empower the historically underserved CMSME segment and contribute to Bangladesh's long-term economic progress.

Retail Banking Business:

Retail Banking continues to be a cornerstone of our business, driving financial inclusion and economic growth through a steadfast commitment to sustainable growth, innovative solutions, and service excellence. Our strategy includes targeted customer campaigns, cutting-edge digital banking services, and tailored retail loan and deposit products that ensure a seamless and rewarding banking experience.

Key Achievements:

Our Retail Deposit Balance increased significantly from BDT 11,859 crore in 2023 to BDT 13,625 crore in 2024, nearly tripling the net growth rate compared to the previous year, demonstrating the success of our customer-centric approach and innovative digital services. Although retail loans grew modestly by BDT 12 crore—from BDT 796 crore in 2023 to BDT 808 crore in 2024—this reflects our strategic focus on default loan collection while maintaining asset portfolio stability.

We launched several new loan products, including a Remittance Beneficiary Loan under our Unsecured Personal Loan segment, and introduced five new deposit products along with feature enhancements for eight existing products, reinforcing our commitment to promoting financial inclusion and encouraging long-term savings. Overall, our forward-thinking approach and deep customer engagement continue to set new benchmarks in the retail banking landscape. We remain dedicated to further enhancing financial accessibility and delivering exceptional banking experiences that empower our customers and contribute to sustained economic growth.

NCC Islamic (Islami Banking):

NCC Islamic Banking, commenced operations on 20 November 2022 with the inauguration of its flagship Gulshan branch. Aligned with Bangladesh's socio-economic development and banking diversification goals, the initiative targets both public and private sectors to bolster the growth of the Islamic financial sector and support the nation's economic advancement. Since its launch, the bank has introduced several initiatives, including the development of Shariah-compliant deposit and investment products, continuous upgrades to its core banking software (Ababil-NG), recruitment and training of skilled personnel, and the establishment of a separate Islamic banking financial affairs unit. These efforts have garnered a positive response from stakeholders. From 20 November 2022 to 31 December 2024, NCC Islamic Banking achieved significant milestones: total deposits reached BDT 1120.32 crore, investments increased to BDT 599 crore, imports were recorded at BDT 886, exports at BDT 186.45 lakh, and profits grew by BDT 1.41 crore. The bank upholds strict adherence to Shariah principles through a dedicated expert committee. Its vision is to provide interest-free financing, promote the Islamic economy, and ensure overall welfare through an impartial economic system, while its mission is to be a leading provider of innovative, value-added, Shariah-compliant products and services. Looking ahead to 2025, NCC Islamic Banking plans to expand its services by launching additional branches and service windows, developing innovative products, and further strengthening its commitment to Shariah compliance and professional excellence.

Dupont Analysis

DuPont analysis is based on detailed examination of a company's Return on Equity (RoE) by which Net Profit Margin (NIM), Asset Turnover (AT) and Financial Leverage (FL) are analyzed giving the company a broader insight on the return of earnings on its equity. This analysis helps the Management to formulate appropriate strategic and operational decisions. The determinates of the analysis are as under:

Particulars	Y-2023	Y-2024
Return on Equity (ROE)	9.74%	9.52%
Net Profiet Margin	8.73%	6.72%
Total Asset Turnover	0.0847	0.104
Financial Leverage	12.2359	13.047
Operating Profit Margin	31.33%	32.07%
Effect of Non-operating items	0.5839	0.456
Tax Effect	0.4771	0.460

The higher the value of all components of DuPont analysis, the higher the positive impact on Return on Equity. Main features of the analysis are:

i. Operating profit margin of Y-2024 increased to 32.07% (Y-2023: 31.33%).

ii. Effects on non-operating items decreased to 0.456 (Y-2023 : 0.584). Moreover, Tax effect decreased to 0.460 (Y-2023 : 0.477).

iii. The combined effects of these three components (increase of operating profit margin, decrease of effect of non-operating items and decrease of tax effect) resulted in decrease of net profit margin to 6.72% (Y-2023 : 8.73%).

iv. Efficiency of utilization of assets as implied by average total assets turnover which was higher than previous year. NCCBL's financial leverage increased to 13.047 from last year's 12.236 that resulted decrease in return on equity.

PESTEL Analysis:

Component of PESTEL	Effect	Our area of emphasis
	The political condition of the country has been radically changed, followed by the July-August student led uprise. Presently an interim government led by Nobel laureate economist Dr. Muhammad Yunus is running the country. The interim government has taken the responsibility to reform the country backed by mass public support. There is high public expectation and confidence that the interim government will focus on building political consensus while maintaining economic stability.	• Contributing to the economy of reformed Bangladesh. • Complementing the interim government's initiatives to reconstruct the economy of the nation. • Intensive monitoring of the political environment of the country and planning business accordingly. • Extend due diligence and full-flagged cooperation to the government for their initiatives for all reform activities and save public interest.
	Bangladesh's economy is facing economic uncertainty due to deteriorating law and order situation. The increase in political conflicts and social unrest surely points to an unstable environment that scares away investment and dampens economic activities. While the interim government has expressed a strong commitment to initiating reforms in critical economic and political domains, the success of these efforts hinges on building an effective consensus among key stakeholders.	• Instigate a diversified lending approach with an aim to ensure optimum spread while booking new assets. • Collective effort to overcome NPL challenges. • Being prudent in foreign exchange business. • Re-pricing of investment to match the rising trend of deposit cost.

Component of PESTEL	Effect	Our area of emphasis
	Nominal level of cognizance regarding banking products & services particularly outside the major metropolitan cities. Enhanced societal stress like lack of confidence in the financial sector due to poor governance.	• Assist in entrepreneur development through startup business financing. • Promote the Financial Literacy Program across the nation. • Contribute to enhancing public awareness around banking ethics and integrity. • Involvement in corporate social responsibility. • Continue tailor made banking solutions by ensuring sensitivity to cultural contexts like gender, social conventions, beliefs, etc. • In coming years, NCC Bank has planned to expand Islamic Banking operations by embracing financial inclusivity with Shariah-compliant solutions.
	Technological innovation to support Government initiatives in building Digital Bangladesh through digital transformation by eliminating cybersecurity threats. The shift to cashless digital banking offers numerous opportunities and signifies not just a technological shift but a fundamental change in the banking experience with a promising future where digitalization promotes growth, inclusivity, and efficiency in Bangladesh's financial sector.	• A considerable investment in upgrading the Core Banking System (CBS) project has been initiated to expedite efficient customer services. • Expansion of technological innovation to meet the changed customer behavior. • NCC Bank's commitment towards data governance and security by achieving two internationally recognized standards for ensuring Information Security practice throughout the bank (ISO 27001:2022 and PCI DSS).
	Sustainability is now a key focus in banking, as it is a unified language across stakeholders to meet objectives of the Paris Agreement and UN SDGs. Being compliant with sustainability aspects is crucial for brands and consumers choose worldwide. Bangladesh Bank has set the tone of being sustainable by developing a Sustainable Finance Policy.	• Practicing eco-friendly banking by focusing on reduction of carbon footprint by consuming less utility like water, electricity, fuel, paper etc. and minimize waste production from day to day business operations. • Create environmentally sensible projects & build awareness among all stakeholders.

Component of PESTEL	Effect	Our area of emphasis
		• Establish a robust environmental screening procedure while evaluating projects. • Involvement in pursuing Sustainable Development Goals (SDGs). • Strong commitments towards national climate resilience action
	Highly regulated business environment alongside tightened rules & regulations. A key development is the Bank Company (Amendment) Act 2023. This amendment grants power to the central bank to reorganize the boards of state-owned banks and conduct detailed reviews of banking transactions within public organizations. BB has developed clear and forward-looking strategies towards reformation of the Banking sector like: (i) Conduct a comprehensive asset quality review of banks' assets. (ii) Enhance capacity and efficiency of BB for effective compliance and good governance in the banking system. (iii) Effective persuasion on recovery of laundered money.	• Being compliant with the Bank Companies Act, 1991 (amended in 2013); BB circulars, policies and guidelines; listing regulations and securities laws of the country; Companies Act - 1994; Income Tax Ordinance and Rules - 1984 and Value Added Tax Act and Rules – 1991. • In 2024, Our Bank made significant strides in handling legal issues by settling 180 cases successfully, which eventually recovered BDT 87.16 crore. • Our skilled legal team is managing 522 lawsuits involving a total of BDT 1,669.12 crore as part of addressing and mitigating financial risks effectively. • Strong monitoring of the cases in coordination with branch officials and panel lawyers to ensure quick disposal of cases and reduction of the long pending cases

Products and Services:

The Bank offers a comprehensive suite of products and services, including conventional and Islamic deposit accounts, remittance services, card services, instrument clearing and collection, and locker facilities. In addition, a variety of loan/investment facilities are available to meet client needs. For reference, the following paragraphs detail these offerings along with their key features:

Deposit products:

Current Deposit A/C: A Current Deposit A/c may be opened by any individual or businessman, firm, limited company etc. with any branch or sub branch of the Bank. The account is non-interest bearing in nature being 100% demand deposit. Account holders can deposit/withdraw funds as frequently as the want without any limit.

Savings Bank Deposit A/C: Savings Bank Deposit (SB) account, which is an interest bearing deposit account, may be opened by any individual, local body, club, society, association, housewife, student, non-profit organization, etc. with the Bank. SB account is both demand and time deposit in nature, i.e. 10% of the total balance is demand and 90% is time deposit. An account holder can withdraw deposits from such an account twice a week up to a certain limit.

Special Notice Deposit A/C: Usually Special Notice Deposit A/c (SND) is for businessman, firm, limited company etc. The depositor can withdraw fund serving prior notice, since it is a 100% time deposit. The Bank allows interest against SND accounts.

Instant Earnings Term Deposit: This is a unique 100% term deposit product for individual, retired employees, housewife, widow and wage earner with opportunity to open an account with taka 1.00 lac and its multiple at any time. The Bank pays interest below 1% of the existing rate interest against FDR for 12 months instantly at the time of opening of the account.Account holders can withdraw money (Principle amount) after expiry of one year.

Special Savings Scheme (SSS): Special Savings Scheme deposit A/c may be opened by any individual for a period of 5/10 years. The minimum required monthly installment size under this scheme is Taka 500, while maximum installment size is Taka 25,000 which should be deposited by the 15th day of each month. The account holder can withdraw the deposited amount with accrued interest on maturity.

Special Deposit Scheme (SDS): Any individual person, businessman, firm, limited companies etc. can open a Special Deposit Scheme A/C, which is a term deposit of 3 (three) years with interest payable on a monthly basis. SDS is 100% term deposit and account holders can withdraw deposits (Principal amount) on maturity.

Money Double Program (MDP): This is a deposit product with a specific term, on completion of which the depositor may receive double the initial deposited amount. Any person can open MDP A/C for Tk. 1.00 Lac and it's multiples. Premature encashment under this scheme is discouraged.

Youngster Account: The Youngster Banking offered under the School Banking program of the Bank is designed to inspire the young ones in the habit of saving. The School Banking program opens up an opportunity for the young people to have hands-on banking experience.

Youngster Maximus Account: The Youngster Maximus enables the youngster a higher rate of return than that of regular transactional accounts. The rate of return under this scheme is fixed for the duration of the selected tenure.

Youngster Money Plant Scheme: In today's world, the youngsters have various ways, such as pocket money, gifts, and for many instances, inflow from exhibition of different flairs. They are at liberty to make decisions for purchasing items of their liking. The 'Youngster Money Plant Scheme' gives them the opportunity of handling this pocket money in a smart way by understanding money.

NCC Islamic: This is a new product introduced in 2022 through a branch solely dedicated to Islami Shari'ah-based banking with four Islamic windows in four regular branches of the Bank. The products under NCC Islamic have been designed in accordance with guidelines as set forth in the holy Quran and Hadiths of the Prophet (SM). Any person fulfilling the requirements can open deposit accounts with NCC Islamic Branch.

NCC Freelancer Account: This is a Special Foreign Currency (FCY) ERQ Account for Individual Freelancers which has been introduced recently. The Freelancer Account will be bundled with any NCC Current or NCC Savings Account. Any resident Bangladeshi Citizen, aged 18 and above, earning Foreign Currency (FCY) through outsourcing (in non-physical form) from abroad and having a linked NCC Individual Savings or Current Account can open this account. [Outsourcing businesses such as: Information Technology Enabled Services (ITES) and Business Process Outsourcing (BPO) services, Computer and Information Technology consultancy and management services, Export of computer software including turn-key basis (customized) outsourcing, Professional services, research and advisory services, etc.]

Loan products:

Personal Loan: This loan facility is for the customers holding private or public service who are in need of managing urgent situations such as Medical treatment /Surgical Operation/Maternity/Marriage, etc.

Education Loan: This term loan facility is for the student aspiring to pursue higher education, such as graduation, post graduation, diploma in various professional courses, PhD. Under this scheme, a loan is provided for covering educational expenses, including education, living, traveling expenses, any expenses fixed by the concerned educational institutes or procuring required educational equipment.

Car Loan: This term loan facility is allowed for purchasing vehicles made in countries like Japan, Korea, the USA, South East Asian and European countries solely for personal use. The vehicles for the purpose of commercial usage are not financed under NCC Bank Car Loan facility due to regulatory constraints.

House Building Finance: This loan facility is for individuals for purchasing apartments/houses/ buildings, construction of buildings/flats/floors on a land came into possession through purchase/lease from the Govt./any other Govt. approved authorities, extension of building/floor spaces, etc. at easy terms and conditions.

Home Improvement Loan: This facility is available for financing extension, completion of construction work, and renovation of existing residential structures (building/tin shade) for improving standards and thereby increasing rental income. Non-residential buildings or structures are not under the purview of this facility.

Marriage Loan: This is a term financing facility for individuals to provide for expenses for their own, children and sibling's marriage. Due to the easy terms and conditions of the scheme, it is affordable for the individual clients.

Health Loan: This is also a term loan facility available to meet your own & family members' (spouse, children & parents) medical expenses.

Professional Loan: A term loan facility for establishing new businesses or upgrading existing businesses. The target market of the scheme is the professionals who are practicing or intend to start practicing of their professions.

Start-Up: NOBIN: In terms of the directives of Bangladesh Bank to build up a fund with 1% of the operational profit to finance innovative enterprises, the Bank has introduced a scheme titled NOBIN.

Services of the Bank

Apart from accepting deposits from the public and lending money, NCC Bank also extends some unique financial services to the society through a strong customer base. The services rendered are as follows:

NCC Always: It is the digital banking platform of NCC Bank PLC, enabling customers to perform transactions, payments, and more through an internet-based mobile application. Key services include account view, own account transfer, fund transfer within NCC Bank, fund transfer to other banks via BEFTN/NPSB/RTGS, mobile top-up, bill payments, instant fund transfer to MFS (bKash & Nagad), limit utilization view, NCCB credit card bill payment, and many upcoming features.

NCC ICON: Tailored for the dynamic needs of modern businesses and corporations, NCC ICON delivers an extensive suite of online financial services, tools, and features designed to streamline account management, transaction processing, and trade service access.

Sanchayee: The Bank has introduced the digital on-boarding app `Sanchayee', through which customers with valid NID/Smart Card can instantly open current and savings accounts anytime and anywhere under the directives of Bangladesh Bank e-KYC guidelines and start banking right away.

Remittance Services: One of the important functions of the Bank is to receive various bills, including cheques, drafts, payment orders, dividend warrants, FDRs, Sanchayapatras, Unit Certificates, and Bonds, etc. in favor of its clients.

Locker Services: This facility is available only to the valued clients having an account with the Branch of the Bank agreeing to comply with the policy formulated in line with the rules and regulations.

Leveraging sophisticated technology, extensive experience, and robust financial strength, the Bank delivers long-term banking solutions to its clients and stakeholders. It is committed to cultivating a cohesive and welcoming environment that empowers customers to surpass their aspirations.

Credit Administration Division

Despite pivotal roles played by the credit approval process, credit monitoring and credit recovery in a bid to strengthen Credit Risk Management (CRM) of the Bank, Credit Administration is another important part of our CRM policy, which bears paramount importance in managing diversified credit risks, especially prior to disbursement of any credit facility.

Hence, the Credit Administration Division (CAD) of the Bank has been functioning as under based on the Bank's Credit Policy and directives of Bangladesh Bank:

Ensuring loan documentation and charge creation on securities prior to disbursement in line with sanction terms, Credit Policy, instruction circulars, PPGs & existing regulatory directives and corrective measures have been taken by the Branches for any deviations from sanction terms or against discrepancies /irregularities /anomalies in documentation before authorizing approved credits. In this regard, CAD follows the processes as under, depending on loan amount, nature of security, type of product, legal status of the borrowers, etc.:

- Checking documentation status on a scan copy of the approved Checklist, Branch's property genuineness certificate & panel lawyer's security satisfaction certificate prior to limit loading & authorization where approved loans falls below Tk 1.00 crore with or without collateral securities.
- Checking original security documents on scanned copies instead of physical visit at Branches against approved credit facility amounting to Tk. 1.00 crore & above without having collateral before limit loading.
- Checking documentation status based on scanned copies of documents against approved credit facility for Tk. 1.00 crore to below Tk. 10.00 crore having collateral after sanction but before mortgage.
- Checking original security documents through conducting physical visits at Branches against approved credit facilities amounting Tk. 10.00 crore & above having collateral after sanction but before mortgage.
- Arranging valuation centrally through enlisted Surveyor Firm where the credit facility is Tk. 1.00 crore & above.
- Ensuring the presence of CAD official and a Branch Manager/Relationship Manager while conducting a survey where the credit facility is Tk 5.00 crore & above.

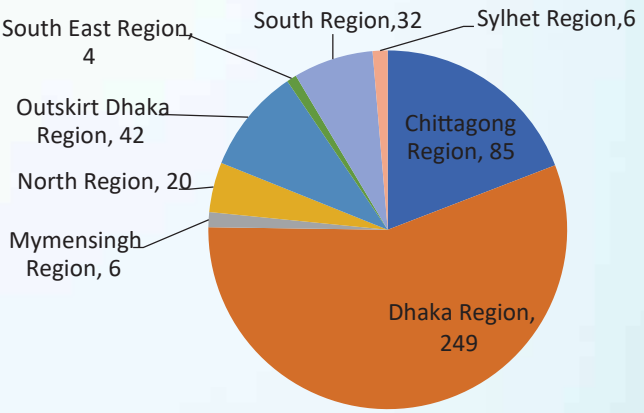
After checking as per the above procedures, CAD reports the irregularities, shortfalls, and discrepancies in documentation (if any) to the branches for necessary rectification and /or to obtain necessary deferral approval or waiver from the competent authority prior to limit loading. In case of deferral, a limit is authorized up to the validity of deferral for all types of loans other than Term Loans and actual validity is given after completion of documentation.

In 2024, CAD checked all types of security documents through on-site visits including 287 land schedules at different locations in the country against land & or building offered as collateral securities by 158 customers, as mentioned hereunder:

Particulars	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
No. of customer	15	18	17	14	12	11	11	19	21	02	04	14	158
No. of schedule	23	36	26	30	16	15	25	46	30	04	06	30	287
No. of Branch	12	10	12	09	08	07	10	12	15	02	04	09	110

Apart from that, in 2024; CAD arranged 444 vettings against proposed loan through Bank's Enlisted Panel Lawyer. Month-wise as well as Zone-wise vetting arranged through CAD centrally for credit facility of Tk 1.00 crore & above is illustrated as follows:

Particulars	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
No. of Vetting	35	40	37	29	37	22	55	33	41	53	36	26	444



CAD & CRMD officials jointly issued 7,424 sanction letters in the year 2024 based on approved credit memos & SLA under SME, Retail, & Corporate segments.

CAD ensured loading & authorization of loan limits along with marking & withdrawing liens centrally on/from Scheme Deposit Accounts against credit facilities in CBS in response to the Branch's request upon full completion of documentation. In 2024, CAD loaded & authorized a total 4,970 accounts against approved loans and advances of various nature both funded & non-funded other than LCs of AD Branches.

As a part of regulatory reporting, CAD collects SBS data (sector code, purpose code, security code, SME code and product code) input by the branches in the

Customer Relationship Management (CRM) template of CBS and compiles the same & prepares SBS-3 Statement on a quarterly basis for onward reporting to Bangladesh Bank. Hence, CAD reported all SBS-3 returns to Bangladesh Bank in the year 2024.

CAD also collects data/information from the branches and by compiling them prepares half-yearly Collateral Security Statement for reporting to the Risk Management Division (RMD), facilitating submission of the final Comprehensive Risk Management Reporting (CRMR) to Bangladesh Bank. CAD reported all half-yearly statements to RMD in 2024.

CAD collects data on a quarterly basis from the Branches for reporting the compliance status against approved deferrals to the Risk Management Committee (RMC) of the Board of Directors through RMD. Hence again, CAD reported the status of all deferral issues to the RMC of the Board in 2024.

It is praiseworthy that CAD has brought various changes for the implementation of its efficient operation in line with the best industry practices as per directives of the Senior Management & Board. In the year 2024, CAD has re-engineered its process with a view to reducing redundancies and simplifying the existing process. Hence, CAD's operation may transform from its present partial centralized platform to full centralization depending on the desire & decision of our policymakers as well as capacity building in various aspects, e.g. deployment of additional manpower with sound credit exposure & documentation know-how, necessary expansion of infrastructure including installation of warehouse, iron safes, fireproof cabinets, expansion of floor space with full logistic support, etc. keeping the interest of the Bank.

Credit Monitoring

The loan portfolio monitoring has emerged as an essential practice for the bank. This shift is driven by the need to maintain a sustainable risk appetite, comply with regulatory requirements, and optimize loan performance amidst an increasingly complex economic landscape. As we move into 2025, the importance of comprehensive loan portfolio monitoring cannot be overstated.

Recently the central bank has intensified their scrutiny on banks, particularly in the aftermath of the 2024 political crisis. Loan portfolio monitoring plays a crucial role in ensuring compliance with these regulations by providing a clear view of the risk profile and performance of the bank's loan assets. Regular monitoring activities help us to identify potential problem loans in the initial stage, allowing us to take corrective actions and maintain regulatory compliance.

The global economy is characterized by volatility and uncertainty, driven by factors such as geopolitical tensions, fluctuating interest rates, and economic cycles. In this environment, we must be agile and responsive to changing market conditions. Loan portfolio monitoring enables us to assess the impact of economic shifts on our loan portfolios in real-time. By continuously analyzing loan performance data, we can adjust our lending strategies, manage risk exposure, and make informed decisions to safeguard our financial health.

In 2024, Bangladeshi businesses had faced significant challenges due to high inflation, a weakening currency, and rising import costs, which hindered growth and eroded purchasing power, while also presenting opportunities in sectors like export-oriented industries that benefit from a depreciating value of currency.

Key impacts on Bangladeshi businesses in 2024:

- **Inflationary pressures:**

High inflation has led to increased production costs, impacting profit margins and forcing businesses to raise prices for consumers, which has adversely affected demand.

- **Currency fluctuations:**

A depreciating Taka made imports more expensive, putting pressure on businesses reliant on imported raw materials, but helped boost export competitiveness.

- **Export opportunities:**

While challenges exist, the weaker Taka presented opportunities for export-oriented industries, particularly in the ready-made garment sector, which is a major contributor to the economy.

- **Foreign exchange challenges:**

Accessing foreign currency for imports became more difficult, impacting businesses with significant import needs.

- **Supply chain disruptions:**

Global supply chain disruptions continued to affect the availability and cost of raw materials, impacting production.

Back-to-back events like the COVID-19 pandemic and Ukraine-Russia War and domestic political instability cause severe loss of business opportunity, debt servicing flow, and an overall domino effect chain reaction between supplier-buyer businesses. Business enterprises, regardless of their sizes, are now gravely suffering from both formal and informal debt management and saving their enterprises from the forthcoming classification formula. In the backdrop of these entire socio-economic contexts, portfolio supervision has now become as important as a coagulant for stopping bleeding from provisions for delinquent loans.

Loan monitoring delivers actionable insights that boost portfolio performance.

For banks, the current socio-economic landscape presents daunting challenges. Portfolio risk is increasing due to macroeconomic factors like rising interest rates, weakening collateral values, the threat of recession, and political instability.

Banking institutions are also facing operational pressures within their own organizations, as the costs of technology, staffing, and resources continue to rise.

Meanwhile, the regulatory compliance burden continues to grow, and competition gets more intense every year.

What we need to do to survive—and thrive—in this challenging environment is that, by enhancing our loan monitoring practices, we have effectively addressed many of these most pressing pain points while also setting our bank up for long-term growth and success. Specifically, effective loan monitoring systems and practices enable us to:

- Gain actionable insights on risks and opportunities;
- Enhance operating leverage; and
- Achieve resilience and adaptation.

Loan monitoring enabled us to deliver actionable insights to help mitigate risks and uncover previously untapped opportunities in the portfolio.

Why is loan monitoring important?

Our monitoring consists of all supervising activities aimed at preventing a leveraged enterprise from being delinquent and improving the debt management capabilities as well as ensuring that the borrower complies with its loan obligations.

We help the branch and the management to adopt changing economic conditions, avoid managerial missteps, and prepare them for collateral devaluation. Through continuous, dynamic monitoring, all these risks of loss are being minimized.

In one sentence we can express the benefit of regular monitoring is that "the real effects of bank monitoring are substantial and reduce delinquency rates."

Treasury Operations:

NCC Bank PLC's Treasury is very active in foreign exchange, fixed income, and money markets, providing tailor-made services in spot and forward foreign exchange, swaps, and fixed income trading to a widely diversified customer base of financial institutions, corporate houses, fund managers, and high-net-worth clients.

During the year 2024, the country faced huge turmoil in every aspect of economic activities; as such, there was a prevailing unprecedented mismatch in Balance of Payment, fluctuations in Foreign Exchange rate and variations in interest rates in the Money Market as well as in the Fixed Income Market throughout the year.

Nevertheless, NCC Bank's Treasury having a well equipped state-of-the-art dealing room with a dedicated team of skilled human resources for efficient dealing contributed significantly to earning as well as to building up risk management capacity by way of greater coordination with business units and observing steadfast discipline in ALM for business booking.

The year 2024 was greatly volatile in both local & foreign currency markets making the treasury operations tricky in a tight monetary policy. All these caused a tough and unforeseen market for Treasury fund business as well as trading business. Like the previous year, the central bank made a wide range of policy interventions. But this year, global stagflation, and the country's political unrest resulted in higher inflation which tightened both the money market and the foreign exchange market resulting rise of interest rates. Persisting global commodity price hikes and increases in benchmark interest rate (LIBOR, SOFR, DHIBOR etc.) caused ceaseless depreciation of local

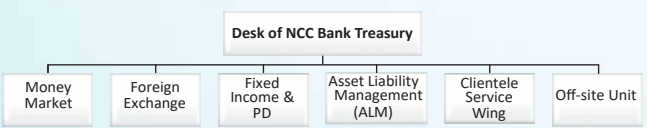
currency and depletion of the country's FX reserve.

NCC Bank's versatile and time-befitting treasury management system is one of the most dynamic treasury operations in Bangladesh, engaged in local and foreign currency dealings, fixed income instruments, derivative transactions, and FI services. The Treasury plays multifaceted roles in the Bank's liquidity management and risk functions through excellence in liquidity management with strong market execution via foreign exchange trading and workflow, optimizing hedging and risk exposure strategy, supervising long-term funding and optimizing cost of funds for the Bank, and developing an independent view of counterparty or default risk for major trading partners. The various means, products, and assignments of the Treasury are depicted below:

NCC Bank PLC Integrated Treasury Fostered Assignments:

- Prudent Liquidity Management
- Interest Rate Risk Management
- Maximizing Arbitrage Earnings
- Foreign Exchange Risk Hedging
- Market Risk Management
- Managing Commitment
- Strengthening bonding of Business & ALM
- Retaining CAMELS & Other Ratings in higher.

In accordance with the international standard, best practices, and guidelines of Bangladesh Bank for Core Risk Management Policy, NCC Bank PLC structured its



treasury management operations into six segments as follows:

Treasury Products:

During the year 2024, in such a situation, the Bank's skilled treasury team ensured the optimum treasury services to cope with rapidly changing business and regulatory environments through combined endeavors of Foreign Exchange, Money Market, Fixed Income, ALM, Clientele Servicing Wing & Off-Site Unit desks.

Foreign Exchange

NCC Bank Treasury is engaged in need-based foreign currency transactions in interbank market of which dealing room is connected to the world famous Thomson Reuters live currency monitor with other on-line dealing platforms of different international banks to quote competitive spot & forward prices for major currencies. We are offering competitive exchange rates to our Importers, Exporters and Non-Resident Remitters for major currencies against BDT.

FX Products

- Spot Dealing.
- Forward Dealing.
- SWAP.
- Corporate Dealing.
- Term Placement.

Money Market

Money Market deals with various derivatives for internal fund mobilization, abiding regulatory requirements. Our Money Market desk ensures sufficient fund management in local currency by minimizing cost of fund which lends and borrows a remarkable amount in inter-bank market for liquidity management.

Money Market Products

- Overnight Call.
- Money at Short Notice
- Term Placement.
- Repo/Reverse Repo

Fixed Income Market

NCC Bank is the market leader in Primary Dealer of Government securities. With a view to activating a secondary market in Treasury bills/Bonds and other Government securities Bangladesh Bank nominated NCC Bank as a primary dealer in the year 2003. From the very beginning, we have been actively trading Government securities in OTC market. We have a large number of clients, including individuals and institutions. We have been selected as the best PD for consecutively 03 Quarters in 2024.

The Products of Fixed Income Market:

- Treasury bills tenure wise: 91 days, 182 days & 364 days.
- Treasury bond tenure wise: 02 Years, 05 Years, 10 Years, 15 Years & 20 Years.
- Bangladesh Bank Bill
- Commercial Paper

- Subordinate Bond
- Perpetual Bond
- Sukuk Bond
- Bangladesh Government Islamic Investment Bond(BGIIB)

Performances of the different Treasury Desks of NCC Bank PLC during 2024 are as follows:

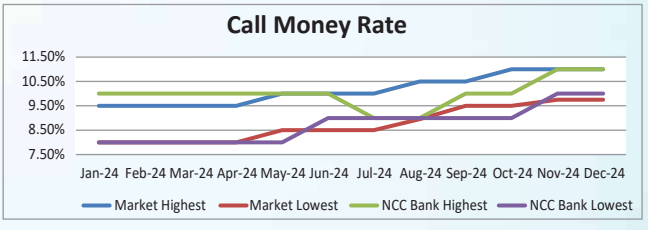
Treasury's Net Operating Income (NIP) in 2024 was about Tk.400.20 crore which is approximately 35.00% of the total operating profit of the Bank. All over the year, a huge liquidity crunch was prevailing both in money & foreign exchange, but our Treasury Division showed a vibrant presence in the inter-bank Money, Foreign Exchange and Fixed Income Market. Consequently, it was possible to generate a handsome amount of Net Operating Income (NOP) despite having an adverse market situation affected by continuous changes in regulatory requirements, political unrest,tight monetary policy & higher inflation.

Foreign Exchange Desk

Like the previous year, in spite of the tougher business environment caused by the volatility and challenges in foreign exchange, the Foreign Exchange desk retained its position in the market through prudent actions fueled by its experience, expertise, and knowledge. The substantial exchange gain was earned by dint of proactive management of exchange positions by utilizing the extra edge of the business growth of the Bank and economy as a whole. This was possible due to wise management of Net Open Position (NOP), efficient organization of liquidity flow originating from export-import business, and intelligent market forecasting. The trade gap between imports and exports decreased from the 2nd quarter of 2023 continued, but Foreign Exchange desk could match with the market efficiently. Foreign Exchange desk is one of the most FCY traders in (Spot, Swaps, Placements and Forward transactions) inter-bank market by which this year the Bank could maintain its Net Open Position (NOP) within limits. Moreover, the Treasury Division extended required fund support to Off-Shore Banking Unit (OBU) and utilized/borrowed the surplus/shortage FC fund to lend/borrow in inter-bank. As an excellent predictor, the Foreign Exchange desk gained a handsome amount of profit in the year 2024 by placement, swap & outright buy-sale of USD throughout the year.

Money Market Desk

Money Market desk facilitates all kinds of available solutions like call money, notice money, term money (across different tenors), SWAP, Repo, Reverse Repo, etc. Aligning with regulatory requirements and maintaining proprietary portfolios makes the desk one of the most efficient players in the market. An effective and dynamic Money Market desk helps the Bank remain sufficiently liquid, after meeting all its financial commitments and obligations to its customers after meeting the regulatory (SLR & CRR) requirement at minimum risk and cost to the Bank. In 2024, within a very tight money market caused by the changes in policy rate, high inflation, and global stagflation, the Money Market desk was able to maintain the CRR & SLR effectively and also made arbitrage income for the Bank. Our Money Market desk was capable of handling situations expertly in a borrowing condition during the year. Money Market desk extended support to the other desks as and when required in buying foreign currency or Treasury Bill/Bond which contributed to generating income for the Bank. During the year, the desk maintained CRR & SLR as well as extended support for counter lending at a higher rate and earned good yield on investment.

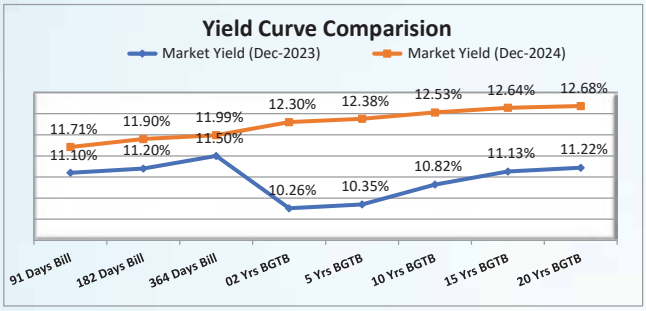


The Call Money Rate was around 7.50%-10.00% in 2024. Our Treasury always stayed within the market as an effective Money Market desk (Shown in the graph).

Primary Dealer (PD) operation and Fixed Income Desk

Treasury Division played proactively its due role of Primary Dealer and earned a very lucrative profit along with capital gain in 2024. Like the past year, the desk maintained its dominance in both the Primary and Secondary Market of Govt. securities trading. The Fixed income desk invests in Government Securities, corporate bonds, subordinated debt, and perpetual bonds available in Bangladesh. A sizable amount of securities has been maintained in trading books and could very successfully utilize the market potential to book hefty gains. The Treasury Division enjoys a good client base, covering individuals, insurance companies and other corporate bodies, which has expanded further during the year.

In 2024, Treasury earned Tk.276.23 crore as Capital Gain (which is 22.50% Tax Free income) and Tk.425.20 crore as interest income withholding a substantial portfolio of around Tk.7,900.00 crore. Primary Dealer desk achieved the Best PD Award for consecutive 04 Quarters in the year 2024, which was introduced in 2022. Our Primary Dealer desk maintains all



regulatory requirements along with the obligations of government borrowing as a Primary Dealer Bank.

Govt. Security Clientele Service Wing

NCC Bank PLC has already created a strong client base for trading different Government through rendering excellent customer services. At the end of the year 2024 the number of clients in Govt. Securities reached to 400 which will continue in the years to come.

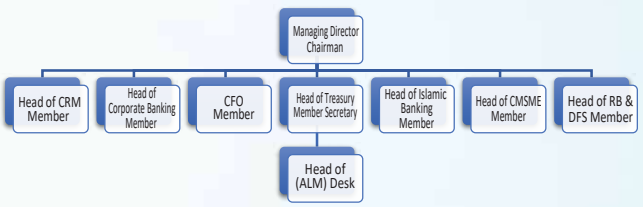
Off-site Desk

As part of its responsibility of Off-site Desk, Treasury Division monitors all deposits, i.e. FDR,SSS,MDP,SND, etc. in Core Banking System (CBS) with the Bank's prescribed rate and the branch's applied rate reviewing deposit position to reduce the cost of funds. Like in previous years, the desk provided specialized services to its corporate clients through diversified products tailored to the customers' needs. The Off-site Desk extended support to the clients in need of short term funds for business transactions by arranging suitable sources and advising them on the right way of utilizing funds.

The main responsibility of this desk is to ensure maximum utilization of the funds of the corporate customers. In 2024, the desk has exhibited impressive dedication in helping all branches, and corporate clients & profit maximization by spread of funding more than previous year.

Asset Liability Management

Asset Liability Management (ALM) desk manages the appropriate balance sheet items and ensures meeting the Bank's liquidity needs through securing a competitive advantage from market movement through utilizing diverse money market products. Asset Liability Management Committee or ALCO in short shoulders the most important responsibility of the Bank as it helps safeguard public deposits. ALM desk monitors the current asset liability position and future commitment of the Bank, market liquidity scenario, and reports the fund position, balance sheet gap and its risk exposures in internal and external environments before the ALCO. As one of the core risk areas identified by the Bangladesh Bank, ALM requires senior management's responsibility and interventions for direct control of both inherent and acquired risks in the balance sheet and in day-to-day operations. The ALCO, headed by the Managing Director as Chairman and the head of Treasury as its Member-Secretary, meets at least once a month to analyze, review and formulate strategy to manage the Assets and Liabilities of the Bank. It takes various decisions regarding interest rates of deposits, loan pricing,



Credit Deposit Ratio, Fund transfer pricing, etc.

Organizational Structure of ALCO of NCC Bank PLC:

The year 2024 posed more challenges than that of 2023 for Treasury as during the year the banking industry was very vulnerable due to continued aftershocks of pandemic and worldwide stagflation surfaced due to prolonged Russia-Ukraine war. At the end of the year, Bank could successfully maintain deposit mix by matching various cost bearing deposits to loans & advances through continuous market analysis, ALM desk regularly revised Bank's deposit rates and up dated duly.

Other schemes to offer the best available banking products for clients matching with market conditions.

ALM Policy Statement	Maintained	Limit/Standard	Position as on
Wholesale Borrowing (Fortnight Average)	35.78%	Max 3,000.00 Cr	31-Dec-2024
Statutory Liquidity Ratio - SLR	26.45%	Min 2,920.64 Cr (13%)	31-Dec-2024
Cash Reserve Ratio- CRR	4.12%	Min 890.00 Cr (4.00%)	31-Dec-2024
Advance Deposit Ratio (ADR)	82.30%	≤87.00%	31-Dec-2024
Capital to Risk Weighted Asset Ratio (CRAR)		>12.50%	31-Dec-2024
Leverage Ratio (Solo)		>3.00%	31-Dec-2024
Liquidity Coverage Ratio (LCR)	114.78%	≥100.00%	31-Dec-2024
Net Stable Funding Ratio (NSFR)	110.66%	>100.00%	31-Dec-2024
Maximum Cumulative Outflow (MCO) up to 01 Month	15.44%	≤16.50%	31-Dec-2024

The Management successfully met all regulatory requirements within the prescribed limits as on December 31, 2024 as follows:

Focus Points & Strategies - 2024

In 2024, Treasury will focus on evolving with the volatile and competitive market forces and continue to harness the untapped market opportunities. The Bank will also focus in the following issues:

- Prudent and cautious approach in managing the Money Market Placement portfolio;
- Achieve business targets, as per the budget and focus on the growth of the treasury business;
- Preemptive positioning of the deposit book of the Bank through watchful Asset-Liability Committee (ALCO) operation;
- Competent foreign currency liquidity management and execution resulting in successful customer payment and bank borrowing obligations 'and
- Ensure the highest levels of compliance, fostering a culture that seeks to proactively control risk;

Offshore Banking Unit (OBU):

The Offshore Banking Unit (OBU) has started its operations of Offshore Banking since 2013 at the NCC Bank Bhaban Branch under the prudential control & supervision of the Offshore Banking Division (OBD) at Head Office. OBU provided discounting facilities against Import (UPAS) & Export (LDBP & FDBP) LCs for Total USD 157.33 million in 2024. The Unit procured a total sum of USD 86.30 million for Offshore Banking Operation (OBO) from different Foreign Correspondent Banks during 2024. The Unit is receiving more funds from foreign banks for its timely repayment of foreign Trade Loans and increasing credit lines with the foreign banks day by day.

In 2024, Offshore Banking Law was passed by the Bangladesh Parliament on March 14, 2024 and under this law, the Offshore Banking Unit introduced 02 (two) new OBU deposit products i.e. "OBU FC Account" & "International Banking (IB) Account" accordingly. To attract prospective customers from anywhere in the globe, we have also developed our NCC Bank's website featuring Online Account Opening, and we are getting excellent positive responses from our clients. Moreover, we are expecting to attract more customers from home & abroad to open "OBU FC Account" & "International Banking (IB) Account" with exclusive benefits.

Information Technology:

NCC Bank has embarked on a comprehensive digital transformation journey, emphasizing end-to-end automation and process standardization to enhance operational efficiency and customer experience. Despite facing national economic challenges and widespread change management in 2024, the bank made significant technology investments that laid a strong foundation for future growth.

Key Achievements in 2024:

Digital Transformation Initiatives: The bank successfully launched several digital platforms, including:

NCC Always: An innovative internet banking application that has delivered nearly 20,000 users, close to 200,000 transactions, and processed a substantial transaction volume.

NCC ICON: A dedicated corporate internet banking system designed to meet sophisticated business needs.

Open Banking & Connect Plus Platforms: These platforms facilitate seamless integration between systems and streamline internal operations, enhancing real-time customer service and data-driven decision-making.

Customer Self-Service Portal and Revamped Call Center: Both initiatives have improved accessibility and service quality, contributing to better customer satisfaction.

Additional innovations such as 24/7 cash management solutions, service monitoring tools, specialized debit cards, and instant PIN activation services further underscore the bank's commitment to customer-centric digital solutions.

Infrastructure Upgrades: Strategic improvements were made to bolster operational continuity and security, including modernizing backup solutions, firewall replacements, refreshing end-user computing equipment, and upgrading network and payment system infrastructures.

Information Security and Governance Enhancements: The bank has reinforced its IT policies and risk management framework, achieving internationally

recognized certifications (ISO 27001, PCI DSS) and implementing advanced monitoring and security measures to ensure data integrity and regulatory compliance.

Objectives for 2025:

Looking ahead, NCC Bank plans to upgrade both its Conventional and Islamic Core Banking Systems, implement additional digital initiatives, and relocate its Disaster Recovery site to further enhance business continuity and service delivery.

Overall, these initiatives and strategic investments have positioned NCC Bank to continue setting benchmarks in digital transformation, ensuring a secure, seamless, and innovative banking experience for its customers.

NCC International Trade Services (NITS):

For NCC Bank PLC, international trade is a very crucial factor for running a smooth banking business. International trade mainly consists of Export and Import facilitation. Throughout the year 2024, international trade has covered a fairly significant portion of the Bank's business portfolio. This portfolio of international trade is well diversified and divided into consumer level and industrial level. The facilities of import and export operations generally consist of Letter of Credit, pre-shipment and post-shipment financing. All sorts of international trade business in the bank are running as per the bank's credit policy and the rules and regulations of our central bank and other regulatory authorities.

The year 2024, along with previous years, is the time when business strategy turned to a different perspective. The year 2024 is the year when all industries faced pressures from the pandemic crisis, international and local political crises as well as economical and socio-economical pressures. Among these pressures, the world as well as Bangladesh is still recovering from COVID-19 pandemic pressures, the ongoing Ukraine-Russia war and other international conflicts, the political crisis in Bangladesh etc. Such situations influence the availability of foreign currency reserves in Bangladesh.

Despite immense pressure, Bangladesh is able to maintain a strong and un-fluctuated position in the era of international trade.

Among all such ups and downs, NCC Bank PLC has performed significantly well in international trade in the year 2024. The main challenges of the bank, along with NCCB International Trade Services (NITS) are to increase the export business as well as maintaining a feasible import business so that the bank can sustain itself on the foreign currency liquidity situations. The bank has upfront international trade business by considering a diversified client base, a focused garments sector, customized trade solutions, sustainable trade business, trade finance digitization, and international credit lines etc.

For success in the banking industry, foreign trade is one of the important factors in present day situations. Exporters involved in the bank earn foreign currency by exporting products and services that are used to fulfill the import obligations of the bank. In NCC Bank PLC, these foreign trade operations are conducted by three hubs named as Head office Hub - Motijheel, Gulshan Hub and Chattrogram Hub.

In the world of globalization, foreign trade is becoming more challenging day by day. But by taking proper steps, it can yield a higher income for bank. As the customers, potential industries and numbers of risks grow, foreign trade is becoming challenging day by day. Considering the above, NCC Bank is able to provide dynamic, compliant, strong & substantial trade services among the other private commercial banks.

NCC Remittance & NRB Banking

In a rapidly changing global landscape marked by economic fluctuations and geopolitical shifts, the significance of remittances and NRB banking has never been more profound. Foreign remittances, often regarded as a lifeline for millions, continue to play a critical role in fostering economic stability and growth, particularly in countries like Bangladesh. As one of the world's top remittance-receiving nations, Bangladesh remains committed to maximizing the contributions of its expatriate population to drive national prosperity.

Throughout **2024, NCC NRB Banking** has remained steadfast in its mission to deliver excellence, innovation, and customer-centric solutions. Despite the challenges posed by global economic uncertainty and shifting remittance trends, we have sustained our commitment to service excellence and operational efficiency. Our focus on digital transformation, expanding global partnerships, and fostering financial inclusion has strengthened our ability to enhance the

remittance experience for both senders and beneficiaries.

As we step into **2025 and beyond,** we remain optimistic about the future of **NRB banking**. Bangladesh, continuing its **growth trajectory**, our vision is to **lead the industry** through strategic innovation, forward-thinking initiatives, and an unwavering dedication to progress. Our goal is to drive **sustainable economic development**, empower NRB communities, and enhance the remittance ecosystem.



Wage Remittances: A Driving Force for Sustainable Development

Remittances are far more than just financial transactions; they serve as a transformative force that fuels economic progress, strengthens social structures, and fosters long-term development. Across the world, migrant workers send funds back home, playing a crucial role in stabilizing economies, uplifting communities, and shaping a more prosperous future.

Here are the key ways remittances contribute to sustainable development:

1. Ensuring Stability in Times of Uncertainty

Remittances provide a reliable economic buffer during crises, whether due to economic downturns, natural disasters, or political instability.

2. Accelerating Economic Growth

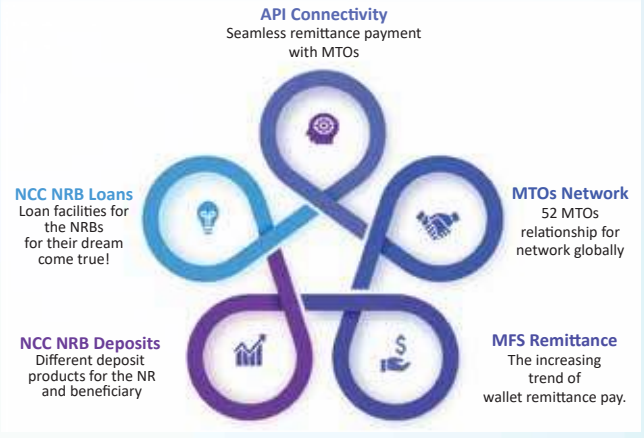
By injecting capital into local economies, remittances stimulate household consumption, boost savings, and drive investments in key sectors. This steady inflow of funds helps foster business development and infrastructure growth.

3. Breaking the Cycle of Poverty

Remittances are a powerful tool for poverty reduction, lifting millions out of financial hardship. Families receiving these funds can afford basic necessities such as food, housing, education, and healthcare, significantly improving living standards and fostering upward mobility.

4. Transforming Societies and Communities

Beyond financial benefits, remittances empower recipients to initiate social change. With increased financial stability, families and communities can engage in entrepreneurship, philanthropy, and local development projects. Migrants and their families play a pivotal role in building stronger, more resilient societies through their investments.



NCC NRB Banking Services: Exclusive Offerings for Non-Resident Bangladeshis (NRBs)

Non-Resident Bangladeshis (NRBs) play a crucial role in the economic development of Bangladesh through their hard-earned remittances and global contributions. To support and enhance their financial needs, NCC Bank PLC offers comprehensive NRB banking services designed to ensure secure, efficient, and seamless financial transactions from anywhere in the world.

Exclusive Services for NRBs

1. Hassle-Free Foreign Remittance Services

- ✓ Instant Fund Transfers – Real-time remittance processing through API-based connectivity.
- ✓ Multi-Channel Disbursement– Receive funds via bank a/c, cash payouts, and mobile wallets (bKash/Nagad).

2. NRB Savings & Investment Accounts

- ✓ NRB Savings Account – Specially designed accounts offering attractive interest rates.
- ✓ NRB Fixed Deposits – Safe and high-return investment opportunities.
- ✓ Foreign Currency Accounts (FCY) – Maintain deposits in USD with competitive benefits.

3. Online & Mobile Banking Solutions

- ✓ 24/7 Access– Manage your accounts anytime through NCC Bank's online or mobile banking (NCC Always-Apps).
- ✓ Bill Payments & Fund Transfers – Send money to family, pay bills, and handle finances remotely.
- ✓ Secure Banking – Two-factor authentication & AI-driven fraud protection for secure transactions.

4. NRB Loan Facilities

- ✓ Home Loans for NRBs – Invest in property in Bangladesh with low-interest home financing.

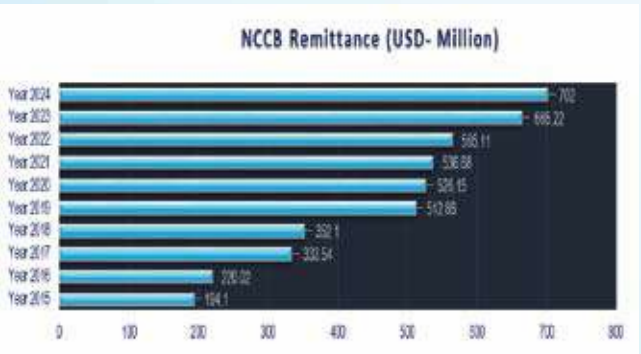
  Auto Loans & Personal Loans – Financial support tailored to NRB needs.
- ✓ Investment Loans – Secure funding for business ventures or local investments.

5. Special NRB Banking Support

- ✓ Dedicated NRB Help Desk – Personalized assistance for banking, remittance, and investment queries.
- ✓ Exclusive NRB Relationship Managers– Dedicated professionals to help manage NRB banking efficiently.
- ✓ Priority Customer Services – Faster processing and exclusive banking benefits.

The Choose NCC Bank PLC for NRB Banking

- ✓ Trusted Banking Partner – Years of expertise in NRB banking and remittance services.
- ✓ Extensive Global Network – Partnerships with top 50 Money Transfer Operators (MTOs) worldwide.
- ✓ Secure & Convenient Digital Solutions – Ensuring a hassle-free banking experience for NRBs.



NCC NRB Banking Achievements in 2024

The Bank has been honoured with the **Top Ten Bank Remittance Award 2024**, a recognition of our unwavering commitment to excellence in foreign remittance services. This prestigious award highlights our continuous efforts in providing secure, efficient, and innovative remittance solutions, reinforcing our position as one of Bangladesh's leading remittance service providers.

Continuous Growth in Remittance Inflow

NCC Bank has consistently achieved s**trong growth in remittance inflows**, reflecting the trust of **Non-Resident Bangladeshis (NRBs)** and our expanding **global remittance network.**

- ✓ Achieved a total remittance inflow of USD 702 million in 2024, marking consistent year-on-year growth.
- ✓ Strengthened partnerships with global Money Transfer Operators (MTOs), expanding our remittance network.
- ✓ Enhanced operational efficiency and service excellence, ensuring seamless remittance disbursements.

IT Innovation & API Connectivity: Strengthening Global Partnerships

NCC Bank continues to lead the way in remittance digitalization and API-based integrations, making cross-border transactions faster, more secure, and seamless.

Looking Ahead: Future Goals for NCC NRB Banking

With our vision of continuous innovation and excellence, the bank is committed to:

- ✓ Achieving USD 1000 million+ in remittance inflow by 2025.
- ✓ Strengthening global MTO partnerships to expand our remittance network.
- ✓ Introducing blockchain-based remittance solutions for faster and more secure transactions.
- ✓ Enhancing financial inclusion for NRBs through AI-driven banking services.

At NCC Bank, we remain dedicated to empowering Non-Resident Bangladeshis, driving financial inclusion, and shaping the future of digital remittance services.

The Remittance Business Challenges in 2025: Global and Local Perspectives

The remittance industry continues to be a critical pillar

for economic growth and financial stability, especially in countries like Bangladesh, where millions rely on foreign earnings. However, as we move into 2025, several global and local challenges could impact the remittance flow, service efficiency, and overall business sustainability.

Global Challenges Affecting Remittance Business

1. Economic Slowdown & Inflation: Recession Risks – Economic instability in major remittance-sending countries like the USA, UK, and Middle Eastern nations may lead to job losses or reduced wages for migrant workers.

2. Geopolitical Uncertainty & Migration Policies: Stricter Immigration Laws – Countries such as the USA, UK, and EU nations are tightening their immigration policies, potentially reducing the inflow of migrant workers.

3. Rising Competition & Digital Disruptions: Fintech & Crypto currency Impact – The growing use of cryptocurrencies and decentralized finance (DeFi) platforms.

4. Compliance & Regulatory Pressures: Stronger Anti-Money Laundering (AML) & KYC Requirements – Banks and financial institutions face stricter regulations, increasing compliance costs and sanctions/restrictions.

Bangladesh Local Challenges Impacting Remittance Growth

1. Exchange Rate Volatility: Fluctuations in the Bangladeshi Taka (BDT) against the US Dollar (USD) and other major currencies could impact the real value of remittances.

2. High Informal Remittance Transactions (Hundi System): Illegal money transfer channels (Hundi) remain a major competitor to formal banking remittance services due to better exchange rates and simplified transaction processes with minimal documentation.

3. Limited Financial Inclusion in Rural Areas: Despite advancements in mobile financial services (MFS), a significant portion of rural Bangladesh still lacks proper banking access; connectivity issues, digital literacy gaps, and lack of financial awareness continue to hinder full-scale remittance banking adoption.

While 2025 presents several challenges for the remittance industry, strategic adaptation, technology adoption, and regulatory improvements can help ensure continued growth and sustainability. NCC Bank PLC remains committed to driving innovation, financial inclusion, and secure remittance solutions for the global NRB community.

Financial Institutions

The Financial Institutions Department (FID) of the Bank has made important progress in the shift to growth aligned with the mission and vision of representing our Bank to its Correspondent Banks, Multi Development Agencies and other partner organizations around the world. FID plays a vital role in facilitating the international trade of the Bank by way of establishing correspondent banking arrangements with National/international banks, multilateral development agencies like Asian Development Bank (ADB) with durable solutions combining cutting-edge technology, experience and financial strength for our clients and stakeholders. An excellent and cohesive financial arrangement with leading global banks for arranging Credit Line facilities for adding confirmation to LCs, Trade loans for Off-shore banking Unit (OBU), opening Nostro Accounts for making payments & collecting export proceeds. More to the point, FID also conducts the tasks regarding arrangements with Credit report supplier agencies like Dun & Bradstreet, Dubai, ICIL, Pakistan, Trade Data limited, Bangladesh, Creditlink, Bangladesh, Chenkun Credit Rating Services Co. Limited, China, Credence, Hong Kong etc. for procuring credit reports on overseas suppliers and buyers by our branches/NITS for Trade transactions, International Maritime Bureau (IMB) of ICC Commercial Crime Services, UK for vessel tracking, vessel screening by Kpler PTE Ltd., Belgium, container tracking by DP world, UAE, Global Trade Tracker (GTT), Switzerland for price verification procured for our NITS, Trade Assets to reach out to the confirming banks for getting a comparative pricing for LC Confirmation and discounting, making arrangement with Bankers Acuity to represent the Bank in the international banking and business directory furnished with current detailed information on the Bank as well as conducting KYC, Due Diligence on the Correspondent Banks and appointment of Process Agent in the US for A/Cs held in USA under US PATRIOT ACT.

Topical Key-point accomplishments of FID: -

- At present as of December 31, 2024 the Bank

has a good Correspondent Network of 357 offices of 115 of the world's leading banks to provide best services to its clients. Out of which 49 banks have extended Credit line facilities about USD 736 Million in favor of the Bank for confirmation and discounting the LCs of the Bank.

- Established Credit Line Arrangements with Mizuho Bank Limited, Tokyo, Japan, Banque Cantonale de Geneva, Switzerland, Indian Overseas Bank Singapore Branch, Singapore, HAB Bank, New York, USA, Belfius Bank SA/NV, Belgium, RHB Bank, Malaysia. Besides these, pursuant to our relentless persuasion, SCB, Wells Fargo Bank N.A., BACB, UK have enhanced Credit Line limit facilities in favor of the Bank.
- Signed Master Murabaha Agreement with Abu Dhabi Islamic Bank PJSC, UAE (ADIB) to facilitate UPAS LCs
- Executed Master Trade Loan Agreements with Commerzbank AG, Frankfurt, Germany, Credit Europe Bank NV, Netherlands, RAK Bank, UAE for our Off-shore Banking Unit.
- Asian Development Bank (ADB): Successfully completed Annual Review for the year 2024 and hopefully, we will have good news from ADB by March 2025 as assured.
- Arranging add confirmation of 1128 LCs of the Bank for USD700 million in 2024 as compared to USD550 million in 2023.
- A good number of payments, i.e. 15,958 has been made through our 25 Nostro accounts in different currencies.

The Financial Institutions Department also monitors and supervises L/C business routed by our NITS through Correspondent Banks worldwide to ensure a sustainable business flow to maintain an active relationship with the Correspondent Banks. When all's said and done, the consistent and comparable efforts of FID are put forward to offer wide range of banking services and products in the budding socio-economic environment within and outside the country while maintaining values of integrity and efficiency with excellence without a shred of trepidation.

Financial Inclusion

As part of Bangladesh Bank's broader effort to bring the unbanked and marginalized people to the existing banking system, NCC Bank PLC established Financial Inclusion Cell (FIC) in 2018. Since then the cell has been working to bring in the students, lower income and marginal people with its innovative approach. FIC believes in creating its own "Blue Ocean" rather than fighting in existing "Red-Ocean" by targeting the unbanked and the underprivileged. It is poised to ensure sustainable future growth and lasting brand value of the bank through deposit mobilization by onboarding the unbanked i.e. students, underprivileged, low income segment of the society. For example, onboard school banking student at very early in their life and keep them engaged and aware of our brand through various engagement programs considering the Life-Cycle-Stage of the individual. Thereby capitalizing on the full lifetime value of the target customer and ensuring sustainable growth.

Currently NCCB offering under this cell following deposit product:

No-Frill Accounts (NFAs)

- ❖ These accounts require an initial deposit of Tk.10/50/100, neither a minimum balance nor any service charge/fee, and provide relatively higher interest.
- ❖ The target people of these accounts include farmers, RMG workers, extreme poor, the beneficiaries of the Social Safety Net (SSN) programs, etc. low income underprivileged marginalized/ people.

School Banking Accounts (SBAs)

- ❖ Where students under 18 years can open bank accounts with an initial deposit of Tk.100 only. Remittance and subsidy can also be received in these accounts

Year	Number of A/C				Balance (Crore)			
	NFAs		SBAs		NFAs		SBAs	
	A/C	Growth	A/C	Growth	Amount	Growth	Amount	Growth
2019	4,839		10,682		1.62		38.64	
2020	5,083	5%	14,047	32%	1.69	4%	47.37	23%
2021	6,137	21%	15,574	11%	1.81	7%	55.98	18%
2022	6,330	3%	17,872	15%	1.93	6%	61.55	10%
2023	7,495	18%	22,568	26%	2.27	18%	68.48	11%
2024	8,981	20%	25,748	14%	1.92	-15%	70.17	2%

Notes: As of September 2024, Total Number of NFAS Accounts: 27.26 million with Total Amount of Deposits: Tk. 4,721 crore and Total Number of Accounts SBAs: 3.95 million with Total Amount of Deposits: Tk. 2,285 crore, in the banking sector of Bangladesh.

Key Highlights:

i. First to establish a "Financial Literacy Corner" in 127 branches and Financial advisory service through a "Financial Literacy Help Desk" in each branch, a unique concept in banking industry.

ii. Established Financial Literacy Wing (FLW).

iii. Held an extensive 03 (three) days long training course in Bogura as part of Financial Literacy Program

iv. Published a book in Bangla titled "Aarthik Shakkhorota Sohojpat" in guidance of Bangladesh Bank and distributed those to 127 branches, 50 copies each.













v. 55 branches have conducted School Banking Campaigns.

vi. NCC Bank PLC has spent more than Tk. 3.18 million so far in 2024 as part of CSR activity through Financial Literacy Programs and School Banking Campaigns.

vii. Introduced simplified Single Page account opening form for school banking.

Key achievement:

i. Around 3,987 (Three Thousand Nine Hundred Eighty-Seven) accounts opened in 2024.

ii. Total deposit in the accounts is Tk. 72.09 crore.

iii. Achieved almost 104% of target set by Financial Inclusion Division, Bangladesh Bank at 3,933 (Three Thousand Five Hundred Fifty) accounts.

iv. Total 25,748 (Twenty-Five Thousand Seven Hundred Forty-Eight) student accounts up to December 31, 2024.

v. 2024 seen an extensive growth in 10/50/100 Tk. accounts. A total of 807 (Eight Hundred and Seven) accounts have been opened throughout the country to bring the unbanked people into mainstream economy.

vi. Through the 55 (Forty-Five) school banking campaigns and 18 (Eighteen) Financial Literacy programs NCC Bank has raised financial awareness in more than 13,740 (Thirteen Thousand Seven Hundred Forty) students, parents and individuals.

vii. Despite economic downturn, NCC Bank PLC disbursed 24 (Twenty-Four) new Financial Inclusion Loan in 2024. The total disbursed amount stands at Tk. 13,20,000.00 (Taka Thirteen Lac Twenty Thousand). The outstanding as on 31.12.2024 was Tk. 12,33,288.00 (Taka Twelve Lac Thirty-Three Thousand Two Hundred Eighty-Eight).

Core Strengths:

i. Innovative School Banking campaigns

ii. Simplified account opening form and procedures

iii. Higher interest rate for school banking accounts than peer banks

iv. Continuous incentive and monitoring

v. Embedded Financial Literacy corners and "Financial Literacy Help Desk" in 128 branches

Contribution to the Bank/Economy etc.

i. Total number of School banking account number is 25,748 at the end December 2024.

ii. Total number of No-Frill account (10/50/100 Tk. Account) is 8,981 at the end of December 2024.

iii. Total deposit balance of the accounts is Tk. 72.09 crore.

iv. Financed over Tk. 1.32 million to the root level people.

These accounts have a spillover effect; in the future, the client students will be more willing to open personal and business accounts with us. Also, many of them will contribute to NCC banks asset portfolio through availing loans and other funded-non funded facilities. And their family members will also be much more willing to maintain deposit and other transaction relations with the bank.

Digital Financial Services & Cards Business

With a rich legacy spanning three decades, NCC Bank PLC continues to embrace progress. Recognizing the evolving needs of its valued customers in a technology-driven era, the bank introduced its revolutionary Card service on August 22, 2005. Since inception, NCC Bank Cards have seen a surge in popularity due to their state-of-the-art card

management system. This comprehensive technology ensures a seamless and efficient experience for NCC Bank's valued customers. Card & Digital Payments Division, committed to elevating the card & digital experience, has implemented a range of rewarding benefits. These include flexible EMI schemes, enticing discount offers, exciting BOGO (buy-one-get-one) deals, access to airport lounges, mobile apps etc. NCC Bank Cards have become synonymous with value, making them the preferred choice for a sophisticated and seamless lifestyle.

NCC Bank prioritizes understanding its customers' needs. This commitment is reflected in their comprehensive selection of Visa-branded Debit and Credit cards. Notably, our Card's offerings include the most prestigious Visa tiers, empowering customers with a symbol of financial standing and access to exclusive benefits. Such Visa products are:

Multi Currency Cards:

1) Visa Signature Card
2) Visa Platinum Card
3) Visa Dual Gold Credit Card
4) Visa Multi-Currency Debit Card (both for Islamic & Conventional)
5) Visa Consumer Prepaid Card

Local Currency Cards:

6) Visa Local Classic Credit Card

NCC Bank Visa Cards offer unparalleled convenience and global acceptance. Cardholders can use them at millions of Visa merchants worldwide. Additionally, NCC Bank Cards provide a suite of features designed to simplify financial life, including:

- Instant cash withdrawal at NCC Bank branches through POS
- Auto debit payments
- Balance transfers
- Card Cheques for payments
- Real-time transaction alerts via SMS and monthly statements
- 24/7 customer support
- Secure E-Statements
- Fast transaction approvals
- Transaction through Mobile Apps

With these features and widespread acceptance, NCC Visa Cards are rapidly gaining recognition in the industry. Moreover, NCC Bank Cards utilize EMV chip technology for enhanced security, giving Cardholders peace of mind with every transaction.

NCC Bank prioritizes round-the-clock access to finances with its robust ATM network. Boasting over 131 ATMs/CRMs conveniently located across the country, NCC Bank ensures you can withdraw cash whenever you need it. Further enhancing convenience, NCC Bank recently deployed 27 Cash Recycler Machines (CRMs). These innovative ATMs allow NCC Bank customers to not only withdraw cash but also deposit funds and receive instant account balance updates.

Committed to offering comprehensive financial solutions, NCC Bank is a member of the Q-Cash (ITCL) network, a nationwide third-party processor. This membership, along with NCC Bank's connection to the National Payment Switch of Bangladesh (NPSB), empowers customers of any bank in Bangladesh to withdraw cash from NCC Bank ATMs using their own bank's debit cards.

NCC Bank Cards utilize Two-Factor Authentication (2FA), adding an extra layer of protection for online purchases. This method helps shield the Cardholder from fraudulent activities and minimizes financial losses for both you and the bank. Moreover, NCC Bank has also introduced contactless Credit Card that enables customer to conduct transaction without putting the PIN number. However, as per regulatory guideline now it allows transaction within defined limit.

To make cash withdrawal more convenient by using Credit Card, NCCB Card & Digital Payments Division has introduced faster fund transfer services:

i. Internet Bank Fund Transfer (IBFT)
ii. ATM Fund Transfer (ATM-FT)
iii. InstaCredit

Therefore, in any emergency need, card holder is getting instant cash to meet his/her need by paying a small amount of processing charge only and repaying the amount on the payment date without any interest.

Modern landscape of payment card is now full of innovations and it is optimizing traditions of spending of money with lots of flexible options. Hence to conquest precedence over the competitors, Card & Digital Payments Division is planning to put innovative footprints in its product offering in coming days. As part of this "Staging in Position" strategy we have already designed some value propositions:

i. 0% Interest SmartPay EMI Program

Cardholder can make any purchase from more than hundreds of partner merchants and pay

back the amount over a tenor ranging from 3 months to 36 months without any interest.

ii. Rate Based EMI

- **InstaCredit:** It allows the Cardholders to avail loan facility against their unused credit limit at only 7% or 9% p.a. flat interest rate. Maximum tenor is 36 months and amount is 50% of the available credit limit.
- **EasyBuy:** It's a facility to convert any retail purchase including fund transfer & card cheque into EMI at only 7% or 9% p.a. flat interest rate. Maximum tenor is 36 months.
- **No Burden Outstanding:** This flexible EMI scheme offers the facility to convert your monthly total bill into EMI at only 9% or 10% p.a. flat interest rate. Maximum tenor is 36 months.

iii. **Privilege Points Reward Points:** Privilege Points Reward Program is a comprehensive loyalty program designed to reward Cardholder for their spending with NCC Bank Credit Card. Cardholder will earn Privilege Points on all POS & Online transactions locally and internationally. Cardholder accumulated points can be used to waive the renewal fees and pay outstanding bills of the Credit Card. Cardholders are automatically enrolled in this loyalty program & the enrolment is absolutely free.

iv. **Risk Assurance Program:** NCC Bank Risk Assurance Program (RAP) is an invaluable insurance benefit provided under the umbrella of MetLife. This benefit covers the Card dues against the loss of life, physical disability, or certain critical diseases for a nominal monthly charge - Insurance Premium subject to the terms & conditions. Cardholder will be automatically enrolled in RAP after he/she has been issued a Credit Card. For disenrollment, the Cardholder needs to call our 24/7 Contact Centre. Cardholders can remain enrolled in RAP till 64 years, after which this feature will automatically be cancelled.

v. **Meet & Greet Service:** Meet & Greet is a fast track through airport check-ins and arrivals for international flights. Cardholder will get a complimentary Meet & Greet Service with two companions and child below 6 years at Hazrat Shahjalal International Airport (HSIA), Dhaka.

vi. **BoGo Facility:** NCCB Visa Credit Card comes by means of complimentary companion dining with mouthwatering food at the finest restaurants in the country. The cardholder will enjoy round-the-year Buy One Get One free facilities at renowned hotels & restaurants within Bangladesh.

vii. **Access to 1000+ Global Airport Lounges under Priority Pass:** NCC Bank Visa Platinum & Signature Credit Cardholders will receive a complimentary Priority Pass to access 1000+ airport lounges around the world. Priority Pass membership cards can be used at any participating airport lounge regardless of airline or class of ticket.

viii. **Access to Balaka Lounge at Hazrat Shahjalal International Airport:** NCCB Visa Platinum & Signature Credit Cardholders will get complimentary access to Balaka Lounge at Hazrat Shahjalal International Airport (HSIA) operated by Hotel InterContinental, Dhaka.

ix. **Women Cards:** Card & Digital Payments Division has launched different Debit, Credit and Prepaid card specifically for women, branded as “Parama”, which is the name of its Women Banking.

x. **Payment Services through NCC Always Apps:** In the middle of the last year, Card & Digital Payments Division has launched Mobile Apps based Payment Services. Now NCCB Customers are able to do transaction from any device from anywhere in the world at any time. Through mobile apps customer are enjoying diversified payment options in different payment channels such as MFS, NPSB, BEFTN, RTGS etc.

xi. **Hajj Card:** It is troublesome to carry hard cash during the performance of Hajj and to make it convenient, the Card & Digital Payments Division introduced the Hajj Card. Customers are now enjoying Hajj Quota in spending of Saudi Real during this time and it eradicates any payment related hassle.

As part of ongoing efforts to offer diversified fin-tech services to our valuable card holders, we are working on launching below services within this year:

i. **Internet Banking:** Card & Digital Payments Division is very close about to launching Browser-based Internet Banking. By using internet banking, customer will be able to do transaction from any device from anywhere in the world at any time.

ii. **Innovative Digital Banking Services:** Card & Digital Payments Division is working to redefine financial services through integration

of innovative digital payments tools like Mobile Wallet, payments & withdrawal through QR-Scan, introducing opening of digital account from anywhere and instantly remit money to own bank account at home. Customer will also able to pay utility bills, merchant payments and transfer money to different MFSs/PSOs.

With the efficient use of AI-Powered financial insights & analytics, Bank is working on to launch "Digital Loan" and digitally convenient & personalized deposit products in near future.

iii. **Launching of TakaPay Card:** To reduce reliance on international card network like visa, master card Bangladesh Bank aims to provide a secured method for handling local payments through NPSB by introducing TakaPay Card. Bangladesh Bank nominated NCC Bank in the piloting phase of TakaPay Card Project. Now Card & Digital Payments Division is working to launch TakaPay Card within the 3rd quarter of this year.

iv. **Virtual Card:** To make payment service at the door step of any customer, NCC Bank Card & Digital Payments Division has planned to offer virtual card for any walking/potential customer and caring to fulfill the payment service quickly.

v. **Islamic Credit Card:** NCCB has already launched Islamic Debit Card and now we are in the process of introducing Islamic Credit Card as well very soon.

vi. **SME Debit Card:** SME Debit Cards are provided to all the businessmen or entrepreneurs who are maintaining SME current accounts with NCC Bank. This card will ensure easy, convenient and cashless transaction even without visiting branches.

vii. **Launching of Master Card:** Currently, NCC Bank is issuing visa branded card only. In this year, to bring more flexibility in making payments at different outlet across the world, Card & Digital Payments Division is working to introduce Master Card branded cards for its customers.

viii. **Lounge Key with Priority Pass:** This service brings more operational efficiency in providing Priority Pass Service to Card Holders and makes the service more convenient as the service is integrated with the Credit Card and thus there is no need to carry an extra priority card.

ix. **Integrated Contact Center:** An implementation phase is in progress to introduce IVR integrated contact center by this year. Hence, by making a call to our call center, valid customer will receive an automated voice response contains desired accounts/loan/card information as per the service code requested by him/her. This will make customer support more convenient and faster.

x. **24/7 Online Customer Support:** The division is going to launch Digital Query Management (DQM) through which bank will response to queries coming from different social media like Facebook, LinkedIn etc. Bank will also introduce chatbot for instant response of customer queries.

The prospect of digital financial services & cards business is highly prosperous and it will continue to uphold the prestigious image of our esteemed bank.

The prospect of NCC Bank card is highly prosperous, and it will continue to uphold the prestigious image of our esteemed bank.

Human Resources Development

At NCC Bank PLC, our Human Resources encompass all employees and staff who contribute to our organization. We define "Human Capital" as the collective skills, knowledge, and expertise that enable us to achieve our organizational goals. Our dedicated HR team is committed to developing exceptional human capital that serves as both a role model and a competitive advantage within the banking industry and throughout Bangladeshi society.

We consider HR to be the cornerstone of organizational effectiveness—bridging the gap between management and employees to drive success with dignity and respect. Our focus is on empowering our employees, ensuring they are valuable assets for personal growth and the bank's overall development. Through consistent efforts, we strive to foster an environment where every employee contributes to excellence in customer service and sustainable business growth.

To provide our stakeholders with a comprehensive understanding of our HR initiatives and future development roadmap, we have attached a detailed report on HR Capital and HR Accounting.

Learning and Development:

As part of the Bank's Human Resource Development planning, Learning & Development Centre (LDC) has arranged training courses, workshops & seminars

covering diversified topics during 2024. The entire training program was chalked out with a view to instill developmental changes in soft skills of the trainees as well as enhance knowledge base and attain positive attitudes towards their profession in order to realize Bank's Vision & Mission.

A total of 4942 executives & officers (individual staff are nominated to multiple courses) participated in these programmers during 2024 (as of December, 2024). A total amount of Tk.70,53,517/- incurred for conducting in-house training courses (both on Online & Off-line ones), inland & foreign training programmer conducted by the Human Resources Division, Head Office. The Learning & Development Centre (LDC) has arranged several online & off-line training courses as per the Training Calendar-2024 and in response to the requirements of different divisions/departments/ Units.

Learning and Development Plan for the year 2025

The Learning & Development Centre (LDC) is in the process of preparing a Need Based `Training Plan for 2025'. Final Training Report & Proposed Annual Training Calender-2025 to be submitted to the Honorable Board of Directors through Head of HRD for approval.

Development Outlook: 2025

Bank's business is expanding rapidly in pace with faster development of the industry and economic activities and global economic situation. In order to provide satisfactory service to the customers, the Bank requires competent personnel enriched with up-to-date banking knowledge. The Annual Training Plan-2025 has been designed and Academic Calendar has been prepared with a view to satisfying Learning and Development needs of both individuals and Bank as well.

Other Emphasized Training areas

- Branch Managers & Deputy Managers Training Program;
- Operational Risk Management in Bank (for Deputy Managers & ICC Div.);
- Credit Risk Management: Loan proposal, Security selection, Valuation & Loan Documentation, Credit Monitoring, and Management of Non-Performing Loans.
- IT Security Awareness & IT Fraud prevention; IT Audit Training (for all Auditors of ICC Div.)
- Regional training programs will be arranged at Chittagong, Cumilla, Sylhet, Rangpur & Jessore to meet the needs of branches of the regions.
- In case of promulgation of banking related new laws, rules & regulations & policy guidelines from Bangladesh Bank, LDC will arrange related training courses on preferential basis.
- Resource Speakers from organizations like BIBM, BBTA, other Banks' TI, experienced ex-Bankers & Professional speakers from educational institutes will be invited to lead various training sessions.
- Training materials and synopses will be updated as per the latest amendment to banking laws, practices-procedures, and directives of the Board of Directors & Senior Management of the Bank.

Our firm belief is that each and every training course is a capacity building program for the people working here. A holistic technique can make the training programs successful. As such, support and suggestions from all concerned are of great necessity in order to design a program that would meet the need of the time and help the Bank to reach its goals as envisaged. We would surely appreciate constructive suggestions from all quarters in this regard.

Internal Control and Compliance

The Board of Directors, management, and employees of the bank leverage internal control as a strategic tool to ensure the achievement of operational, reporting,

Key Information 2024:

- The ICCD of NCCB PLC operates in accordance with the "Guidelines on Internal Control & Compliance in Banks" set by Bangladesh Bank.
- The division is staffed by 31 professionals with expertise in both business and technology.
- The Internal Audit Unit consistently evaluates the effectiveness of the internal control system and ensures compliance with established rules and procedures.
- The Internal Audit Unit conducted an Anti-Money Laundering (AML) audit following the Independent Testing Procedure (ITP) checklist.
- As part of its continuous assessment of the internal control system, NCCB PLC regularly reviews the QOR, LDCL, DCFCL, Internal Audit Checklist, and Risk Rating control tools.
- ICCD prepares the Half-Yearly Self-Assessment of Anti-Fraud Internal Controls Report and the Annual Integrated Health Report, which are submitted to Bangladesh Bank.

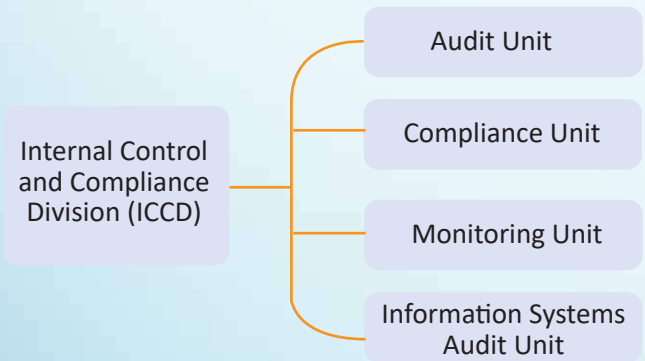
and compliance objectives. Internal control is an ongoing process rather than a fixed structure. It is an integrated part of the organization's daily activities, rather than a standalone function, and is critical to the overall operations of the bank. This continuous process is designed, implemented, and overseen by the Board of Directors and management at every level of the organization.

At NCCB PLC, the Internal Control & Compliance Division (ICCD) plays a vital role in supporting the bank's corporate goals, focusing on accurate reporting, operational efficiency, and adherence to laws, regulations, and internal policies. The internal control system encompasses financial, operational, and other control mechanisms across various departments. Since internal control is often managed at the departmental level, collaboration and active involvement from all stakeholders are essential.

The ICCD's core responsibilities include systematic monitoring, follow-up, independent assessments, and timely reporting to management. These efforts ensure that all bank activities align with established policies, procedures, guidelines, and regulatory requirements.

To evaluate the effectiveness of internal controls, the ICCD conducts continuous assessments, reviews, and audits of the bank's various departments. By enhancing operational effectiveness and efficiency, internal control helps mitigate risks, safeguard assets, and ensures compliance with relevant legal and regulatory frameworks.

The ICCD at NCCB PLC is structured into four specialized units: Audit, Monitoring, Compliance, and Information Systems (IS) Audit, each aligned with the bank's diverse operations and complexities.





Outlook for 2025:

- A special focus will be placed on identifying process loopholes and operational lapses to support management on a continuous basis.
- The Monitoring Unit will conduct thorough reviews of various concerns.
- The Compliance Unit will follow up on audit and inspection reports from the bank, external auditors, Bangladesh Bank, and other relevant entities.
- Active participation in the development and refinement of various internal policies.
- Transition towards a Risk-Based Internal Audit approach.
- Increased emphasis on compliance in alignment with Bangladesh Bank directives.

Branch Expansion Program:

The Board of Directors and Management of the Bank recognize their critical responsibility to develop and implement effective action plans that ensure the steady and uninterrupted growth of the institution. The success of financial institutions, such as banks, is largely dependent on the scope of their operations. A bank with a wide reach among its target audience can more easily achieve its objectives compared to one with a limited network. Banks operate through a network of branches strategically located in areas with significant business potential, making an effective branch network essential to their success.

Having a broad and efficient branch network enables a bank to extend its services to a wider customer base, giving it a competitive edge over peers. Therefore, a

clearly defined branch expansion policy is critical for guiding decision-making in this regard.

The Bank's Branch Expansion Policy has been developed in line with regulatory requirements and has received approval from the Board of Directors. When selecting locations for new branches, the Bank conducts thorough feasibility analyses, utilizing reputable and approved surveyors or, in urgent situations, teams appointed by the competent authority. The primary focus in these decisions is to ensure optimal profitability in the shortest time possible, with a strong emphasis on customer satisfaction.

In addition, the establishment of sub-branches in strategic locations within the vicinity of existing branches helps to enhance the Bank's coverage. This approach is both cost-effective and convenient, benefiting both the organization and its customers. To further elevate the customer experience, branches and sub-branches will be equipped with state-of-the-art technology and value-added services.

The bank is also planning to introduce Agent Banking to reach the unbanked population and extend its reach and service to far corners of the country. This initiative will have a tremendous positive impact on the collection of low-cost funds and remittance services.

NCC Islamic Banking has received an overwhelmingly positive response, and the Bank is exploring the possibility of opening additional branches and windows in the future. Subject to approval from Bangladesh Bank, more branches and sub-branches will be opened in the coming year. At the end of the year, the Bank operated 129 branches and 9 sub-branches.

Dividend:

Paying a satisfactory amount of dividends to the shareholders is seen as a very crucial duty of the Bank. The shareholders had invested their money in this Bank with the expectation of good returns at the end of the year. Giving due honor to their aspiration, we, at the Bank, take all possible measures to ensure good earnings for the Bank so that this end and expectation can be met. Without any exception, the Board of Directors of the Bank has recommended 13.00% (thirteen percent) cash dividend for the shareholders for approval at the 40th Annual General Meeting (AGM) of the company.

Managing Core Risks:

In response to the rapid transformation from traditional manual operations to highly automated, technology-driven platforms, banks have significantly reoriented their strategies and adopted modern techniques to enhance service delivery and expand their reach across broader segments of society. Over the past few decades, the banking industry has undergone substantial changes, evolving from a simple repository for deposits and loans to a comprehensive platform that meets all of the financial needs of individuals and businesses.

The integration of advanced technologies such as Internet connectivity, Virtual Reality, Open Application Programming Interfaces (APIs), and Smart Contracts has enabled banks to improve service quality and efficiency, addressing the increasingly diverse and evolving needs of customers. However, these advancements have also introduced new risks, both internal and external, which pose potential threats to the interests of stakeholders. As a result, banks must continuously take proactive steps to identify, assess, and mitigate these risks in order to safeguard the interests of depositors and other stakeholders.

In this context, Bangladesh Bank, through its Prudential Guidelines, has categorized operational risks into seven distinct categories, each requiring mitigation as part of regular banking operations. It is the responsibility of banks to develop and implement appropriate policies aimed at minimizing these risks.

At NCC Bank, we are fully cognizant of these risks and have established two high-level committees to oversee risk management: the Risk Management Committee of the Board, which includes members of the Board of Directors, and the Executive Risk Management Committee, comprising senior management members. These committees monitor risk-related issues closely and take necessary actions based on the circumstances. Additionally, the Risk Management Division at the Head Office is responsible for overseeing risk management at the organizational level.

Corporate Governance:

As the Banks and FIs primarily deal with people's money and assets, it is of utmost importance to ensure that transparency and accountability are in place to generate and nurture the trust and

confidence of the people in their operations. But only by distributing specific well defined tasks and responsibility among the employees and this sense of transparency and accountability can be instilled in them which would inspire them to work with dedication and devotion. Only then offenders can be singled out for handing out appropriate punishment and innocents will be spared. The Bank has made its employees aware about their rights and responsibilities in clear terms in discharging their duties.

Compliance with Corporate Governance Guidelines:

The Bank has always been careful in meticulous compliance with the requirements and provisions of corporate governance guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) as per notification number BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018. The compliance status of the Bank on the guidelines is presented at pages 224 to 245 as well as M/s. Ahsan Manzur & Co., Chartered Accountants have duly certified the same as noted at page No. 223 of this Annual Report.

Financial Reporting Framework:

The Board of Directors of the Bank in accordance and in compliance with the BSEC notification BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 confirms compliance with the financial reporting framework for the followings:

- The Financial statements as prepared by the Management of the Bank making a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- Proper books of accounts of the Bank have been maintained.
- Accounting estimates are based on reasonable and prudent judgment.
- The financial statements have been prepared on a going concern basis under historical convention in accordance with First Schedule of the Banking Companies Act, 1991, other Bangladesh Bank Circulars, International Accounting Standard (IAS), and International Financial Reporting Standard (IFRS) adopted by Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and guidance of Financial Reporting Council (FRC) under Financial Reporting Act, 2015 and other rules and regulations applicable for Banks in Bangladesh.
- Appropriate Accounting policies, including International Accounting Standards (IAS)/ International Financial Reporting Standard (IFRS), as applicable in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed.
- Minority shareholders have been duly protected as have effective means of redress.
- No significant doubt exists upon the Bank's ability to continue as a going concern.
- No extraordinary gain or loss incurred.
- Comparative analysis of significant deviations has been highlighted and reasons have been explained in this regard.

Financial Indicators and performance for last 5 years:

Five years performance at a glance in key indicators is shown at pages 184 to 186 of this Annual Report.

Management's Discussion and Analysis:

The Speech of the Managing Director, report of the Chief Risk Officer (CRO) and declaration certificate of the Managing Director and Chief Financial Officer (CFO) and in other pages of this Annual Report contain the Management's Discussion and Analysis.

Declaration of the MD and CFO on financial statements:

The declaration certificates of the Managing Director and Chief Financial Officer on financial statements are given at page 248 of this Annual Report.

Related Party Transactions/Bank-related Persons or Institutions:

Disclosure of related party transactions including nature of the related parties, nature of transactions, and basis for such transactions has been provided in Annexure-I of the Financial Statements at page 343 of this Annual Report.

Board Structure:

The Board of Directors of the Bank has been formed as per relevant Articles/Clauses/Sections of the Articles of Association of the Bank, the Banking Companies Act and Bangladesh Securities and Exchange Commission as and where applicable. The Board primarily engaged in formulating policy guidelines following which the total workforce is led by the Management Team towards achieving organizational goals. The Board meets in regular intervals for considering business proposals as placed and recommended by the Management. The Board,

through the Management, ensures that all its instructions/decisions are duly implemented for ensuring steady growth of the organization.

Executive Committee:

The Executive Committee of the Board meets in addition to regular board meetings to discharge their responsibilities as per given limit which the Board ratifies afterwards.

Audit Committee:

Audit Committee of the Board reviews the reports on position of the branches and different key departments at Head Office as well submitted by the ICC Division prepared on the basis of the findings during the routine inspection and monitoring round the year. A report of the Audit Committee duly signed by the Chairman of the Committee is shown at page No. 122 of this Annual Report.

Mentionable that as per guideline of Bangladesh Bank, the Audit Committee of the Board performs the activities of the Nomination and Remuneration Committee in addition of its regular functions.

Risk Management Committee of the Board:

The prime areas of functions of the Risk Management Committee of the Board (RMCB) is to ascertain the risks appetite, probable risks in Banking operations and following due consideration determine ways to mitigate those risks factors and guide the Management Team in that line.

The Shari'ah Supervisory Committee:

The Shari'ah Supervisory Committee of the Bank is formed with renowned Islamic scholars of the country to review the principles and the contracts relating to the transactions and applications introduced in Islamic banking and gives opinion on various Shari'ah related issues in accordance with the Shari'ah Rules and Principles. The Committee also review the Shari'ah audit and inspection reports of the Shari'ah Audit team and guide for compliance with Shari'ah rules and principles and also with the specific fatwas, rulings and guidelines issued by them. In addition to fatwas, the Muraquib also follow the Internal Control & Compliance guidelines on Islamic Banking issued by Bangladesh Bank.

Meetings of the Board of Directors:

17 (seventeen) meetings of the Board of Directors, 05 (five) meetings of the Executive Committee, 07 (seven) meetings of the Audit Committee, and 02 (two) meetings of the Risk Management Committee of the Board were held during the year 2024.

Fees/Remuneration of Directors for attending meetings:

Meeting fees and other expenses related thereof for attending meeting of the Board of Directors and its Committees are shown in page No. 321 under note No. 35 of this Annual Report.

The Pattern of Shareholding:

A statement on pattern of shareholding is presented with Corporate Governance Report at page No. 247 of this Annual Report.

Centralized Unit for General Banking:

The Centralized Unit for General Banking (CGUB) commenced operations in 2019 with a single branch. Within just two years, the Unit successfully integrated all branches under its operations for General Banking (GB). Currently, the Unit operates through 129 branches and 9 sub-branches across the country, fully compliant with the guidelines set by Bangladesh Bank. To ensure superior service delivery to clients while managing risks related to money laundering and combating terrorist financing, the Unit strictly adheres to the specific clauses outlined in BFIU Circular No. 26. All branches are subject to rigorous supervision and monitoring by the Unit. A dedicated team of professional bankers manages the daily operations of the Unit, ensuring that potential risks are identified and mitigated proactively.

CUGN ensures accurate execution of the bank's processes and transactions, aiming to minimize risks and enhance service quality. It resolves complex operational issues, supports other divisions, and ensures compliance with regulatory directives. The division plays a crucial role in maintaining the bank's financial stability. Under its leadership, various units, including Branch Support Division (BSD), Bangladesh Automated Clearing House (BACH) Operations Division, Centralized Unit for General Banking (CUGB), and the Foreign Account Tax Compliance Act (FATCA) Unit, work towards achieving operational excellence.

Financial Management:

The Board of Directors routinely approves all bank documents, including the Annual Business Plan and other financial disclosures. Additionally, the Board consistently reviews key performance indicators—such as income, expenses, operational profit, advances, and Non-Performing Loans (NPL)—to ensure the bank's growth remains unhindered. It also guarantees adherence to all regulatory requirements to maintain a satisfactory rating.

Money Laundering and Terrorist Financing Risk Management of NCC Bank PLC.

Money laundering and terrorist financing risk management is a collaborative effort that involves various stakeholders. Criminals attempt to disguise the origins of illicit funds and integrate them into the financial system, aiming to legitimize the money globally through banking channels.

Money laundering and terrorist financing risk management is a collaborative effort that involves various stakeholders. Criminals attempt to disguise the origins of illicit funds and integrate them into the financial system, aiming to legitimize the money globally through banking channels.

Money laundering (ML), terrorist financing (TF), and proliferation financing (PF) are globally recognized risks that pose significant threats to financial systems and national security. In response, governments and regulatory bodies have implemented stringent measures, including legislative frameworks, national strategies, specialized task forces and the establishment of Financial Intelligence Units (FIUs).

As a responsible financial institution, NCC Bank PLC is fully committed to combating ML and TF through a collaborative approach involving all stakeholders. The Bank upholds a strict "Zero Tolerance" policy towards non-compliance, as mandated by the Board of Directors and Senior Management. Every employee plays a critical role in ensuring compliance with Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) regulations to safeguard both the Bank and national interests.

Senior Management's commitment serves as the foundation of the Bank's compliance structure. The Managing Director annually communicates the Bank's initiatives and strategic objectives concerning AML and CFT. Given the severe legal and regulatory consequences under the Money Laundering Prevention Act (MLPA) and Anti-Terrorism Act (ATA), compliance remains paramount for maintaining the integrity and stability of the financial sector.

NCC Bank ensures adherence to the regulatory guidelines of the Bangladesh Financial Intelligence Unit (BFIU) through rigorous transaction monitoring, sanction screening, and reporting of suspicious activities. The Bank maintains robust policies on customer identification, risk-based transaction monitoring, and risk assessment, particularly for high-risk customers and politically exposed persons (PEPs). Additionally, regular training and awareness programs are conducted to strengthen employees' understanding of AML and CFT obligations.

Looking ahead, the Bank's key priorities include:

- Enhancing regulatory compliance to align with evolving national and global AML-CFT standards.
- Implementing advanced AML screening software and e-KYC (electronic Know Your Customer) processes to strengthen customer due diligence.
- Maintaining a high regulatory audit rating to reinforce compliance and risk management effectiveness.

All individuals to embrace their role as socially responsible citizens by providing necessary documents and information to help prevent money laundering and terrorist financing, thereby ensuring the stability and integrity of the banking sector.

Management Structure:

The Senior Management Team: The Senior Management Team (SMT) serves as the highest decision-making body, comprising all key divisional heads with the Managing Director as its Chairman. The SMT generally meets on a weekly basis to review the bank's overall performance, identify areas requiring immediate attention, and propose appropriate solutions.

Asset Liability Management Committee, ALCO: The Asset Liability Management Committee (ALCO) is responsible for overseeing the Bank's fund management. The Treasury Division, through its various designated desks, ensures that the necessary funds are available to settle payments to international clients at all times. The ALCO meets monthly to review the fund position and adjust pricing as appropriate, based on prevailing market conditions.

Head Office Credit Committee: Head Office Credit Committee (HOCC) is an important committee at the management level that deals with business proposals sent by the branches in accordance with the process

as laid out in the Credit Policy and laws/rules in force. HOCC, after thoughtful and minute considerations, gives approval to the proposals with strong business potential so that the quality of the assets and timely repayment of the loans are ensured. The proposals so approved are then placed before the Board with the recommendations of the HOCC, if and when felt needed.

Code of Ethics:

The Bank has established a clearly defined Code of Conduct that is strictly enforced for employees at all levels, both in the workplace and in their personal conduct. The Code explicitly outlines acceptable and unacceptable behaviors, particularly in situations that may lead to conflicts.

National Integrity Strategy/Ethics and Morality in Banking:

In alignment with the government's strategy to ensure accountability and transparency across all levels of society—and in response to Bangladesh Bank's requirements—the Bank has established a National Integrity Strategy Implementation Unit at its Head Office. Headed by a senior executive serving as the Focal Point, the Unit is tasked with promoting ethical practices and integrity across all banking activities.

In accordance with regulatory guidelines, the Unit establishes annual targets that are evaluated quarterly and reported to Bangladesh Bank for compliance purposes. It also works to foster a culture of integrity among employees, enabling them to achieve the highest ethical standards. Consistent with the Integrity Award Policy 2008, as amended in 2022, selected employees are regularly recognized through Integrity Awards, following the prescribed process.

Internal Control System and Appropriate Accounting Policy:

The Bank has established a robust internal control system to enhance operational efficiency across functional units and employees. The Board of Directors and Management periodically review this system to ensure its effectiveness and alignment with the Bank's objectives. Additionally, all financial disclosures are prepared in accordance with the relevant policies and guidelines prescribed by International Accounting Standards (IAS), ensuring transparency and compliance with global best practices.

Corporate Social Responsibility:

NCC Bank values its responsibility to the society as it acknowledges that presence of a healthy society is an important prerequisite for creating a condition where all organs of the environment work as conducive for operating various business concerns, especially bank and FIs. The Bank also holds that earning profit should not be the only goal of any financial institute; rather it must put efforts towards social advancement as well. Since its inception, NCC Bank has been taking due care of its responsibility to the society and has taken different steps towards a balanced growth of various sectors like education, health, infrastructure and similar fields and thus acquired a good reputation. The steps so far taken include distribution of relief items at times of calamities, awarding stipends to the meritorious students who have no financial support to pursue their educational career, extending medical assistance to individuals and institutes for treatment, etc.

As a part of CSR activities, the Bank expanded its philanthropic activities donating to the under-privilege segment of people of the country. Among them, the Bank donated approximately Taka 103.25 million during the year 2024 by contributing to the Hon'ble Chief Advisor's Relief and Welfare Fund, distribution of food items among underprivileged and poor people who are suffering from price hike in the country and distribution of blankets among the biting cold affected people of the country, and other sectors.

Moreover, the Bank has participated in a special CSR program under the guidance of Bangladesh Bank. Under this program, the Bank is distributing fertilizer, seeds, plants, insecticide to the farmers directly through arranging of programs in different districts of the country. For development of agri-sector of the country, NCC Bank is expanding its contribution for purchasing of agri machineries, innovation and research activities under this program. A statement on CSR activities of the Bank are presented separately in this Annual Report.

Transport Management:

In accordance with the prevailing regulations of Bangladesh Bank regarding the use of bank-owned vehicles, NCC Bank has formulated a comprehensive Transport Policy, which has been duly approved by the esteemed Board of Directors. This policy outlines the

terms and conditions governing the utilization and management of the Bank's Transport Pool, ensuring strict adherence and compliance by all relevant stakeholders.

The number of vehicles allocated to the Transport Pool has been appropriately proportioned in relation to the Bank's workforce and branch network. All procurement and disposal activities are conducted in full compliance with the applicable provisions of the policy.

For the financial year ended December 31, 2024, total transport-related expenses amounted to Taka 134.92 million as detailed in Note 38.1 of the financial statements included in this Annual Report, compared to Taka 126.72 million in the previous year. The expenditure growth remained within the prescribed annual limit of 10%.

Directors

As per related Articles of the Articles of Association of the Company and relevant Rules/Circulars/ Notifications/Laws of Regulatory Bodies and provisions of the Companies Act, 1994 and the Banking Companies Act, 1991, the following Directors will retire by rotation in the AGM:

(i) Mrs. Sohela Hossain;

(ii) Ms. Tanzina Ali; and

(iii) Mr. Khairul Alam Chaklader.

They are eligible for re-election and accordingly offered themselves for re-election.

Appointment of Independent Directors:

Mr. Md. Amirul Islam, FCS, FCA was appointed by the Board after last AGM. Bangladesh Securities and Exchange Commission and Bangladesh Bank have given their necessary approval in this regard. As per rule, approval of the valued Shareholders is needed in the 40th AGM of the Bank.

Auditors

The existing auditors M/s. ACNABIN, Chartered Accountants has completed audit for the year 2024 as second year of their audit and as per Circular of Bangladesh Bank and Bangladesh Securities and Exchange Commission, they are eligible for re-appointment for 2025. Accordingly, they have offered themselves for re-appointment. Their appointment for 2025 and remuneration will be considered by the valued Shareholders in the ensuing 40th AGM of the Bank.

Corporate Governance Auditor:

M/s. Ahsan Manzur & Co., Chartered Accountants was appointed to provide Corporate Governance Certificate for 2024 and they will retire in this AGM, New appointment will be made in the AGM for 2025 in this regard.

Future Outlook:

The Board of Directors and the Management of the Bank remain fully committed to their responsibility of formulating strategic action plans that ensure sustainable growth while safeguarding the interests of all stakeholders, including valued shareholders. To this end, the Bank continually strives to enhance its reputation, strengthen its market position, and achieve superior profitability.

With a vision to establish the Bank as a premier financial institution that embodies the aspirations of both current and future stakeholders, efforts are focused on expanding the customer base and enhancing service delivery. Significant measures have been implemented to create a technology-driven, customer-centric banking experience that ensures prompt, efficient, and personalized financial solutions. The Bank remains dedicated to improving service quality and continuously expanding its product offerings in alignment with evolving market demands and regulatory requirements. Several new products and services have already been introduced, with further additions planned to cater to the diverse needs of customers.

A key achievement in this regard has been the successful launch of NCC Islamic, the Bank's Shariah-compliant banking segment, which has witnessed significant growth within a short period. Encouraged by this success, the Bank is exploring opportunities to introduce more Islamic banking windows along with additional value-added features to further enhance its appeal. Additionally, the expansion of the Bank's branch and sub-branch network remains a priority, with plans to establish new locations in strategically selected areas to strengthen nationwide accessibility.

Ensuring a steady inflow of low-cost deposits is fundamental to maintaining strong financial margins and credit growth. The Bank is consistently exploring innovative strategies to achieve this, particularly in light of recent regulatory changes. The government's

removal of the interest rate cap on deposits and lending has created new opportunities to mobilize funds at competitive rates, and the Bank is actively formulating strategies to capitalize on this development.

However, global economic uncertainties, geopolitical conflicts, and market volatilities continue to pose challenges, affecting financial operations and overall economic stability. Despite these uncertainties, the Bank remains steadfast in its commitment to prudent fund management, cost optimization, and strategic investment to enhance asset quality. Special initiatives will also be undertaken to significantly reduce non-performing loans (NPLs) and ensure the Bank's long-term financial stability.

Through judicious decision-making and a strong commitment to operational excellence, the Bank will continue to implement measures that drive growth, enhance profitability, and uphold its commitment to stakeholders.

Concluding Remarks:

On behalf of the Board of Directors, I extend sincere appreciation to the Government of the People's Republic of Bangladesh, Bangladesh Bank, the Bangladesh Securities and Exchange Commission, the Stock Exchanges, various government agencies, regulators, stakeholders, patrons, valued clients, well-wishers, and all others for their continued guidance, support, and cooperation throughout the year. We also commend the Management Team and employees at all levels for their contributions to the sustained growth of our esteemed organization.



Alhaj Md. Nurun Newaz

Chairman

Directors' Responsibility Statement

The Directors of the Bank are responsible for the governance of the Bank, and in that capacity, the Directors confirm, to the best of their knowledge that:

i. The financial statements, prepared by the management of the Bank, present fairly its state of affairs, the result of its operations, cash flows and change in equity;

ii. Proper books of account of the Bank have been maintained;

iii. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;

iv. The International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;

v. The system of internal control is sound in design and has been effectively implemented and monitored;

vi. There is no doubt, whatsoever, upon the Bank's ability to continue as a going concern;

vii. The MD and CFO have certified to the Board that they have reviewed the financial statements and affirm that these statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading;

viii. The MD and CFO have certified to the Board that they have reviewed the financial statements and affirm that these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards and applicable laws;

ix. The MD and CFO have further certified to the Board that there are to the best of their knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or in violation of the Bank's code of conduct.

Report of the Audit Committee of Board of Directors for 2024

Audit Committee of the Board

In terms of the Banking Companies Act, 1991, and subsequent circulars of Bangladesh Bank / Bangladesh Securities and Exchange Commission (BSEC), an Audit Committee of the Board of Directors of a Bank is required to be formed to assist the Board of Directors of the Bank for effective functioning of the banking business. Accordingly, the Audit Committee of the Board of Directors of National Credit and Commerce Bank PLC. has been constituted as per the guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC). Both the Regulators have emphasized discreet and effective monitoring by the Audit Committee of the Board for unearthing lapses and irregularities, if any, committed by the Bank officials at every tier and ensuring austere financial discipline in the Bank through recommendations to the Board.

The major objectives of the Audit Committee of the Board are as follows:

- To establish a compliance culture through an adequate internal control system to ensure that a sufficient risk management system is in place to manage the core risks of the Bank and that financial reports disclosed by the Bank are transparent;
- To advise for implementation of the objectives, strategies, and comprehensive business plans set by the Board of Directors for effective functioning of the Bank;
- To report its activities to the Board of Directors on a periodical basis and give an independent and unbiased opinion on the financial statements based on the findings of Statutory Auditors and other Inspection Teams of Internal and External Authorities;
- To review the merit and accuracy of the financial reporting process, the degree of effectiveness of the Bank's internal control system and management of the financial reporting process, the system of internal control and management of financial risks, the audit process and the Bank's risk management process;
- To review the Bank's existing IT governance and security infrastructure, including IT system audit and its control mechanism to protect the IT-based fraud and forgery, as per guidelines of Regulatory Bodies;
- To assist the Management in maintaining close liaison with the Board of Directors and the Management, Shareholders, Depositors and other Stakeholders through fair and transparent dissemination of facts, which will help in creating the confidence of the corporate arena in the Bank;
- To evolve effective processes, policies and procedures for fair financial disclosure, develop industry best practices for an internal control system and maintain liaison with Internal and External Auditors to minimize various post audit business and operational risks; and
- To generate new ideas for pre-audit and post-audit functions of the Bank for making the Total Audit System more effective and contemporary.

Composition of the Committee and Qualifications of the Members

In compliance with the circulars/directives of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), the Audit Committee of the Board of National Credit and Commerce Bank PLC. was lastly reconstituted in the 522nd meeting of the Board of Directors held on October 28, 2024 with the following members of the Board:

Sl. No.	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr. Meer Sajed-Ul-Basher, FCA	Independent Director	Chairman	Chartered Accountant and fellow member of the ICAB
02	Mr. Abdus Salam	Director	Member	Electrical Engineer graduated from BUET
03	Mr. Syed Asif Nizamuddin	Director	Member	Chemical Engineering (Hons) from Curtin University of Technology, Australia
04	Mr. Mohammed Sazzad Un Newaz	Director	Member	MBA
05.	Mr. Md. Amirul Islam, FCS, FCA*	Independent Director	Member	Chartered Accountant and Chartered Secretary and also fellow member of the ICAB and the ICSB

*Mr. Islam has been appointed by the Board as Independent Director on November 07, 2024 and subsequently approved by Bangladesh Bank and BSEC.

The Company Secretary of the Bank acts as the Secretary of the Audit Committee of the Board.

Roles and Responsibilities of the Audit Committee

In line with the Audit Plan-2024 of the Bank, the Audit Committee carried out its activities successfully to attain its prime objectives and other relevant responsibilities as per its Terms of Reference (ToR), with the guidance of the Board of Directors of the Bank as per the guidelines outlined in BRPD Circulars of Bangladesh Bank, Corporate Governance Code issued by BSEC and considering other best practice corporate governance guidelines & standards. Some important roles and responsibilities of the Audit Committee of the Board are highlighted below:

Internal Control

- To evaluate whether the Management is setting the appropriate compliance culture by communicating the importance of internal control and other risk factors and ensuring that all employees are aware of their roles and responsibilities;
- To review the arrangements made by the Management for building a suitable Management Information System (MIS) including the formation of ICT platform, an automation system and its applications;
- To consider whether internal control strategies as recommended by the Internal and External Auditors have been implemented by the Management;
- To review the existing risk management procedures for ensuring an effective internal check and control system;
- To review the corrective measures taken by the Management as regards the reports relating to fraud-forgery, deficiencies in internal control systems or other similar issues detected by the Internal and External Auditors and inspection team of the Regulatory Authority (ies) and inform the Board on a regular basis. Moreover, advise the Management to take corrective measures against the irregularities, if any and accordingly inform the Board;
- To report immediately to the Board of Directors on conflicts of interests, if occurred;
- To review suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements, if it occurred and report to the Board;
- To review the suspected infringement of laws and regulatory compliance including securities related laws, rules and regulations, if occurred and report to the Board; and
- To review any other matter that the Audit Committee deems necessary and disclose it to the Board.

Financial Reporting

- To review the Management's Discussion and Analysis before disclosing in the Annual Report;
- To review the audited annual financial statements and determine whether this is complete and consistent with the existing rules and accounting standards set by the concerned authorities of the country in force and Bangladesh Bank for focusing on a true and fair view of the company and also other quarterly & half-yearly audited/unaudited financial statements;
- To exchange the views with the inspection team of Bangladesh Bank, external auditors and Management of the Bank before finalizing the financial statements; and
- To review the quarterly and half-yearly financial statements before submission to the Board for approval.

Internal Audit

- To review and approve the Internal Audit Plan;
- To ensure the activities of Internal Audit that are running independently from the Bank Management;
- To review the activities and organizational structure of the internal audit function(s) and ensure that no unjustified restrictions or limitations are imposed;
- To review/justify the efficiency and effectiveness of internal audit functions and recommend taking necessary actions;

- To review the findings and recommendations made by the Internal Auditors for removing the irregularities detected and also give necessary advice to the Bank management for running the affairs of the Bank efficiently; and
- To advise for compliance with existing Laws and Regulations.

External Audit

- To review the auditing performance of the Bank's External Auditors, audit reports and the Bank's audited annual financial statements;
- To oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit;
- To hold in a meeting with the external or statutory auditors for a review of the annual financial statements before submission to the Board for approval;
- To review the findings and recommendations made by the External Auditors for removing the irregularities detected and also running the affairs of the Bank through the Management; and
- To make recommendations to the Board of Directors of the Bank regarding the appointment of the External Auditors from the eligible audit firms disclosed by Bangladesh Bank from time to time.

Compliance with existing laws, rules & regulations

- To review the compliance status of existing banking laws, rules & regulations, guidelines of regulatory authorities (Central Bank and other regulators) in force and internal policies approved by the Board of Directors of the Bank.

Other Responsibilities

- To place a compliance report before the Board of Directors on a quarterly basis regarding the regularization of the errors and omissions and actions suggested to resolve fraud and forgeries and other irregularities as detected by the Internal and External Auditors and Inspection Teams of Regulatory Authorities;
- To review the statement of all related party transactions submitted by the Management;
- To review the evaluation report made by the Internal and External Auditors on any issue, if required by the Committee;
- To recommend on the subject matters passed lawfully by the Board of Directors of the Bank;
- To review the Management letters or letter of internal control weakness issued by statutory auditors; and
- To perform other oversight functions as desired by the Board from time to time and also evaluates the Committee's own performance on a regular basis.

Perform the stipulated functions of Nomination and Remuneration Committee (NRC)

- For ensuring good governance, as per the guidelines of Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024, the Audit Committee of the Board performs the stipulated duties and responsibilities of the Nomination and Remuneration Committee (NRC) in terms of the Corporate Governance Code 2018 of BSEC.

Meetings of the Audit Committee

The Audit Committee of the Board held 07 (seven) meetings during the year 2024 and made detailed discussions on the findings of Bank's Internal Control and Compliance Division on the branches as well as head office divisions/departments as placed in its meetings. It has given prudent advice to the Management for improvement of Bank's financial health and proper advice to the Management to move in the right direction.

The Audit Committee, among others, discharged the following responsibilities during the year 2024:

Internal Control

The Committee reviewed the existing internal control system in the Bank to introduce the appropriate compliance culture.

Internal Audit

- The Committee approved the audit plan for Internal Audit for the year 2024;
- The Committee reviewed the implementation status on the advices/instructions of previous meetings of the Committee;
- The Committee introduced various formats for reporting facts and figures in a prudent way to the Committee;
- The Committee reviewed the efficiency and effectiveness of internal audit functions;
- The Committee reviewed the internal audit and inspection reports on branches and departments of the head office of the Bank from time to time and gave necessary instructions to the Management to ensure compliance;
- The Committee reviewed the compliance status on the special audit report on different branches and made various guidelines/recommendations on the same;
- The Committee advised to complete all documentation formalities in the loan accounts and foreign trade;
- The Committee advised to verify the genuineness of collateral securities as offered against the credit facilities sanctioned by the Bank;
- The Committee advised to improve the deposit mix with a view to bringing down the cost of fund;
- The Committee advised to check the daily activity reports of the branches regularly;
- The Committee advised to comply with the Anti Money Laundering rules and regularize the Know Your Customer (KYC) profiles;
- The Committee advised to strengthen the monitoring system and recovery efforts of the Bank to minimize the NPL at the lowest of the industry;
- The Committee reviewed the status of suit cases against different defaulted borrowers.
- The Committee reviewed any investigation report of Internal Auditors and recommended appropriate actions to the Board of Directors; and
- The Committee reviewed the ICT Audit Reports in line with Bangladesh Bank ICT guidelines and made recommendations on it for conducting a fruitful IT Audit to secure IT based transactions; and
- During the year, no fraud, irregularity or material defect identified in the internal audit, no infringement of laws and regulatory compliance was incurred and the Bank was free from any conflicts of interests.

External Audit

- The Committee recommended the appointment of External Auditors of the Bank for the year 2024;
- The Committee finalized the audit report and annual financial statements of the Bank for the year 2024; and
- The Committee reviewed and discussed the Management Report of External Auditors and advised the Management to take appropriate actions as part of compliance.

Bangladesh Bank Audit

- The Committee reviewed the Bangladesh Bank's Comprehensive Audit and Inspection Report and advised the Management to take appropriate actions as part of compliance;
- The Committee reviewed the compliance status on different surprise inspection on branches made by Bangladesh Bank; and
- The Committee reviewed other compliance issues of Bangladesh Bank as and when required.

Financial Statement Reporting

- The Committee reviewed the Management's discussion and analysis of annual financial statements before recommending to the Board;
- The Committee reviewed quarterly and half yearly financial statements of the Bank before submission of the same to the Board for approval; and
- The Committee exchanged views with the inspection team of Bangladesh Bank, external auditors and Management of the Bank before finalizing the annual financial statements; and
- The Committee reviewed the annual financial statements of the Bank before submission to the Board for approval.

Others

- The Committee reviewed the loan write off proposals presented by the Management and made appropriate recommendations to the Board of Directors for their approval;
- The Committee reviewed and recommended on various aspects of Annual Health report of the Bank before submission to the Board for approval;
- The Committee reviewed the investment position in shares of different companies under the Bank's portfolio on regular intervals;
- The Committee reviewed the Strategic Plan of the Internal Control and Compliance Division of the Bank;
- The Committee regularly reviewed the status of "Distressed Accounts" of different branches;
- The Committee reviewed the status of reconciliations related to the various accounts of different divisions of the head office on monthly basis;
- The Committee reviewed the statement of Self-Assessment of Anti-Fraud Internal Controls for prevention of 'Fraud and Forgery' in the Bank under DOS Circular Letter No.17 dated November 07, 2012 of Bangladesh Bank on a half-yearly basis;
- The Committee reviewed the Bank's Human Resources Policy in line with Bangladesh Bank guidelines and gave necessary recommendations, among others, relating to the transfer/re-shuffle of Officers & Executives of the Bank;
- The Committee reviewed the qualifications, experience of candidates for appointment of directors and recommended to the Board;
- The Committee performed the stipulated duties and responsibilities of the Nomination and Remuneration Committee (NRC) in terms of Corporate Governance Code 2018 of BSEC for ensuring good governance as per the guidelines of Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024; and
- The Committee has dealt with a number of other issues as per its Terms of Reference (ToR).

Acknowledgement

The Audit Committee expresses its sincere gratitude to the Members of the Board of Directors of the Bank, Management Team including the Internal Control and Compliance Division and the External Auditors for extending their all out support in carrying out the duties and responsibilities of the Committee satisfactorily during the year 2024.

On behalf of the Audit Committee of the Board of NCC Bank.



Meer Sajed-Ul-Basher, FCA
Chairman
Audit Committee of the Board



শরী'আহ ভিত্তিক
ব্যাংকিং সেবা নিয়ে

NCC Islamic

Islamic Banking (NCC Islamic)

Introduction of Islamic Banking:

Islamic banking is an Islamic financial system conducting banking and business activities in line with the provisions and principles of Islamic Shari'ah. It follows the beliefs and principles of Islamic jurisprudence pertaining to trade and business, Fiqh-Al-Muamalat or Islamic rules on transactions. The Quran, Sunnah and other sources of Islamic law such as Ijma' (opinions collectively agreed upon among Shari'ah scholars), Qiyas (analogy) and Ijtehad (personal reasoning) collectively form the basis, from which rules and practices of fiqhal-AL-Muamalat (Islamic jurisprudence) are derived.

Islamic banking avoids all the prohibited activities such as riba (usury-interest), gharar (uncertainty), financing of haram (forbidden) trades & businesses like alcoholic beverages, pornography, gambling, etc.

The basic difference between Islamic banking and Conventional banking is that Islamic Banking is conducted based on principles of Shari'ah while conventional banking is purely man-made. Thus, all aspects of transactions, like product features and business approaches are derived from Shari'ah law, which leads to a significant difference with those of the conventional banks.

An Islamic bank does not compromise on the Islamic Shari'ah rules, though it is a profit-making organization. Islamic banking is not based on the pricing and exchanging money and earning interest as conventional interest-based banks do, but it is a system of trade where goods and services are sold and capital is invested by taking risks to earn Shari'a -compliant profits. It is based on the Quranic injunction whereby trade has been permitted and riba has been prohibited.

The Quranic Verses prescribed foundations of financial transactions to be followed by Muslims, as stated in Sura Al Baqarah, Verse 275: “Allah hath permitted trade and forbidden usury” and in Surat Al Nisa’, Verse 29: “O ye who believe! Eat not up your property among yourselves in vanities; but let there be amongst you traffic and trade by mutual goodwill”. On the other hand, the Sunnah applied these foundations practically as in the farewell speech, the Prophet (Peace be upon him) said, “Usury of pre-Islamic ages is let fall including the usury of my uncle Al-Abbas”. From such Quranic Verses and sayings of Prophet (Peace be upon him), Muslim Jurists educed the provisions of the financial transactions prevalent in every age.

Amongst the governing principles of an Islamic bank are:

- The absence of interest-based (Riba) transactions
- The avoidance of economic activities involving oppression (Dhulm)
- The avoidance of economic activities involving speculation (Gharar)
- The avoidance of speculative activities (Qimar)
- The discouragement of the production of goods and services that contradict the injunctions of Islam (Haram)

The brief history of Islamic Finance:

Islamic Finance is based on the principles rooted in Islam and sourced from:

- The Holy Quran
- The Sunnah (teachings, acts or quotes of the Prophet Mohammad PBUH)

While these are the primary sources for Islamic finance, to have a consensual approach and facilitate logical thinking, the following are also allowed:

- Ijma (Consensus)
- Qiyas (Analogy)
- Ijtihad (Independent Reasoning)

Islamic finance is continuously evolving to meet the rising challenges of the global financial system.

The key historical events that led to the evolution of today’s modern Islamic finance system:

- 1950s: The first experimental, local Islamic bank was established in the late 1950s in a rural area of Pakistan which charged no interest on its lending.
- 1963: The first modern Islamic bank on record was established in rural Egypt by economist Ahmad Elnaggar to appeal to people who lacked confidence in state-run banks.
- 1973: The influx of "petro-dollars" and a "general re-Islamisation" following the 1973 oil crisis encouraged the development of the Islamic banking sector, and since 1975 it has spread globally.
- 1975: The Islamic Development Bank was set up with the mission to provide funding to projects in the member countries.
- 1979: The first modern commercial Islamic Bank, Dubai Islamic Bank, was established as well as the first Islamic insurance (or takaful) company — the Islamic Insurance Company of Sudan.
- 1980 to 1985: Islamic investments underwent a large expansion throughout the Muslim world, attracting deposits with the promise of "great gains" and "religious guarantees" supplied by Islamic jurists who issued fatwas recommending their Islamic rivals.
- 1986: The Amana Income Fund, the world's first Islamic Mutual Fund (which invests only in Sharia-Compliant Equities), was created in Indiana.
- 1990: An accounting organization for Islamic financial institutions (Accounting and Auditing Organization for Islamic Financial Institutions, AAOIFI), was established in Algiers by a group of Islamic financial institutions (currently headquartered in Bahrain). The Islamic bond market also emerged in 1990, when the first tradable sukuk — the Islamic alternative to conventional bonds — were issued by Shell MDS in Malaysia.
- 1995: 144 Islamic financial institutions had been established worldwide, including 33 government-run banks, 40 private banks, and 71 investment companies.
- 1996: The large US-based Citi Bank began to offer Islamic banking services when it established the Citi Islamic Investment Bank in Bahrain.
- 1999: The first successful benchmark for the performance of Islamic Investment Funds was established, with the Dow Jones Islamic Market Index (DJIMI).
- In 2002, the Malaysia-based Islamic Financial Services Board (IFSB) was established as an international standard-setting body for Islamic financial institutions.

Prohibitions of Islamic Law :

Islamic finance is different in many ways from conventional finance, including the prohibitions listed below:

- Riba (Usury)
- Gharar (Uncertainty)
- Maysir & Qimar (Gambling)
- Injustice
- Unlawful contract

Riba is defined as:

"Every loan that attracts any kind of gain (monetary or non-monetary) is Riba"

While Riba is prohibited in Islam and is related to loans primarily, there are other ways and modes of performing financial transactions, which are permissible in Islam such as:

- Partnership e.g. Musharakah, Mudarabah
- Sale e.g. Murabaha, Musawamah, Istisna, Salam
- Agency e.g. Wakalah
- Guarantee e.g. Kafalah
- Lease e.g. Ijarah

The Brief History of Islamic Banking of Bangladesh:

In Bangladesh, Islamic Banking started its journey in 1983 with establishment of Islami Bank Bangladesh LTD(IBBL). The process of establishing Islamic Banking in Bangladesh was a gradual one that involved multiple recommendations and evaluations.

Early Recommendations

1974 ⟶ The Finance Minister of Bangladesh signed the charter for the Islamic Development Bank(IDB).

1978 ⟶ The Organization of Islamic Conference (OIC) approved the definition of Islami Banking.

1980 ⟶ Bangladesh Bank sent a team to study Islamic Banking Operations.

1981 ⟶ The Ministry of Finance recommended opening Islamic Banking counters in state- owned Bank.

1982 ⟶ The IDB visited Dhaka to evaluate the possibility of a joint venture to establish an Islamic Banking in Bangladesh.

1983 ⟶ IBBL opened its doors as the first Islamic Bank in Bangladesh.

Growth of Islamic Banking

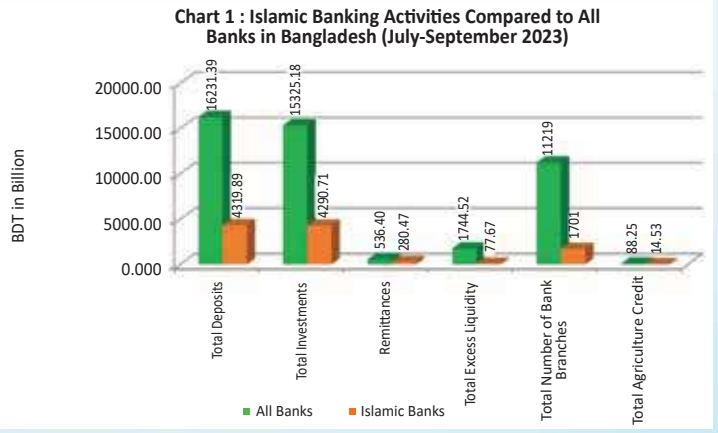
- ⟶ More Islamic Banks were established
- ⟶ Some conventional banks opened Islamic branches/Window
- ⟶ Some Conventional Banks have been converted their activities from conventional to Islamic one.
- ⟶ Islamic Banking became more popular as people preferred the welfare–oriented Shariah-based banking.

Gradually Developments of Islamic Banking System in Bangladesh:

Islamic financial sector is now considered a global industry in terms of its assets like Islamic Sukuk, Islamic mutual funds, Islamic insurance etc. The sector is growing globally based on its risk-sharing optimism, inclusiveness, and real asset backed transaction features. In line with global trends, Islamic Banking system in Bangladesh has also been witnessing robust growth due to policy support from the Bangladesh Bank and strong public demand.

At present, 10 full-fledged Islamic banks have been operating with 1605 branches out of a total of 10,974 branches of the whole Banking system. In addition, 23 Islamic Banking branches of 11 conventional commercial banks and 511 Islamic Banking windows of 13 conventional commercial banks are also providing Islamic financial services in Bangladesh.

Islamic Banking system has significant contributions towards the growth and economic development of Bangladesh. The system seems progressively attractive and profitable to conventional banks for their lower Statutory Liquidity Ratio (SLR) and higher Investment-Deposit Ratio (IDR). It is evident that the system has experienced phenomenal growth and expansion in the country as the deposits and investments have increased significantly over time.



Modes of Islamic Finance:

In today's finance industry, all the aforementioned modes of Islamic finance are available and actively used in line with the client's requirements and feasibility as per the business model.	
Partnership Modes	
Musharakah	This is a type of partnership where all the partners contribute capital to do business. However, business can be managed by one or all of the partners. Profit sharing ratio is to be agreed upon at the beginning of the partnership and can be different from the share of investment. However, any loss shall always be shared pro-rata according to the share of investment.
Mudarabah	This is a type of partnership where one partner brings capital, while the others provide expertise. The profit sharing ratio is agreed at the beginning of this partnership. However, in case of loss, the partner who brings capital will lose money whereas the other partner just loses their time and effort. In both of these types of partnerships, an absolute profit cannot be agreed and only a profit sharing ratio on the basis of the resulting profit from the partnership can be agreed upon.
Sale Modes	
Murbaha	This is a kind of sale where the cost of the underlying goods is disclosed by the seller to the buyer i.e. selling price is communicated as cost plus profit. It means the buyer is aware of what the cost of the sale is to the seller.
Muswamah	This is where the cost of underlying goods is not disclosed and sellers only communicate the selling price to the buyer.
Istisna	This describes a sale where the underlying goods need to be manufactured i.e. it is an order to manufacture. As per Shariah law, the buyer has an option to either make no advance payment, partial payment or full payment in advance at the time of order, whereas the seller has to manufacture and deliver goods in the future.
Salam	Used for the sale of homogeneous goods, mostly in agricultural transactions. The goods to be sold are not existing at the time of sale and have to be delivered on a future date. In this kind of sale, the buyer has to make 100% advance payment at the time of order whereas the seller has to provide goods in the future. A reasonable time for delivery is to be agreed upon, especially if the commodity or goods are seasonal in nature.
Agency	
Wakalah	An agency arrangement where one party (principal) can employ another party (agent) to provide a particular service based on the expertise of the agent. In return, the principal agrees on a commission with the agent for the service. If the service is provided as agreed by the agent, the principal has to pay due commission to the agent, irrespective of whether the service benefits the principal or not. However, in cases where the negligence of an agent is proven, then the agent needs to compensate the principal for the loss incurred.
Guarantee	
Kafalah	This is a term used for guarantees where the guarantor can charge a fee for associated services related to providing a guarantee for an applicant.

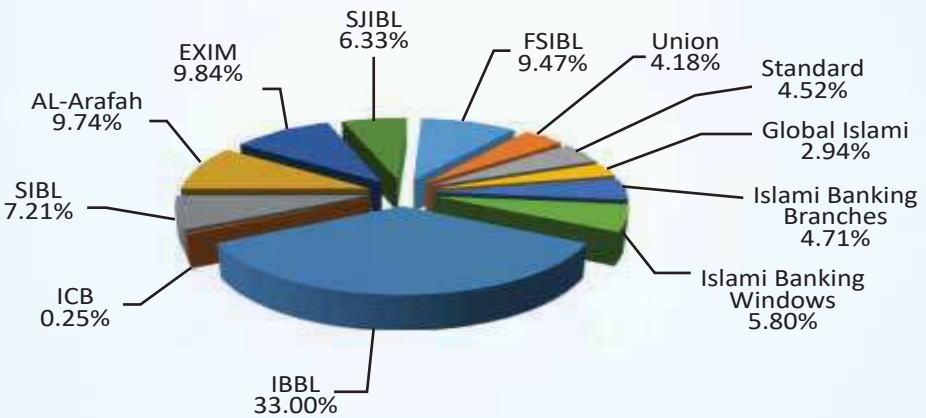
Lease	
Ijarah	This mode is used when one party (owner) rents something to the other party (tenant). Ijarah can be used for tangible goods (like renting houses) as well as intangible (like providing a service, similar to Wakalah). Unlike a sale, where the price cannot be changed once a sale is concluded, Ijarah arrangements have the flexibility of keeping rent/commission as fixed or floating.

Mobilization of Deposits by Islamic Banking Sector:

Total Deposits:

As per the data of Bangladesh Bank, Total deposits in Islamic banking system stood at BDT 4366.67 billion at the end of September 2024 with a decrease of BDT 86.42 billion or 1.94 percent as compared to the end of June 2024. Deposits of 10 full-fledged Islamic banks stood at BDT 3907.60 billion, windows of conventional banks at BDT 253.25 billion and branches of conventional banks at BDT 205.82 billion at the end of September 2024. Out of total deposits of the Islamic banking system 10 full-fledged Islamic banks represented 89.48 percent of deposits while Islamic banking branches and windows represented 4.71 and 5.80 percent respectively.

Chart 1: Share of Deposits of all Islamic Banks (July-September 2024)

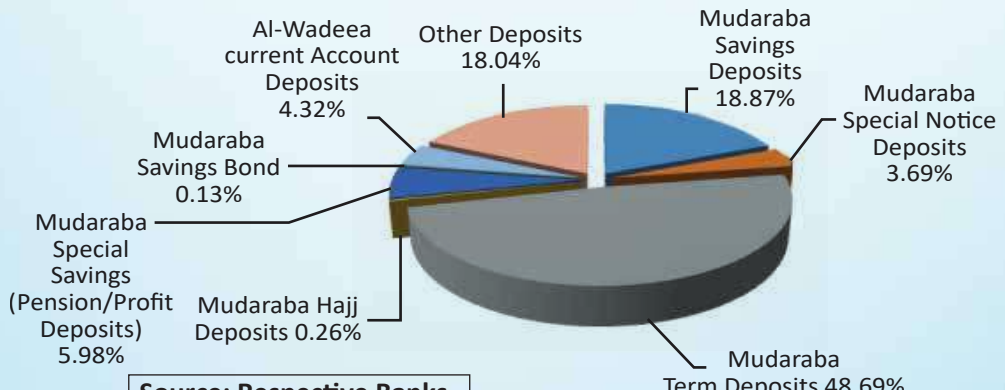


Source: Respective Banks

Types of Deposits :

Among different types of deposits of the Islamic banking system, Mudaraba Term Deposits (MTD) secured the highest position (48.69%) followed by Mudaraba Savings Deposits (MSD) (18.87%), Other Deposits (18.04%), Mudaraba Special Savings (pension/profit) Deposits (5.98%), Mudaraba Special Notice Deposits (3.69%), Al-Wadeeah Current Account Deposits (4.32%), Mudaraba Hajj Deposits (0.26%) and Mudaraba Savings Bond (0.13%) during July-September 2024.

Chart 2: Types of Deposits (July-September 2024)



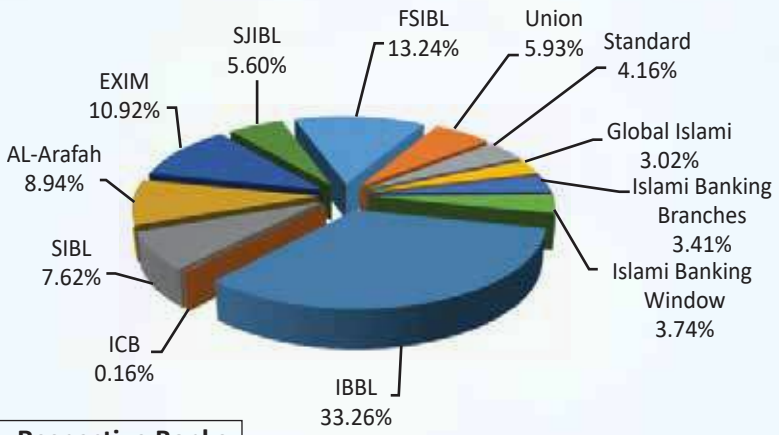
Source: Respective Banks

Investments of Islamic Banking System :

Total Investment :

According the data of Bangladesh Bank,Total investment (loans & advances) of Islamic banking system stood at BDT 4,704.43 billion at the end of September 2024 which was BDT 4,684.68 billion at the end of June 2024 and BDT 4,290.71 billion at the end of September 2023. Out of the total investment of Islamic banking system, 92.85 percent was materialized by 10 full-fledged Islamic banks, 3.74 percent by the Islamic banking windows of conventional banks and the rest 3.41 percent by the Islamic banking branches of conventional banks. Among the 10 full-fledged Islamic banks, Islami Bank Bangladesh PLC affixed the highest investment (33.26%) at the end of September 2024 followed by First Security Islami Bank PLC. (13.24%), EXIM Bank PLC (10.92%), Al-Arafah Islami Bank PLC (8.94%), Social Islami Bank PLC (7.62%), Union Bank PLC (5.93%), Shahjalal Islami Bank PLC (5.60%), Standard Bank PLC (4.16%), Global Islami Bank PLC (3.02%) and ICB Islamic Bank Ltd. (0.16%)

Chart 2: Share of Investments Made by Islamic Banks (July-September 2024)

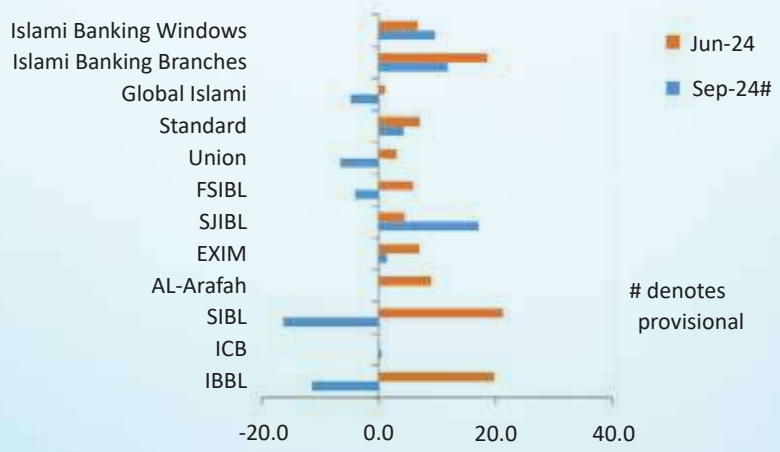


Source: Respective Banks

Liquidity Situation of Islamic Banking System :

Excess liquidity of Islamic banking system stood at BDT 1.61 billion at the end of September 2024. The excess liquidity of fullfledged Islamic banks, Islamic banking branches and windows of conventional banks stood at BDT -19.90 billion, 11.84 billion and 9.67 billion respectively. The liquidity position of full-fledged Islamic banks decreased significantly during the quarter under report compared to the previous quarter due mainly to a shortfall of deposits and excess withdrawal by the depositors.

Chart 6: Excess Liquidity of Islamic Banks over Two Quarter (BDT in Billion)



Source: Respective Banks

The role of Corporate Social Responsibility(CSR) at Islamic Banking in Bangladesh:

Islamic Banks undertake and implement various types of social programs under their Corporate Social Responsibility (CSR) activities. Sources of funds of Islamic Banks available for CSR activities include Zakat, compensation charges (penal charges from defaulting investment clients) and Shariah-permitted other sources of earnings. These funds are spent among different types of education, training, health, and charity-based organizations in Bangladesh. Islamic Banks always try to make financial transactions based on human necessities and embark upon productivity-oriented projects or activities to reduce the incidence of poverty. Expenditure on CSR activities during July-September 2024 stood at BDT 0.58 billion which was BDT 0.80 billion in April- June 2024 and BDT 0.80 billion in July-September 2023.

Sustainable and Green Financing:

Islamic banks in Bangladesh are also playing a crucial role in promoting green financing, which refers to financial products and services to support environmentally sustainable projects and initiatives. Total Sustainable financing of the Islamic banking system stood at BDT 228.25 billion during July-September 2024 while the number of beneficiaries was 1,22,265. Among the total sustainable finance, green finance was BDT 45.78 billion and sustainable-linked finance was BDT 182.47 billion.

Sustainable and Green Financing by Islamic Banks during July-September 2024:

(In Billion BDT)

Green Finance		Sustainable Linked Finance		Total Sustainable Finance	
1	2	3	4	5=(1+3)	6=(2+4)
Number of Beneficiaries	Total Amount	Number of Beneficiaries	Total Amount	Total Number of Beneficiaries	Total Amount
1,675	45.78	1,20,590	182.47	1,22,265	228.26

Source: Islamic banks, branches and windows of conventional banks.

Prospect and Challenges of Islamic Banking in Bangladesh:

Islamic Banking system has been playing a significant role in mobilizing deposits and financing in various economic activities in Bangladesh since its inception. At present, Islamic Banking system has been representing more than 26 percent share of deposits and 28 percent share of investments of the total Banking sector. The other systems of Islamic financial sector such as Islamic capital market, Islamic insurance (Takaful) and microfinance sector may also flourish systematically if supportive policies are adopted and implemented. Although Islamic Banking activities are growing in Bangladesh, the number of rural branches of full-fledged Islamic Banks has not kept pace with demand. They should also focus more on expanding their outreach into rural areas.

Islamic Banking should invest more in socially beneficial industries, particularly in agriculture and small businesses. The investments made by Islamic Banking in ideal Islamic modes like Mudaraba and Musharaka are still at a minimal level. Given this, Islamic Banking should pay more attention to developing proper guidelines and policies to promote investments under Mudaraba and Musharaka modes. Islamic Banking may also explore new customers in microfinance projects, supporting women entrepreneurs and meeting the financial needs of government agencies. This will give Islamic Banks a great advantage to flourish.

The most recent obstacles for the islami banking process in Bangladesh are that some islami banks are facing extreme liquidity crises, hindrance of growth by fund embezzlement, with the situation of unauthorized and unethical interventions and lack of proper utilization of sharia'h governance causing a reputation crisis. Political instability, adverse policies, misuse of powers from top operators are also some catalysts for recent senile scenarios for islami banking in Bangladesh.

The breakthrough point of the above scenario is to create strong Sharia'h-based policies and to implement them. The policies should include managing Islamic funds efficiently by creating and guiding Islamic capital and the money market, issuing and governing Sukuk bonds for managing banks' capital tier and investment segment. The authority should also implement a strong process for reducing default investments, misuse of investment facilities and for preventing unauthorized and unethical interventions while imposing Sharia'h and proper management of the institution.

Restoring the stakeholders' trust, properly using excess liquidity, filling the gap of liquidity portion for some problematic institutions by ethical governance will make the difference in Islamic Banking sectors in Bangladesh.

The needs for creating new Islamic financial instruments and modes and developing the current ones can only be met by amelioration of employees' skills and knowledge through scientific research and training. So, Islamic Banking should strongly focus on these issues.

Efforts also need to be intensified professionally to further enhance its competitiveness to occupy a larger share in the local as well as global financial markets. The amount of green financing of Islamic Banking system is not significant relative to their total financing. In order to contribute in green financing efficiently, Islamic Banking in Bangladesh may align its strategies and operations with the environmental sustainability goals of the government and properly follow the guidelines of Bangladesh Bank as well. Expenditures on CSR activities of Islamic Banking are still not impressive. So, Islamic Banking should enhance their CSR activities for socio-economic development aiming to serve humanity through different philanthropic activities giving emphasis to health, education, disaster management, rehabilitation, poverty eradication and so on.

NCC Islamic Banking, the new addition of NCC Bank PLC :

The NCC Islamic Banking, the new addition of the NCC Bank PLC, started its operation on 20th November, 2022 by inaugurating a full-fledged Islamic Banking branch named "NCC Islamic Banking, Gulshan Branch". For the aim of socio-economic development & diversification of Banking of Bangladesh, NCC Islamic Banking has aligned its strategy with the need and aspirations of the country. By targeting both the public and private sectors, we contribute to the revitalization and growth of the Islamic financial sector and to assist the nation in its transition to the middle economic country on the global economy ladder.

As a longstanding reputed bank, we understand and care for our customers' values and integrity .To uphold Shariah values, we have constituted a group of renowned experts in the field of Shariah and Banking to steward our Islamic Banking operations, while also certifying compliance with Shariah principles on a regular basis.

As Islamic Banking, What's our Vision ?

- To arrange /establish riba free or interest free Islamic financing.
- To uphold the beauty of the Islamic economy to the people.
- To establish overall welfare through an impartial economic system.
- Public choice into a Shariah bank that is excellent in service & performance.

What's our Mission ?

To be a leading commercial bank, offering a one-stop center for innovative value-added products and services to our customers within the bounds of Shariah by NCC Islamic Banking.

Our Values :

Islamic Shariah Obedience, Integrity & Service Superiority.

How had we started our journey as Islamic Banking?

As a part of the journey towards Islamic Banking, **NCCBANKPLC** started its first Islamic Banking journey in 2021 after the Board of Directors intended to enter into the realm of Islamic Banking industry in Bangladesh. In 2022, the Bank received the NOC from the Bangladesh Bank to go for Islamic Banking .

Thus, a new era of Islamic Banking started with the opening of its first ever Islamic Banking flagship Branch at Akash Avenue, Holding # 12, Kemal Ataturk Avenue, P.S: Gulshan, Dhaka on the 20th of November, 2022.

To provide the best services to the stakeholders, **NCCBANKPLC** launched its Islamic Banking operations by separate Islamic Banking software "Ababil-NG" and real time online Islamic Banking services. For distributing the profit to the Mudaraba depositors , NCC Islamic Banking uses a module based on the Weightage Average Method which is the most used profit distribution method in the world famous Islamic Banking. Under this principle, profit accrued from investment and financing is shared between the Mudaraba depositors and the Bank based

on a pre-agreed profit ratio. In this module the Bank offers an IISR to every individual Mudarabah depositor and the actual profit is calculated every month on the basis of that ratio. Losses, if any, will be borne by the depositors unless the loss is due to the negligence of the bank in managing the depositor's funds.

Key features of NCC Islamic Banking

- Interest/ Riba-free Banking.
- Profit & loss sharing.
- Buy and Sell Mechanism
- Lease Mechanism
- Prohibiting financing sinful activities.
- Shariah Compliant Islamic Banking products.
- Ensure the smooth and prompt services to the customers.
- Ensure the Islamic Banking services throughout the Branches by obeying all the shariah rules and compliance.

Shariah Board

Success in implementing the Islamic Banking model rests upon absolute adherence to the principles of Islamic Shariah. A renowned Shariah Supervisory Committee, a highly qualified as well as experienced in house Islamic Banking experts and tailored Shariah based products are the foundation of the Bank. Our Shariah Supervisory Committee consists of eminent members including distinguished jurists (Faqih-experts in Islamic jurisprudence) and renowned Islamic scholars with experience in Islamic Banking. All our Islamic Banking activities and products are strictly monitored and guided by the Shariah Supervisory Committee of the Bank. The primary role of this committee is to maintain and further strengthen this commitment and to ensure strict Shariah-compliance in all areas of the Bank's operations.

Our Key Products which has been continuously progressing:

Deposit Products : For collecting deposits, NCC Islamic follows Mudarabah& Al-Wadeeah Principles.	
The Features of Mudarabah Principles	• The customer provides funds to the Bank as the basis of Rabbul Mal/Saheb-ul- Mal. • Bank pools funds from the customers and invests them in Shariah-compliant activities. • Profits derived from the activities are shared between the Bank and customer based on the agreed upon Weightage Method.
Our Offered Products of Mudarabah Features	a. Mudarabah Savings Account (Individual &Corporate) b. Mudarabah Short Notice Deposit Account(Individual & Corporate) c. Mudarabah Term Deposit Account(Individual&Corporate) d. Mudarabah Monthly Profit Deposit Scheme Account (Individual) e. Mudarabah Deposit Pension Account f. Mudarabah Cash Waqf Deposit Account (Individual & Corporate) g. MudarabaMohorSavings Scheme Account h. Mudaraba Hajj Savings Scheme Account
The features of Al-Wadeeah Principles	• Customer provides funds to the Bank as Amanah. • Bank safely keeps the money and with the permission of the client can utilize the fund. • Upon demand of the customer, the Bank is liable to refund the whole amount. • No profit is shared between the Bank and the customer.

Our Offered Products are	• Al-Wadeeah Current Account (Individual, Joint Account & Corporate Account).
Investment & Financing Products : New products have also been launched to cater to larger groups/institutions, including CMSME and corporate. With a view to enabling a complete shift in terms of developing exclusive products fully compliant with Shariah,we engaged in a thorough review of products with the understanding that it is not possible to attract customers with existing conventional products.	
The Investment Products of NCC Islamic Banking	a. Bai-Murabahah (FO) Investment b. Bai-Murabahah (Trust Receipt) Investment c. Bai-Murabahah (Short Term) Investment d. Bai-Murabahah (Work Order) Investment e. Bai-Murabahah (Commercial) Investment f. Bai- Murabahah (Import Bill) g. Musharaka Documentary Bills(MDB)-Inland h. Musharaka Documentary Bills(MDB)- Foreign
Our Offered financing Products are	a. HPSM-Home (Residential) Investment b. HPSM-Home (Commercial) Investment c. HPSM- (Machinery) Investment d. HPSM-(Personal) e. HPSM-Transport (Commercial) Investment f. HPSM-Transport (Personal) Investment g. HPSM-Others Investment h. Bai Salam (ECC/PC) i. Wakala L/C

Looking back from20 Nov' 2022 to 31 Dec'2024

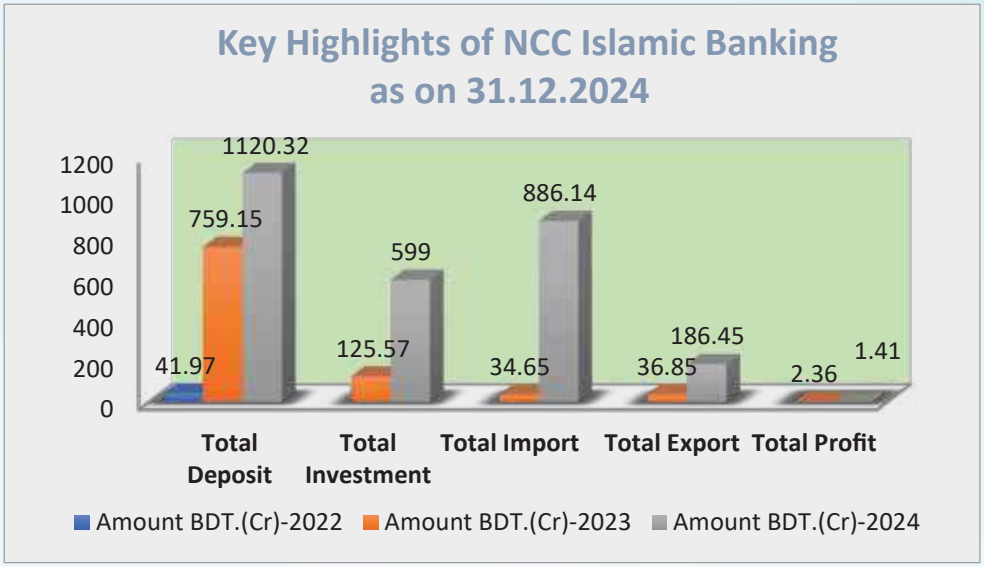
NCC Islamic Banking started its Islamic Banking journey on 20' November 2022. Since the operations, it has been getting immense responses from the stakeholders. From the opening of the Islamic Banking, NCC BANK PLC has been taking lots of initiatives to reach the Islamic Banking services to the stakeholders, such as :

- To launch the new products to attract the customers.
- To develop the Shariah compliant deposit and investment products continuously.
- Continuous upgrading of the Core Banking System Software "Ababil" of Islamic Banking.
- To recruit the skilled manpower for Islamic Banking NCC Bank PLC
- To arrange the continuous training programmes for developing the manpower for Islamic Banking.
- To develop and implement the separate Islamic banking Financial Affairs from the Conventional Banking of NCC Bank PLC.

The Overall Summary of Deposit and Investment from 20'Nov, 2022 to 31'Dec, 2024

In 2024, NCC Islamic Banking massively progressed its deposit, Investment, imports and exports.

Total deposits in NCC Islamic Banking system reached BDT 1,120.32 crore at the end of December 2024. Total investment has been increased at BDT 599 at the end of December 2024, Import at BDT 886 and export at BDT 186.45 in lac respectively. The profit has grown to BDT 1.41 in crore.



Forward Outlook towards 2025

- To open the Islamic Banking window at conventional branches through the separate counter to spread the Islamic Banking services.
- To develop and create the innovative Islamic Banking Product.
- To open the more full-fledged Islamic Banking Branches to enlarge the Islamic Banking services.
- To give training and create highly qualified professional Islamic Banking Officials.
- To create separate service desk of Islamic Banking for Islamic Banking window in conventional branches.
- To ensure to provide more, smooth and the best Islamic Banking services to the stakeholders.
- To ensure to strictly follow all shariah compliance rules and regulations.

Conclusion:

The performance of the Islamic Banking could be further improved by upgrading the quality of human resources by enhancing spending on research and training and preparing the manpower of this sector as Islamic Banking professionals to capture Shariah compliance issues of the Islamic financial industry properly. The need for creating new Islamic financial instruments and modes and developing the current ones can only be met by employee's skills and knowledge through scientific research and training.Under the prudent guidelines of the Board and Management, it is expected that NCC Islamic Banking will accomplish a great job in the upcoming days by mitigating people's demand through exploring its activities for the bank as well as for the development of the nation as a whole.

بِسْمِ اللَّهِ الرَّحْمَٰنِ الرَّحِيمِ

In the name of Allah, the Most Merciful, and the Most Gracious.

REPORT OF THE
SHARI'AH SUPERVISORY COMMITTEE

For the year ended on 31st December, 2024

All praise is due to Almighty Allah, the Lord of the universe and peace and blessings of Allah be upon the Prophet Muhammad (May Allah bless him and grant him peace) and his all other descendants and may peace continue to this company.

To the Shareholders of the National Credit and Commerce Bank PLC

اَلسَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللّٰهِ

Assalamu Alaikum Wa Rahmatullah,

Muhtaram,

By the grace of Almighty Allah, NCC Islamic Banking has been progressing with great success for almost three years now. At this moment, we would like to express our heartiest congratulations and thanks to the Board of Directors and all the members of the Management of NCCB PLC for their continuous support and help. In compliance with the terms of reference of NCCB PLC Shari'ah Supervisory Committee, we submit the following report on the Islamic Banking operations of the National Credit and Commerce Bank PLC for the year ended on 31st December 2024.

As a part of Islamic Banking, NCCB PLC launched its Islamic Banking operations on 20.11.2022. During the year 2024, the NCCB PLC Shari'ah Supervisory Committee met in 03 sessions and gave opinion on various Shari'ah related issues placed before it by the Management. The National Credit and Commerce Bank PLC is responsible for ensuring that they conduct its Islamic Banking business in accordance with the Shari'ah rules and principles. Our responsibility is to form an independent opinion based on our review of the Islamic Banking operations and to report to you.

We have reviewed the policies and agreements adopted in relation to transactions and applications introduced by National Credit and Commerce Bank's Islamic banking activities in the light of Islamic Shari'ah in the year 2024.

We conducted our review on the basis of Shariah rules and principles as well as the specific fatwas, rules and guidelines. The Shari'ah Supervisory Committee reviewed the Shariah Audit Reports and provided guidelines it deemed necessary for proper Shari'ah compliance.

We also reviewed on a test basis of each transactions, the relevant documentation and procedure adopted by the NCCB PLC Islamic Banking. We planned and performed the review so as to obtain the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that NCCB PLC has not violated the Shariah rules and principles.

Our opinion:

- At the year ended 31st December, 2024, the contracts, transactions and the dealings entered into by the NCCB PLC Islamic Banking that we have reviewed are in compliance with the Shari'ah rules and principles.
- Distribution of profits among various Mudarabah Depositors has been done in line with the Mudarabah Principles as per the contractual agreement between the Bank and the Depositors.
- Earnings that have been realized from sources or by means prohibited by Shari'ah rules and principles have not been included Bank's income.
- Where necessary, transactions with the conventional system have been conducted in full Shari'ah compliance.

- Since the Bank does not pay any Zakah on the money of the Depositors and Shareholders, the responsibility of paying Zakah is thus vested in our respective Depositors and Shareholders.
- We have reviewed several PPG's (Product Program Guideline) of the deposit and investment products and found them so far aligned with Shari'ah rules and regulations.

Suggestions:

- Taking comprehensive programs and effective steps to create timely awareness among concerned officials - employees and customers about Shari'ah compliance.
- Bank should introduce appropriate function to the Mudarabah and Musharakah Partnership Investment schemes.
- To continue to arrange regular training & workshop on Islamic Banking for the officials of the Bank and orientation program on Islamic Banking for the customers of the bank.
- Continuing the practice of obtaining "Shari'ah Clearance" from the Islamic Banking Division before disbursement of Investment deal in order to maintain highest level of Shariah compliance and In the light of Islamic Fiqh.
- To assist in improving the socio-economic condition of the less privileged group of the population Bank should emphasize on the Small Investment Schemes based on Islamic Shari'ah.

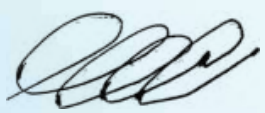
The Shari'ah Supervisory Committee appreciated the following steps and initiatives of the Bank during the year for furtherance of Islamic Banking services for :

- Introducing more deposit and investment products
- Conducting Shari'ah Audit programs
- Increasing awareness and intimacy among head office, branch and sub branch level executives and officers to ensure Shari'ah compliance.

The Shari'ah Supervisory Committee appreciated the Board of Directors of the Bank and the Managing Director and his team for their spontaneous cooperation and support during the year 2024.

May Allah Subhanahu Wata'la give us strength to achieve satisfaction through implementation of Shari'ah principles in every sphere of our life and accept our good deeds and forgive our sins. Ameen.

Ma-`assalamah



Dr. A.N.M. Rafiqur Rahman
Chairman, Shari'ah Supervisory Committee

Dividend Distribution Policy

As per Directive of Bangladesh Securities and Exchange Commission (BSEC) bearing No. BSEC/CMRRCD/ 2021-386/03 dated 14 January 2021, National Credit and Commerce Bank PLC. ("Company") has formulated a dividend distribution policy.

Purpose of the policy:

To comply with the directive of Bangladesh Securities and Exchange Commission (BSEC) towards set out the parameters for distribution of dividend among the Shareholders.

Time line for distribution of dividend:

(i) The Company shall pay off the annual or final dividend to the entitled shareholder within 30 (thirty) days of approval; and

(ii) Interim dividend shall be paid off to the entitled shareholder within 30 (thirty) days of record date.

Procedures for distribution of dividend:

Cash Dividend:

Cash dividend shall be distributed in the following manner and procedures:

(i) Within 10 (ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of the Company, dedicated for this purpose;

(ii) The Company shall pay off cash dividend directly to the bank account of the entitled shareholder as available in the BO account maintained with the depository participant (DP), through Bangladesh Electronic Funds Transfer Network (BEFTN). It may be paid of through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

(iii) The Company, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN:

Provided that upon receiving the cash dividend, the stock broker or merchant banker or portfolio manager shall immediately account for such dividend in the individual client's portfolio account:

Provided further that the stock broker or merchant banker or portfolio manager shall provide detailed information (e.g. BO account number, code number, bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) to the company for such claim.

(iv) In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, the Company shall issue cash dividend warrant and shall send it by post to the shareholder;

(v) The Company shall pay off cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;

(vi) The Company, immediately after disbursement of cash dividend and issuance a certificate of tax deducted at source, if applicable, shall intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder;

(vii) The Company shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number-wise or name-wise or folio number-wise of the shareholder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/Annually) as a separate line item 'Unclaimed Dividend Account.

The Company shall publish the year-wise summary of its unpaid or unclaimed dividend in the website.

Any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account of the company as maintained for this purpose, within 01 (one) year from the date of declaration or approval or record date, as the case may be.

Stock Dividend:

(i) The Company shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record dates as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);

(ii) The Company shall follow the provisions of প্রবিধান ৪৬ of the ডিপোজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ for issuance of bonus shares:

The Company shall maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

a) The Company shall send at least 03 (three) reminders to the entitled shareholder;

b) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to the Company:

Any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account;

c) The Company shall, upon receiving application from the allottee and after proper verification of identity and his/her entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the BSEC and the exchange(s);

d) Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholder is established.

Compliance Report on Dividend Distribution:

The Company shall submit a compliance report to the BSEC and the exchange(s) in a specified format (Mentioned at Annexure-A of the Directive) within 07 (seven) working days of completion of dividend distribution:

The Company shall publish the compliance report in its website.

Forfeiture of unclaimed cash dividend or stock dividend:

The Company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

Unpaid or unclaimed of unsettled cash dividend:

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 03 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by the Company to the Fund as directed or prescribed by the BSEC:

The Company shall provide detailed information to the manager of the Fund during transfer of cash dividend as directed or prescribed by the BSEC:

If any shareholder claims his/her cash dividend after transfer of such dividend to the Fund, within 15 (fifteen) days of receiving such claim, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the BSEC.

Unclaimed of unsettled stock dividend:

If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 03 (three) years from the date of declaration or approval or record

date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund as mentioned above:

The Company shall provide detailed information to the manager of the Fund during transfer of stock dividend or bonus shares as directed or prescribed by the BSEC:

If any shareholder claims his/her stock dividend or bonus shares after transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (fifteen) days of receiving such claim, the Company shall, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the BSEC.

Keeping detail information of Shareholders:

The Company, by itself or by appointing an agent, shall maintain detailed information of BO account, bank account, mobile number, email and address of the shareholder for the purpose of proper distribution of cash dividend or stock dividend:

The Company or its agent or the CDBL or its DP shall keep confidentiality of information.

The Company shall collect detailed updated information of BO account (bank account, mobile number, email address and contact address of the shareholder) from CDBL from time to time when needed for the purpose of proper distribution cash dividend or stock dividend and other compliances:

In case of holding of paper share, the Company shall update the information as above.

Disclosure of the policy:

The Dividend Distribution Policy shall be disclosed in the Annual Report of the company and also be available at Bank's website.



HUMAN CAPITAL & HR ACCOUNTING

HR: The Trendsetter in Caring HR Practices

1.0 HR Capital

HR Capital, also referred to as Human Capital, is a concept that focuses on the value of an organization's workforce. It represents the skills, knowledge, experience, and abilities that employees bring to the organization. Human Capital is seen as a key resource that contributes to the overall performance, success, and sustainability of a business. The HR team of NCC Bank PLC. is devoted to develop distinctive human capital who can be role model and irreplaceable competitive advantage in the banking industry and society of Bangladesh.

At our bank, HR serves as the cornerstone of organizational effectiveness, bridging the gap between management and employees to foster success with dignity and respect. Employees are a valuable resource for any organization, and we strive to ensure that they contribute to both their personal development and the growth of the bank through excellent customer service. We view our employees as our pride and a primary source of competitive advantage, helping us sustain success in the face of industry rivalry. Through our consistent efforts, we ensure that each employee adds value, driving the development of both themselves and the bank.

Strategic Priorities for 2024

- Cultivating a supportive workplace culture that enhances employee engagement and satisfaction.
- Committing to ongoing learning and development initiatives to improve employee skills and drive organizational success.
- Developing effective performance management systems to ensure alignment between individual objectives and organizational goals.
- Adopting HR applications and other technological solutions to streamline routine operations.
- Emphasizing employee well-being and mental health through comprehensive wellness programs and support initiatives.



197 Training Program
For 4,942 Participants



3 Foundation
Programs for 159 participants



Total Recruitment:
283 Person

Challenges in 2024

- Retention of right employees and talent for the bank
- Shortage of staff compared to the work volume prevalent within the organization
- Managing employee placement
- The fast-paced evolution of technology and financial products demands continuous upskilling of employees. This includes knowledge of digital banking and regulatory changes

Responses in 2024

- Prioritizing employees' career development and need-based training
- Recruitment of a substantial number of both experienced and fresher to fill up the gap created due to growth in business and separation of a number of employees
- Ensuring effective & quick replacement of employees to keep the functioning of the bank unhindered

Challenges in 2024	Responses in 2024
• Banks are heavily regulated, and HR must ensure that all employees are compliant with legal requirements and internal policies. The constantly changing regulatory landscape can add complexity to HR processes. • Building a diverse workforce and fostering an inclusive workplace is a growing challenge, especially when banking is still a male-dominated industry in many regions. HR must ensure equal opportunities and prevent discrimination.	• Implementing regular training sessions, workshops, and e-learning platforms to upskill employees and keep them updated with the latest industry trends and technologies. • Promote diversity and inclusion initiatives, create safe spaces for all employees, and implement policies to ensure fair hiring practices and representation of diverse groups.

1.1 Personnel Diversification

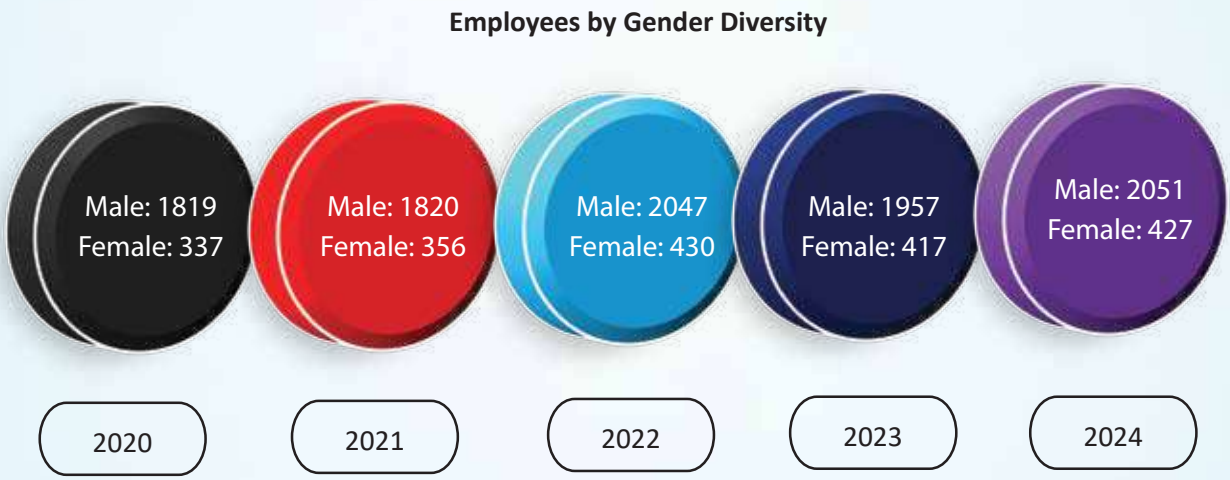


Figure: Gender Wise Employee Categorization

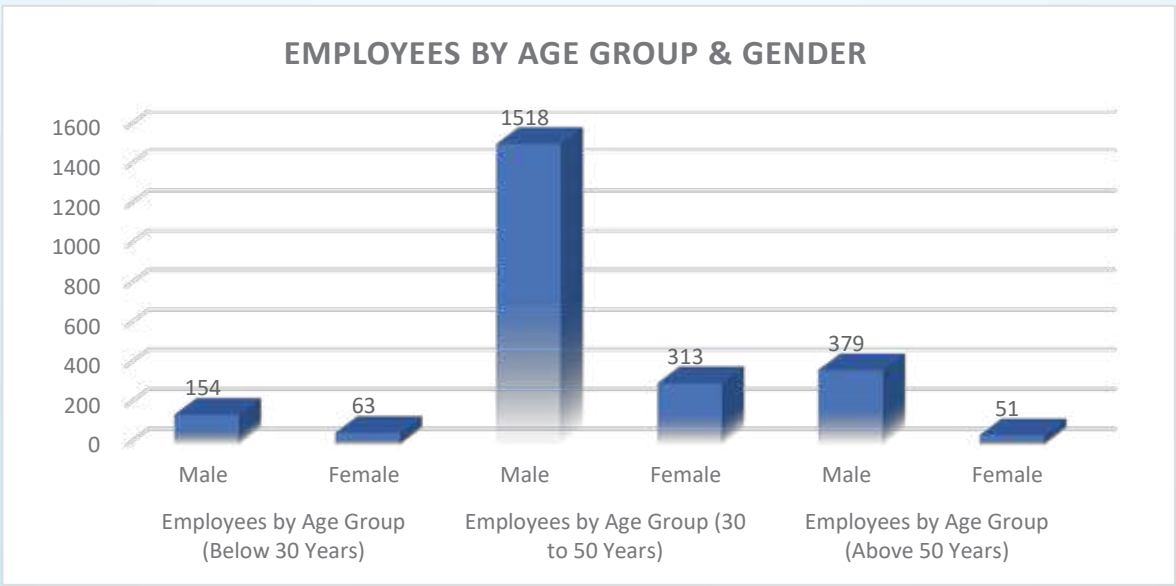


Figure: Age wise employee categorization in 2024

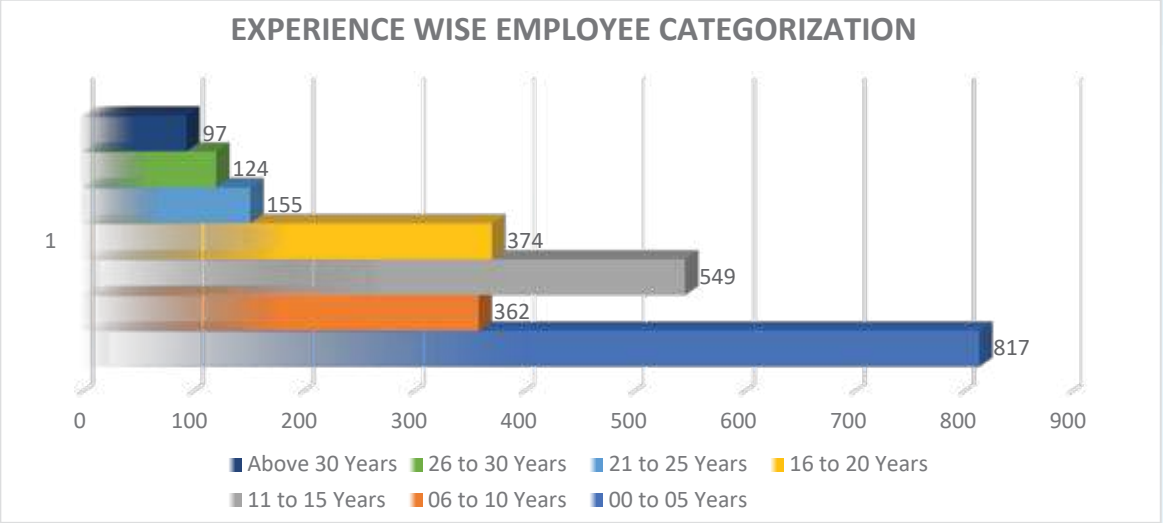


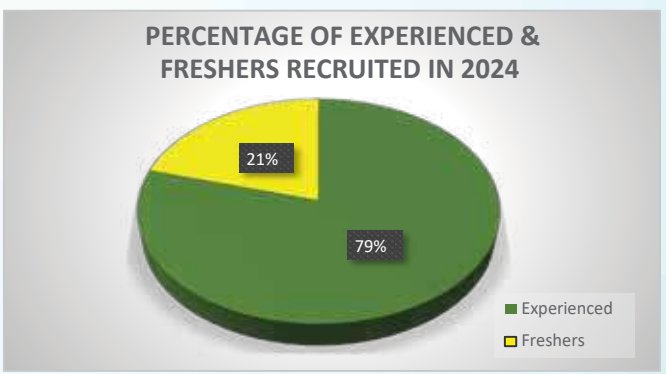
Figure: Employee categorization based on work experience in 2024

1.2 Recruitment: Right Human Resource in the Right Place at the Right Time

▪ Some Highlights about Recruitment

Our recruitment strategy is built on the pillars of fairness, merit, equality, and competitiveness. We prioritize merit over persuasion and ensure that all candidates, regardless of their gender, race, caste, color, etc., are given an equal platform to prove their worth. This approach allows us to onboard the right people at the right time and in the right positions, ensuring a fair and inclusive recruitment process.







1.3 Learning and Development

At NCC Bank PLC, we embark on a journey of continuous growth and empowerment with a strong emphasis on learning and development. We recognize that investing in the knowledge and skills of our employees not only enhances their professional lives but also drives the bank's success. Our unwavering commitment to fostering a culture of learning and innovation is evident in our tailored programs and initiatives, designed to unlock the full potential of our talented workforce.

Mentionable Learning and Development Activities in 2024

Training/Workshop/Conference/Seminar							
Programs		Number of Participants					
		NCCBTI	BBTA	BIBM	BAB	Other TIs in BD	Overseas (online)
In-house	93	4724	-	-	-	-	-
External	104	-	26	102	23	63	4
Total	197	4724	26	102	23	63	4

Table: Training conducted in 2024

Number of Training Programs by Specification				
Programs	Training Programs (Number)			
	2022	2023	2024	Total
ESRM, Sustainable & Green Finance Training	4	10	11	25
AML-CFT Training	6	9	22	37
IT Security Awareness	10	10	4	24
Total	**20**	**29**	**37**	**86**

Table: Number of customized training programs run over the years

Year	Number of Training Programs	Number of Participants
2022	148	4305
2023	153	5107
2024	197	4942

Table: Number of training programs run and number of trainees over the years

- **Remote Learning Statistics**

Particulars	2022	2023	2024
Number of training program run through remote learning (Online)	21	23	17
Number of participants in remote learning (Online)	2204	2202	1999

Table: Remote learning statistics

- **Organizational Development**

Organizational development (OD) is a critical, science-based process that helps organizations build their capacity for change and achieve greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes. The OD department plays a key role in shaping the bank's structure, culture, and overall effectiveness. One of its primary functions is to facilitate strategic change initiatives aimed at enhancing the bank's efficiency and competitiveness in a dynamic financial landscape. This involves conducting thorough assessments of existing processes and identifying areas for improvement. The OD department is also responsible for enhancing training and development programs to improve the skills and capabilities of bank employees, ensuring they align with industry best practices.

Some of the key functional highlights of the department include:

- MTO Development Program

- Organizational Structure Development Program
- Arrangement of training programs in collaboration with Bangladesh Bank
- Development and implementation of special short-term and long-term projects
- Handling tasks that fall outside the general work descriptions of the human resources division

Overall, the functions of the OD department are integral to the bank's adaptability, growth, and sustained excellence in the financial sector.

1.4 Compensation & Benefits

At NCC Bank PLC, we believe in rewarding excellence and prioritizing the well-being of our valued team members. Our commitment to offering competitive compensation and comprehensive benefits reflects our dedication to fostering a thriving and motivated workforce. We recognize that a fulfilling career extends beyond just a paycheck, which is why we have curated a package that provides both financial security and quality of life, ensuring our employees feel valued and supported at every step.

Below is an overview of the perks and rewards available to our employees:

- Pay fixation
- Yearly increment
- Festival bonus
- Incentive bonus
- Other incentives
- Competitor pay package analysis
- Pay package revision on a need basis

In addition, the Bank offers long-term benefits for employees' retirement, which include:

- Leave encashment
- Provident fund
- Gratuity
- Superannuation fund
- Funeral benefits for the family in case of death

Beyond competitive salaries, NCC Bank PLC also provides a range of fringe benefits aimed at enhancing the overall well-being of our esteemed employees. These include home loans, car loans, and the option for loans against provident funds. By offering these supplementary perks, we reinforce our commitment to the holistic development and financial security of our workforce, supporting their prosperity and fulfillment throughout their careers.

Staff House Building Loan Scheme (SHBLS) at reduced rate of interest	NCCB Officers Car Loan Scheme	Car Maintenance Allowance
Mobile Phone Bill	Passage for Travel	Financial Assistance on Medical Ground

Other fringe benefits include:

- Honorarium for obtaining JAIBB, DAIBB, CDCS, CS, CFA, CA, CPA, CMA, CHIA, CIPM & PGDHRM
- Grievance mitigation
- Canteen facilities, medical centre, day care centre
- Employee awareness on various issues

1.5 Organizational Culture & Workforce Wellness

- **Culture & Ethics**

At NCC Bank, we foster a culture of excellence, where our core values—integrity, accountability, and innovation—drive every aspect of our operations. Integrity is not just a word at our bank; it's a way of life. In every transaction, decision, and interaction, our team embodies the highest ethical standards, starting with our commitment to honesty and transparency. This creates a ripple effect, spreading throughout our organization and shaping our culture into a beacon of trust and reliability. By prioritizing ethics, we safeguard our reputation and strengthen our bonds with customers, stakeholders, and the community. When you choose NCC Bank, whether as a customer or an employee, you are choosing integrity in action.

- **Employee Experience & Engagement**

We understand that engaged employees are the cornerstone of our success. At NCC Bank, we prioritize creating an environment where every team member feels valued, heard, and motivated to contribute their best. Through a variety of engagement initiatives—such as talent competitions, sports tournaments, and recognition programs—we foster a culture of inclusivity and collaboration. Our commitment to open communication ensures that every voice is heard, leading to continuous improvement and innovation. By investing in our employees' well-being and professional growth, we aim to cultivate a passionate, committed workforce that drives NCC Bank PLC toward its strategic goals.

- **Work-Life Balance: Embracing the Essence of Balance**

At NCC Bank PLC, we recognize the importance of achieving a harmonious equilibrium between professional commitments and personal well-being. We prioritize the holistic development and welfare of our employees, understanding that a balanced lifestyle contributes to enhanced productivity, creativity, and overall satisfaction. Through flexible work arrangements, wellness programs, and initiatives promoting mental health and work-life harmony, we create an environment where individuals can thrive both professionally and personally. Our commitment to fostering a healthy work-life balance reflects our values of caring for our employees and nurturing a culture of sustainability and fulfillment at NCC Bank PLC.

1.6 Performance Management System

NCC Bank PLC. strategically implements a Bell-Curved Performance Management System, adhering to industry-leading practices to ensure clarity, fairness, and alignment with organizational objectives. This well-structured approach enables us to evaluate and acknowledge employee performance accurately, cultivating a culture of responsibility and ongoing improvement.

Through this system, performance assessments are conducted systematically, factoring in both quantitative indicators and qualitative contributions, thus providing a thorough evaluation of individual and team achievements. By following a bell-curved distribution, we maintain fairness and balance in recognizing and rewarding excellence while also identifying areas for growth and assistance.

Additionally, this system functions as a strategic instrument for talent management and succession planning, allowing us to spot top performers, support their development, and ensure a strong pool of future leaders. It also promotes constructive feedback and coaching sessions, encouraging employee engagement and career progression.

At NCC Bank PLC., our dedication to excellence permeates every facet of our operations, including our performance management system, as we aim to empower our employees to reach their full potential and contribute to the ongoing success of our organization.

1.7 Grievance Management

At NCC Bank PLC., we prioritize the well-being and satisfaction of both our employees and customers. While grievances may occasionally arise, we are committed to addressing them with fairness, sensitivity, and transparency. To ensure a seamless and respectful resolution process, we have established a structured and comprehensive Grievance Management Framework.

The following outlines how the process is carried out:



Our bank prioritizes prudence and fairness in managing complaints, striving to uphold our commitment to customer and employee satisfaction.

1.8 Nurturing Our Talent: Retention Strategies

In the dynamic landscape of banking, the dedication and expertise of our skilled workforce remain the cornerstone of our success. Acknowledging the pivotal role our employees play in driving the organization forward, we have thoughtfully designed a set of retention strategies aimed at fostering loyalty, engagement, and long-term commitment. These include:

- Competitive benefits packages
- Opportunities for career growth
- Work-life balance initiatives
- Programs for recognition and appreciation
- Open channels for communication and feedback

Each of these initiatives is crafted to ensure that our employees feel valued, supported, and inspired to contribute meaningfully to the sustained growth and success of NCC Bank PLC.

2.0 HR Accounting

As we navigate the evolving landscape of modern banking, our dedication to transparency and accountability extends beyond financial indicators to the comprehensive management of our most valuable asset—our people. This section presents an overview of Human Resources Accounting, highlighting both the tangible and intangible contributions of our workforce to the continued success of NCC Bank PLC.

BDT in Million

Particular	2020	2021	2022	2023	2024
Net interest income (A)	4,336	5,712	4,857	5,501	6,105
Salary and allowances (B)	2,825	2,933	3,241	3,531	3,880
Net value-addition (C=A-B)	1,512	2,779	1,616	1,970	2,225
Number of permanent employees (D)	2,156	2,176	2,477	2,374	2,478
Net value-addition per employee (E=C/D)	0.70	1.28	0.65	0.83	0.90

Table: Net value-addition per employee

BDT in Million

Particulars	2020	2021	2022	2023	2024
Number of employees (permanent)	2,156	2,176	2,477	2,374	2,478
Operating cost per employee	2.26	2.38	2.23	2.64	2.62
Training cost per employee	0.001	0.003	0.003	0.004	0.003

Net interest income per employee	2.01	2.62	1.96	2.32	2.46
Operating income per employee	4.70	5.35	5.12	6.11	7.09
Profit before tax per employee	1.86	2.02	2.10	2.03	2.04
Profit after tax per employee	1.04	1.20	1.07	0.97	0.94

Table: Employee-wise cost attribution

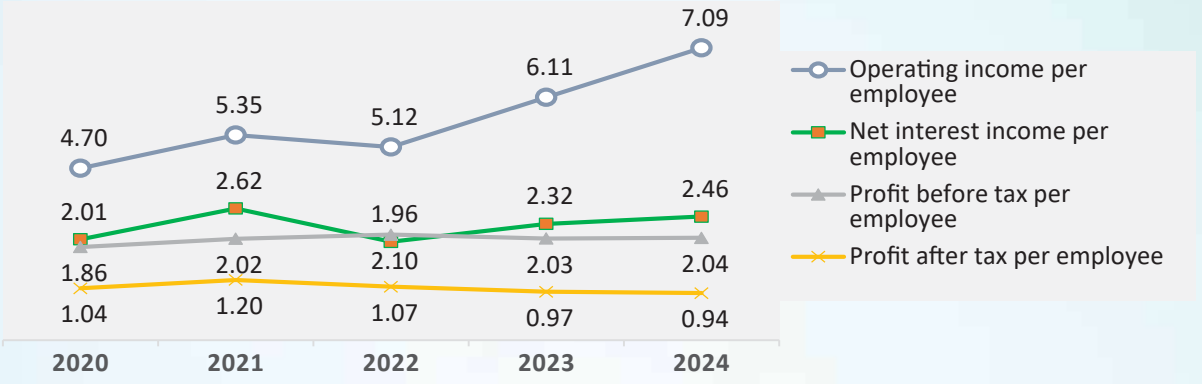


Figure: Measures of Human Resources Accounting

3.0 HR Event Highlights



NCC Bank PLC. organized 82nd foundation training program for the newly joined Officers.

NCC Bank PLC. organized 81st foundation training program for the newly joined Officers.





NCC Bank PLC. organized 80th foundation training program for the newly joined Officers.



INFORMATION TECHNOLOGY

Information Technology Division: 2024

Introduction

NCC Bank has been deeply engaged in a digital transformation journey, with a strong focus on reshaping operations through end-to-end automation and ensuring standardization across all processes. These efforts are crucial for streamlining operations, improving efficiency, and enhancing customer experiences. A positive shift in mindset has been observed within the organization, fostering a drive for continuous improvement and setting the stage for outstanding previous milestones. This shift is seen as a significant achievement, indicating progress towards the bank's ultimate goals.

In 2024, the nation faced substantial challenges, including nationwide change management and economic hurdles in international trade. Despite these challenges, significant investments in technology have been made to ensure the necessary tools and infrastructure are in place to meet evolving customer needs and secure the bank's competitive advantage. Looking ahead, the bank is poised to reach new milestones. The advancements made in digital initiatives and strategic technology investments have laid a strong foundation for future growth. With ongoing focus on innovation and transformation, the potential for even greater success in the coming years is highly anticipated.

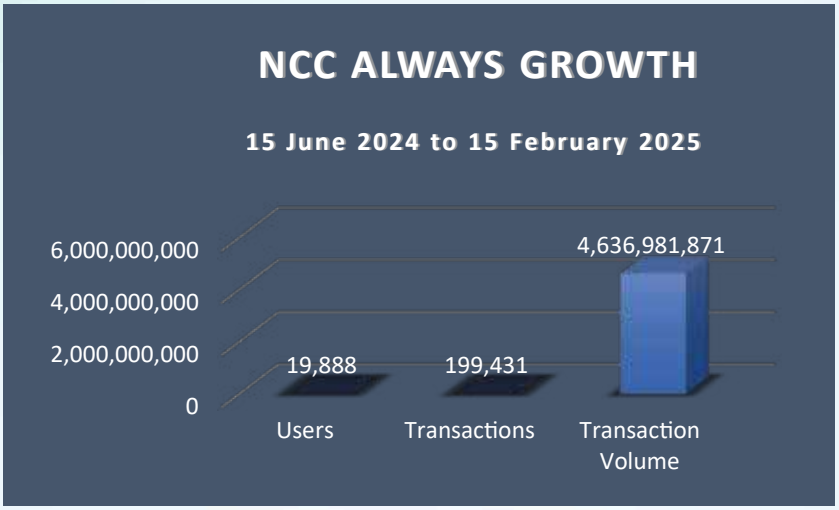
KEY ACHIEVEMENTS 2024

A. Digital Transformation Journey

NCC Bank has made significant strides in its digital transformation journey over the past few years. The year 2024 marked a pivotal year, with the successful implementation of key digital initiatives and their seamless integration to drive the bank's business objectives. These initiatives have not only enhanced operational efficiency but also delivered superior customer experiences. The following highlights showcase the key projects delivered as part of this ongoing transformation.



1. Internet Banking System (NCC Always): As part of digital transformation journey, NCC Bank launched NCC Always, an innovative, wallet-embedded internet banking application designed to offer a seamless and secure mobile banking experience. The app has obtained 19,888 users, facilitated 199,431 transactions, and processed a total transaction volume of BDT 4,636,981,871.



Built on a microservices architecture, NCC Always ensures scalability, reliability, and optimal service delivery. The key features of this platform mentioned below:

- Account Management: View account balances, transaction history, and account statements.
- Fund Transfers: Seamless transfers within NCC Bank or to other banks via BEFTN, RTGS, and bKash.
- Utility Bill Payments: Pay electricity, water, gas, and other utility bills instantly.
- Card Services: View and manage debit and credit card details, statements, and payments.

This significant achievement reflects the bank's commitment to providing cutting-edge, user-centric digital solutions for its customers

2. Corporate Internet Banking (NCC Icon): Earlier, NCC Bank did not offer a dedicated internet banking solution for corporate clients. To address this gap and provide a more efficient banking experience for businesses, NCC Bank has introduced NCC ICON a robust Corporate Internet Banking system designed to meet the sophisticated banking needs of its renowned corporate customers. This innovative platform provides businesses with a secure and efficient solution for managing their daily banking activities, offering seamless access to a wide range of financial services. Through NCC ICON corporate clients can manage multiple accounts, make fund transfers, execute payments, access detailed financial reports, and perform other essential banking operations—all from a single, user-friendly interface.

3. Open Banking Platform: Open banking is a changing the banking financial sector with innovative services to give better customer experiences. Aiming to achieve this the following areas has been redesigned, such as:

- Integration Support: RMS, NCC Always, NCC ICON, and Cash Management systems integration.
- API-Driven Connectivity: Enhanced APIs for real-time data exchange between systems.
- Scalability: Improved performance to handle higher transaction volumes efficiently.

4. Connect Plus Platform: The newly designed centralized platform Connect Plus will give a smooth and convenient way to use the day to day internal operations. Connect Plus, a centralized platform integrating banking services and communication channels. Serving as a unified hub for customers, call center staff, branch personnel, and head office employees, Connect Plus provides real-time insights into customer behavior and transaction patterns. Highlights include:

- Customer Service: Submit queries, complaints, and service requests from branch and customers (CSS portal) with real-time status tracking.
- Branch Support: Simplified handling of service requests and escalations.
- NCC Always assisted onboarding.
- OBU A/C opening.

- C-Form submission

This platform empowers NCC Bank to offer personalized solutions and make data-driven decisions, reinforcing its digital transformation strategy.

5. Customer Self-Service Portal (CSS): Digital service always gives a comfort to conveniently access the banking service. NCC Bank introduced the Customer Self-Service Portal, allowing customers to manage banking tasks online without visiting a branch. Key modules in this platform mentioned below:

- Account Services
- Card Services
- NETBanking Services
- Remittance Services
- Self-help resources

6. Revamped Call Center: NCC Bank revamped its Call Center to offer enhanced support across all bank products. The new system incorporates advanced technology, reducing call drop rates to 5% and enabling prompt service. This upgrade opens revenue opportunities through cross-selling and upselling, while also improving operational efficiency. The dedicated outbound team addresses customer feedback and pending issues, elevating overall customer satisfaction and loyalty.

7. 24/7 Cash Management: A robust cash management solution targeted at bKash distributors and agents, offering:

- Real-time E-Money Issuance: bKash Distributors and Agents can issue e-money in real-time through the bKash system using their app.
- Linked Accounts: To avail of this service, a bKash Distributor or Agent must hold a bank account with NCC Bank PLC. By linking their NCC Bank account to their bKash wallet,
- Issue e-money in real-time.
- Transfer their e-money balance to their linked NCC Bank account.

8. NCC Monitor: A Service Monitoring Tool for real-time service health and transaction monitoring.

- Enables real-time transaction monitoring across all digital platforms integrated with middleware.
- Provides real-time configuration and management of middleware operations.
- Facilitates the generation of settlement and dispute reports for digital platform payments.

9. RMS Cash Portal: A portal designed for cash pickup management with four leading money transfer operators (MTOs). Key features:

- Seamless MTO Integration: Real-time coordination with 4 MTO partners.
- Secure Transactions: Ensures security during cash handling with verification protocols.

10. Women's Banking Parama Debit Card: Parama Debit Card offers a wide range of services to support women's financial empowerments.

11. Multi-Currency Debit Card: It was introduced to facilitate seamless international transactions for customers. These initiatives reflect the bank's commitment to innovation and customer-centric solutions.

12. Green Pin: Green PIN service provides a seamless and hassle-free experience for activating Debit, Credit, or Prepaid Card and generating PIN instantly. Designed with customer convenience in mind, the service ensures quick and secure activation, all at no extra charge.

B. Infrastructure Upgrades

In alignment with the goal of enhancing operational efficiency, security, and service delivery, a series of strategic infrastructure upgrades were carried out throughout the year at NCC Bank. These improvements were designed to support business continuity, ensure compliance with regulatory requirements, and provide employees and customers with a more reliable and seamless experience. These infrastructure advancements position the bank

for sustained growth and innovation in the digital age. The key infrastructure upgrades implemented during the year are outlined below.

1. Backup Solution - NCC Bank implemented backup solution was implemented to ensure data protection for compliance and Business Continuity Planning (BCP) purposes.
2. Firewall Replacement - Firewalls are replaced with latest Firewalls in the architecture -offering enhanced security features, improved cost efficiency, and other benefits.
3. End User Computing (EUC) Equipment - New requirements emerged, and many branches/offices were experiencing issues with outdated PCs. To address this, the old PCs were replaced to enhance service quality and this has been a continuous journey.
4. SDP / Service Desk Plus - SDP has been implemented for the centralization of services for the Branch/Head Office where all the services and requests are tracked, monitored until the closure of services/requests.
5. Internet Banking & Mobile Banking Infrastructure - The new mobile banking application, NCC Always, has been hosted on a modern infrastructure with a microservices architecture to ensure seamless deployment and efficient service delivery.
6. Network Infrastructure - In 2024, the bank launched several initiatives to enhance core network infrastructure, ensuring service availability and modernization. This included upgrading core distribution hardware and improving network infrastructure at the Head Office and branches. Additionally, the bank has been utilizing APIC (Application Policy Infrastructure Controller) as part of Cisco's ACI framework for some time. To leverage the latest features and functionalities, these controllers have been upgraded to the newest models.
7. Payment System - For the payment system, platform upgrades were carried out for BACH-II and RTGS in compliance with Bangladesh Bank guidelines. Additionally, the centralized file system for SWIFT was migrated to a new platform to improve convenience and regulatory compliance.

C. Information Security and Governance Enhancement

NCC Bank PLC has implemented a robust IT policy and risk management framework in line with regulatory requirements and Bangladesh Bank guidelines. This policy emphasizes the bank's dedication to ensuring the confidentiality, integrity, and availability of its information assets. Regular information security risk assessments are conducted across systems, applications, and processes to address vulnerabilities and emerging threats, ensuring proactive risk management. The bank holds ISO 27001 certification, conducts an annual SWIFT CSP review, and maintains PCI DSS compliance, reaffirming its commitment to international information security standards. Notably, NCC Bank PLC has successfully avoided any financial or reputational losses due to IT or security breaches, reflecting its strong governance and risk management practices.

Business Continuity and Risk Management

- Business Continuity Planning (BCP) was conducted for critical applications from the Disaster Recovery (DR) site to ensure business operations can resume in case of a disaster at the primary data center.
- Regular IT Risk Assessments are performed to identify, mitigate, and escalate IT risks to relevant stakeholders.

Information Security and Compliance

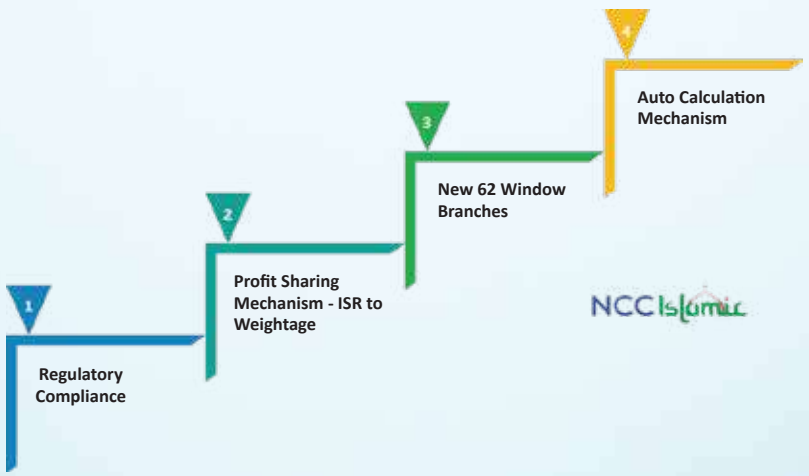
- The bank has achieved two internationally recognized information security certifications—ISO 27001:2022 and PCI DSS—demonstrating its commitment to maintaining high security standards.
- Security Information and Event Management (SIEM) capabilities have been developed to strengthen information security monitoring and address security incidents effectively.
- The bank performs an annual SWIFT CSP review, ensuring compliance with international security standards.
- DNS Security solution has been implemented to provide an additional layer of security, preventing users from accessing harmful or malicious domains/websites.

OBJECTIVES FOR THE UPCOMING YEAR 2025

1. Conventional Core Banking System (CBS) Upgradation: NCC Bank will upgrade its Core Banking System (CBS) to enhance flexibility and improve services for both internal and external customers in 2025. This modernization, driven by digital transformation and aligned with Bangladesh Bank's Core Banking guidelines, will streamline banking processes and enhance transaction efficiency.

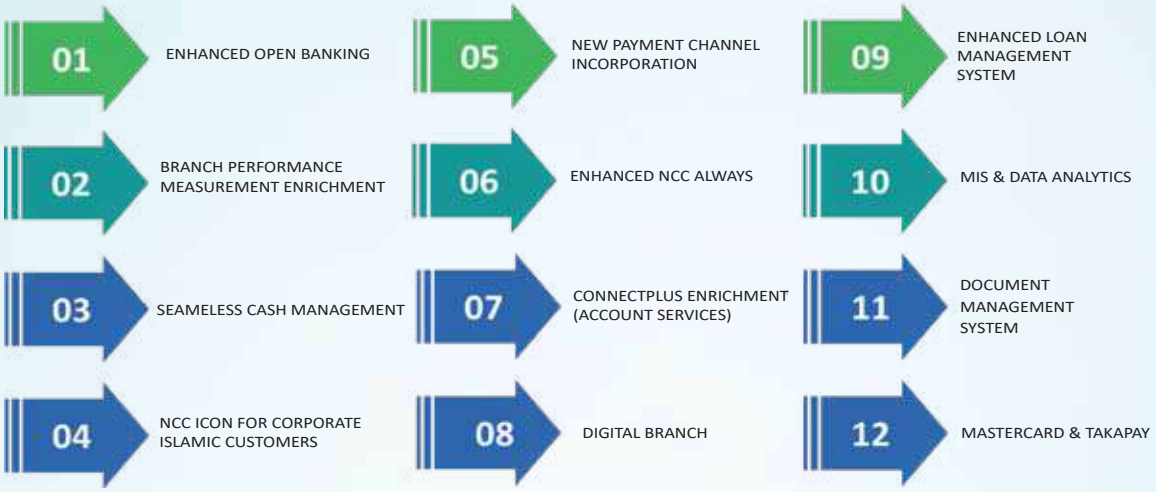


2. Islamic Core Banking System (CBS) Upgradation: NCC Bank is upgrading its “Ababil-NG” Islamic Core Banking System to ensure compatibility with the "ISR to Weightage" process. This upgrade will enhance the system’s functionality and align it with the latest regulations from Bangladesh Bank regarding Islamic banking. The improved system will streamline processing efficiency and ensure accurate weightage calculations, enabling seamless integration with other banking modules and supporting the bank’s commitment to offering comprehensive Sharia-compliant banking services.



3. Upcoming Digital Initiatives: To stay ahead in the competitive banking sector and further accelerate its digital transformation journey, NCC Bank is committed to implementing several strategic digital initiatives in the year of 2025. These initiatives are designed to enhance operational efficiency, improve customer experience, and ensure the bank’s ability to adapt to the ever-evolving technological landscape.

2025 DIGITAL INITIATIVES



4. Functional Disaster Recovery (DR) Site & Relocation: NCC Bank has consistently prioritized compliance and strengthening its business continuity posture. As part of this commitment, the bank is actively planning to relocate its Disaster Recovery (DR) site in 2025. This transition will be implemented gradually, ensuring seamless functionality and alignment with the bank's disaster recovery plan.

CONCLUSION

As digital technologies continue to reshape the landscape of banking, the reliance on these technologies across business processes will only grow stronger. While the benefits are undeniable, the increasing risk of cyber threats poses a significant challenge for financial institutions like NCC Bank. To address these risks, the Bank has adopted a proactive and holistic approach to information security, ensuring that the highest standards of protection are maintained across all digital platforms. Looking ahead, NCC Bank remains committed to reinforcing its information security framework through continuous awareness programs, training campaigns, and effective communication strategies aimed at both employees and customers. NCC Bank is dedicated to ensuring safe, seamless, and secure banking experiences for all our customers.



SUSTAINABLE BANKING

Sustainability Reporting of NCC Bank PLC

In today's world, where climate change, social inequality, and resource scarcity pose significant challenges, the financial sector is urged by international organizations and local regulators to redefine its role in society and the economy. As a response, sustainable banking has emerged as a powerful approach that encourages banks to incorporate environmental, social, and governance (ESG) considerations into their main business strategies. The aim is to create long-term value for all stakeholders by balancing profit with social and environmental responsibilities.

Sustainable banking encompasses a wide range of practices including sustainable financing, green finance, green refinance, investment in green bonds and ethical governance. By aligning financial flows with sustainable development goals (SDGs), banks play a pivotal role in financing the transition to a low-carbon economy, promoting social inclusion, and fostering resilient communities. This approach mitigates risks as well as unlocks new opportunities for innovation, long-term value creation. Sustainable banking is a fundamental imperative for the financial industry as transparency and accountability is being increasingly prioritized.

- **Green Taxonomy** is a structured mechanism for identifying and recognizing a product/ a project/ an initiative as a green one through a set of activities belonging to green featured applications.

Objectives/ Focus/ Purpose of Green Taxonomy

First and foremost, objective of Green Taxonomy is aligned with Climate Finance for Sustainability where finance aims at reducing emissions, and enhancing sinks of greenhouse gases and aims at reducing vulnerability and maintaining and increasing the resilience of human and ecological systems to negative climate change impacts. Green Taxonomy focuses not only on purely green sectors, but also encourages the greening of polluting sectors. The taxonomy will also include economic activities with a negative impact on the environment, where these activities have substantially reduced their negative impact.

- **Features of Green Taxonomy**



To integrate sustainability into the bank's operations and promoting environmentally and socially responsible practices, we have been employing strong efforts with the active support from various divisions/departments/units of Head Office especially from the Board of Directors and top Management along with unparalleled engagement from the Branches. Here, we would like to sketch the major initiatives we have already taken and our plans to strengthen our position as an environmentally and socially responsible Bank.

❖ Establishment of Robust Sustainable Finance Framework:

NCC Bank has established a dedicated Sustainable Banking Division which works in accordance with the Terms of References (ToRs) stipulated by Bangladesh Bank, ensuring alignment with national sustainability goals along with SDGs. The responsibility of the division is to setting up of framework and execution of Green Finance, Sustainable Finance, Environmental and Social Risk Management (ESRM) as defined by Bangladesh Bank.

Moreover, NCC Bank has a Sustainable Finance Committee (SFC) comprising of divisional heads from concerned divisions of Head Office and the chairman of this committee is the Deputy Managing Director of the Bank. This committee gives directions to Sustainable Banking Division to work smoothly and effectively to achieve goals and targets concerning sustainable finance and banking. The division has duly conducted periodical SFC meetings where Green Finance, Sustainable Finance, Environmental and Social Risk Management (ESRM) and Sustainability Rating etc. were presented and discussed.

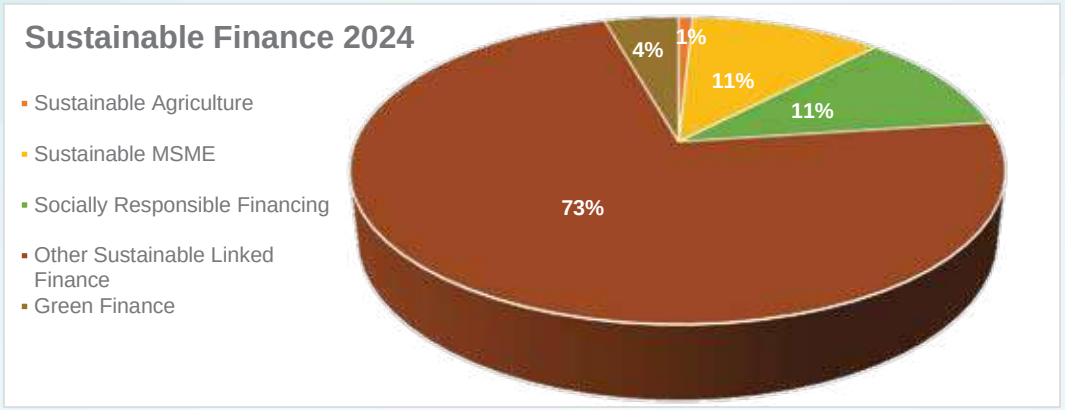
❖ Alignment of Sustainable Finance with SDGs:

Sustainable finance is all about aligning financial resources and systems with the goals of sustainable development. It's a way to use finance to support economic growth while also protecting the environment and promoting social progress. The Sustainable Development Goals (SDGs) are a set of 17 global goals adopted by the United Nations to address the world's most pressing challenges from poverty and hunger to climate change and inequality. NCC Bank thrives towards achieving SDG goals by disbursing BDT 650.37 crore in green finance and BDT 14,930.41 crore in sustainable finance. These financing directly supported SDG Goals as describe in below chart:

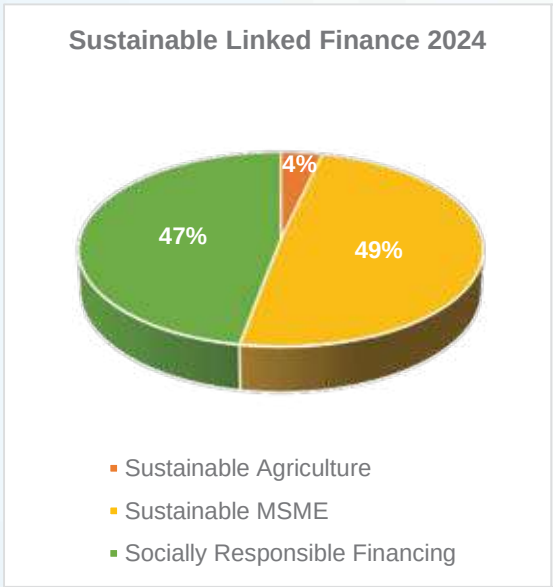


Sustainable Development Goals

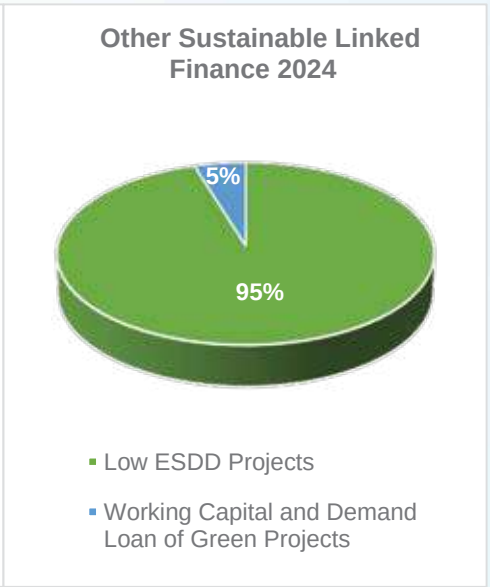
❖ **Product Mix of Sustainable Finance:**



Graph: Sustainable Finance Disbursement 2024

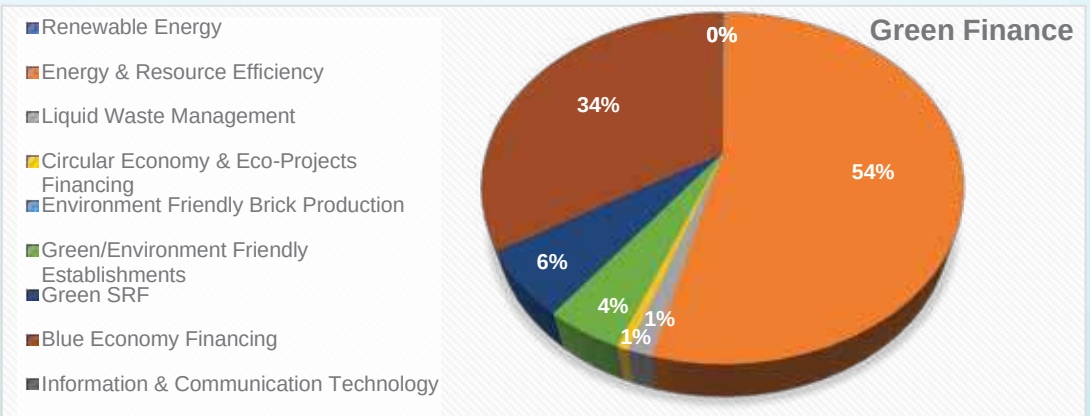


Graph: Sustainable Linked Finance 2024



Graph: Other Sustainable Linked Finance 2024

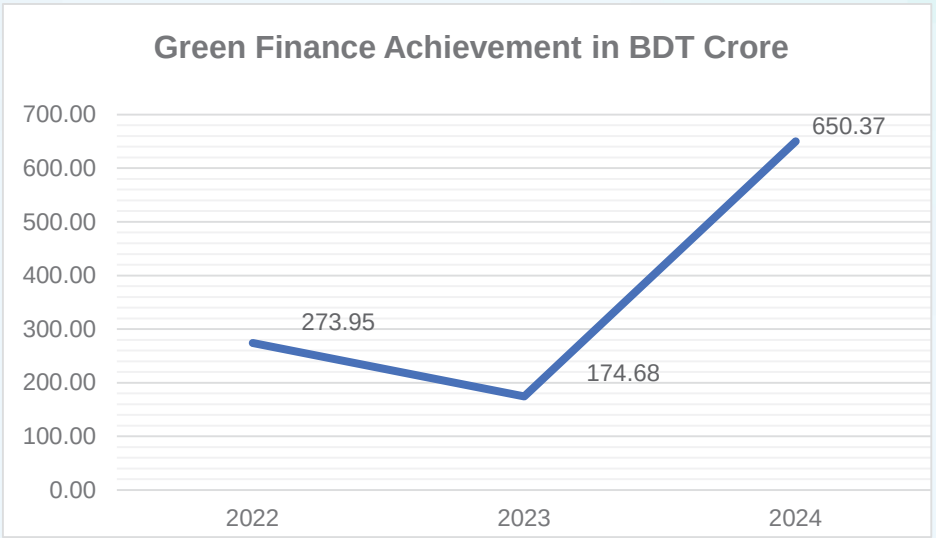
❖ **Product Mix of Green Finance:**



Graph: Green Finance 2024

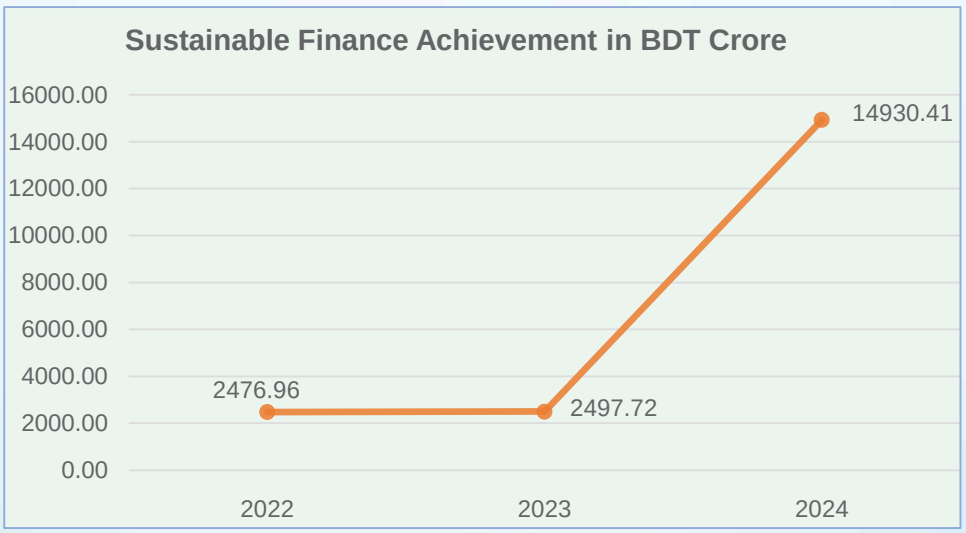
❖ Green Finance, Sustainable Finance & Green Refinance Disbursement Soar to New Heights in 2024:

Green Finance: NCC Bank has yielded an impressive result with significant growth in Green Finance. In 2024, NCC Bank disbursed BDT 650.37 crore in Green Finance, a significant increase from BDT 174.68 crore in 2023. This represents a remarkable growth of 272.33% year on year basis.



Graph: Year Wise Green Finance Achievement 2024

Sustainable Finance: The bank also demonstrated a strong commitment to Sustainable Finance, with disbursements rising from BDT 2,497.72 crore in 2023 to BDT 14,930.41 crore in 2024. This substantial increase of 497.75% highlights NCC Bank's focus on environment friendly initiatives. The substantial growth in Sustainable Finance disbursement underscores NCC Bank's proactive approach to supporting projects and initiatives that contribute to a more sustainable future for Bangladesh.

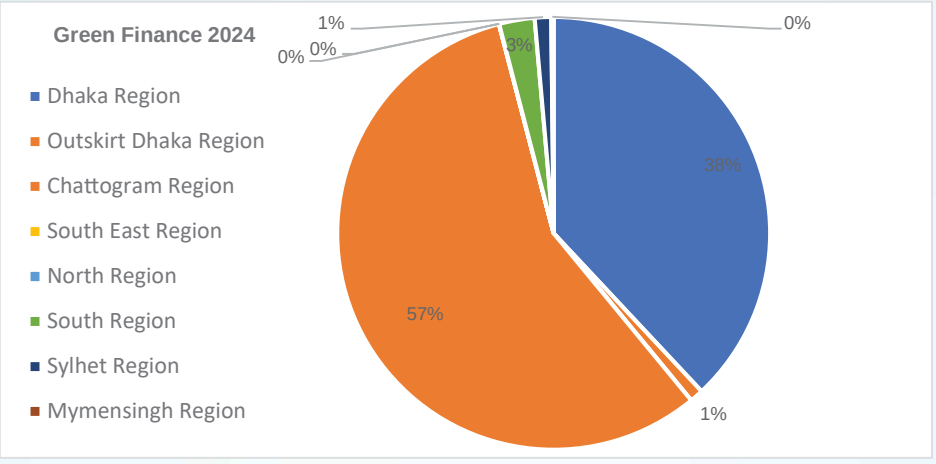


Graph: Year Wise Sustainable Finance Achievement

Green Refinance: NCC Bank has actively participated in Bangladesh Bank's refinance schemes i.e. Refinance Scheme for Green Products/Projects/ Initiatives, Green Transformation Fund (GTF) and Technology Development/Up gradation Fund (TDF). In this process the Bank significantly increased its green refinance disbursement in 2024. The bank disbursed BDT 51.45 crore in Green Refinance during 2024, a substantial rise from BDT 18.24 crore in 2023. The bank is committed to the responsible utilization of these funds, acting as a

bridge between customers and Bangladesh Bank. NCC Bank also finances green products from its own sources, demonstrating its commitment to sustainable financing.

❖ Region Wise Green Finance Mix:



❖ NCC Bank Recognizes Winners of Quiz Competition on Sustainable Finance:

NCC Bank organized a quiz competition for the branch employees focused on sustainable finance. The competition saw enthusiastic participation from bank officials, with a series of rigorous quiz tests conducted to identify the top 10 (Ten) performers. The winners were recognized and awarded with cash rewards, commemorative crests and certificates of achievement for their knowledge and commitment to sustainable finance at the bank's Head Office.

The Green Olympiad emphasizes NCC Bank's commitment to promoting sustainable finance and raising awareness about its importance among the employees of the Bank. The bank believes that such initiatives play a crucial role in driving positive change and fostering a greener future.

❖ NCC Bank Supports in Community Health & Welfare:

NCC Bank is actively involved in community engagement initiatives, focusing on areas such as education, healthcare, and economic opportunities. In 2024, NCC Bank donated fogger machines, mosquito traps and providing access to pure drinking water in Uttara Sector 10, Dhaka under Corporate Social Responsibility (CSR) activities.

Recognizing the importance of public health and the prevalence of mosquito-borne illnesses, NCC Bank stepped in to provide much-needed resources to the community. The donated fogger machines will aid in mosquito control efforts, while the mosquito traps will offer a supplementary method for reducing mosquito populations. Furthermore, the provision of pure water addresses another essential community need.

This CSR initiative reflects NCC Bank's dedication to supporting the communities it serves and contributing to a healthier environment for all. The bank believes in giving back to society and actively seeks opportunities to make a positive impact.

❖ Accelerating Innovation and Technology:

NCC Bank is leveraging technology and innovation to enhance its services and reduce its environmental footprint. This includes promoting digital banking solutions, which reduce the need for paper transactions and contribute to a greener environment. The bank's focus on innovation also extends to exploring new financial products services that support sustainability. As part of sustainable practices, the following initiatives have been taken by the bank:

- Green PIN services have been launched for card activation.
- No receipt is provided to customer after any transaction in the ATM booth.

- NCC Sanchayee App does not require any physical form to open bank account.
- Communication for undelivered check books are fully electronic. No paper communication is made with the customer in this regard.

❖ Launching of Brochure on Green Products/Projects/Initiatives:

NCC Bank has developed an informative brochure to raise customer awareness about green Products/Projects/Initiatives, GTF & TDF. This brochure serves as a valuable resource, outlining the benefits and features of Green Finance and Green Refinance. It aims to educate customers on how they can contribute to a greener future by choosing environmentally responsible banking options.



❖ Embedding Sustainable Finance Expertise Through Capacity Building Program:

NCC Bank organized capacity building programs focusing on sustainable finance for executives and credit related officers from Head Office and Branch. One of the programs conducted by the Sustainable Finance Department (SFD) of Bangladesh Bank aimed to enhance the knowledge and skills of bank personnel in this increasingly important area of finance. Participants gained valuable insights into the principles, practices, and latest developments in sustainable finance, equipping them to better integrate environmental and social considerations into their credit evaluation and lending processes.

This initiative underscores NCC Bank's commitment to building internal expertise and promoting sustainable finance practices within the organization. The collaboration with Bangladesh Bank's SFD ensured that the training aligned with national guidelines and best practices, further strengthening the bank's capacity to contribute to a more sustainable financial ecosystem.



Capacity Building Program on Sustainable Finance

NCC bank's commitment to sustainable finance is evident in its proactive approach to employee training & Workshop at Branches, Regional Offices & Head Office. The Sustainable Banking Division has conducted 11 (Eleven) training sessions on Sustainable Finance reaching a total of 550 employees. This significant investment in capacity building demonstrates the bank's dedication to equipping its employees with the knowledge and skills necessary to integrate sustainability into their roles and contribute to the growth of green finance.

❖ NCC Bank Organizes Art Fest based on Earth Day 2024 Theme: Planet vs Plastics

NCC Bank marked Earth Day 2024 with a vibrant and creative celebration, hosting an Art Fest featuring the children of its employees. This event provided a platform for the young artists to express their understanding and appreciation for the environment through their artwork. The Art Fest served as a fun and engaging way to raise awareness about environmental issues and inspire the next generation to embrace sustainability. By involving the families of its employees, NCC Bank reinforced its commitment to environmental responsibility both within the organization and in the broader community. The colorful and imaginative artwork created by the children likely reflected themes of nature, conservation, and the importance of protecting our planet, making the event a meaningful and memorable Earth Day celebration for all involved.



Art Fest at NCC Bank 2024

❖ Conducting Branch Awareness Through In Person Visits:

During 2024, we were keen to engage with our branches and conducted visit to different branches including regional offices. These visits have served to promote sustainable finance practices, provide guidance and support to branch executives/officers and monitor the implementation of the bank's sustainability initiatives at the grassroots level. This proactive approach demonstrates our commitment to integrating sustainable practices throughout the operations. Along with Branch visit, we have visited a good number of prospective customers sought for finance in green projects.

❖ Sustainability & Climate-related Financial Disclosure:

Bangladesh Bank has been actively promoting sustainable finance and green banking practices in the country. In line with this, they have issued guidelines for banks and financial institutions on sustainability and climate-related financial disclosures.

This guideline is based on the International Financial Reporting Standards (IFRS) S-1 and S-2, which aim to provide a comprehensive framework for reporting on sustainability-related risks and opportunities. The disclosures will help stakeholders assess the impact of climate change on banks' financial performance and their strategies for managing these risks.

The guideline is being implemented in phases, starting from 2024. This initiative will enhance transparency and accountability in the financial sector and promote sustainable lending and investment practices.

❖ Success Story of Hasem Jute Industries Ltd.

Weaving a Green Future: Hasem Jute Industries & NCC Bank's Sustainable Partnership

Hasem Jute Industries Ltd., located at Faridpur is quietly revolutionizing the textile industry. This company, specializing in fine jute yarn/twine, jute bags, cloths, and mats, stands as a testament to the potential of traditional materials in building a sustainable future. The loan facility of BDT 29.10 Crore from NCC Bank played a major role in the success of the company.



NCC Bank Officials visit Hasem Jute Industries Ltd.

The Vision: Reviving a Golden Fiber

Hasem Jute Industries recognized the immense potential of jute, a natural, biodegradable, and renewable resource. Once known as the "golden fiber" of Bangladesh, jute had seen a decline with the rise of synthetic alternatives. However, the company understood its inherent advantages:

- Environmental Friendliness: Jute is carbon-neutral, absorbs CO2 during growth, and decomposes naturally, enriching the soil. Unlike plastic, it doesn't contribute to pollution or micro plastic accumulation.
- Economic Empowerment: Jute cultivation and processing support millions of farmers and workers in Bangladesh, contributing to rural livelihoods.

NCC Bank: A Partner in Sustainability

Recognizing Hasem Jute Industries' commitment to sustainable practices, NCC Bank stepped in with a significant green project financing. This investment was crucial in:

- Modernizing the company's production facilities, enhancing efficiency, and reducing waste.
- Expanding production capacity to meet the growing demand for eco-friendly jute products.
- Supporting research and development into innovative jute applications.

The Future: A Greener Tomorrow

The success of Hasem Jute Industries and NCC Bank's partnership highlights the importance of investing in sustainable solutions. By embracing traditional materials like jute and promoting eco-friendly production practices, Bangladesh can pave the way for a greener and more prosperous future.

This story serves as an inspiration for other businesses and financial institutions to embrace sustainable practices and contribute to a healthier planet. By supporting initiatives like Hasem Jute Industries, we can weave a future where economic growth and environmental responsibility go hand in hand.



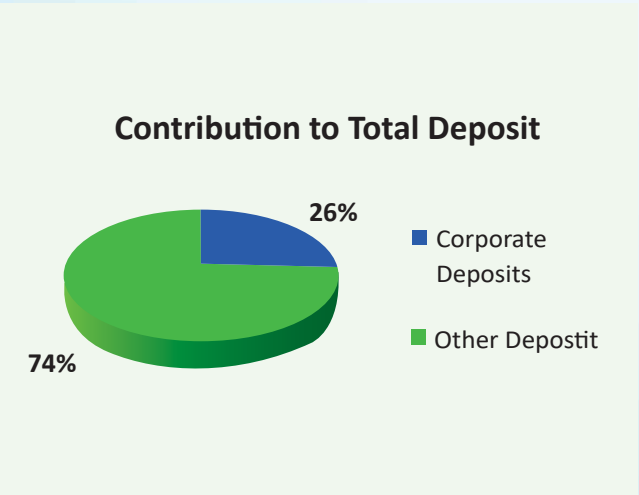
BUSINESS REVIEW

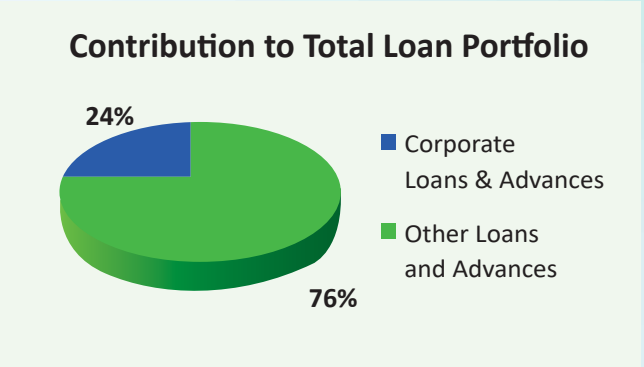
Corporate Banking Division

NCC Bank PLC has always been a corporate focused bank. In 2022, dedicated "Corporate Banking Division" was formed with the aim of structuring the corporate banking policies and operations. Since inception, Corporate Banking Division has been working to implement best corporate banking practices through the business channels. In accordance, dedicated customer-wise Relationship Managers have been assigned, Transaction Banking & Cash Management department was developed for providing Payroll banking facilities, corporate internet banking (ICON), corporate card facilities, etc. Furthermore, separate corporate business units and a specialized RMG unit, were formed to ensure one stop corporate customer service.

In addition to providing assistance to Corporate Branches, CBD has succeeded in establishing corporate relationship with leading business houses from different industries. Consequent to unwavered efforts, aggregate corporate loan portfolio of NCC Bank PLC recorded a growth of 4% in the year 2024 in spite of having challenging political and economic aspects. On the other hand, corporate deposit recorded a growth of 32%. Corporate Loans & Advances contribute 76% of the total portfolio of the Bank in 2024. Corporate deposit stands at 26% of total Bank deposit in 2024.

In light of NCC Bank's mission, CBD has taken up the target for strengthening Foreign Exchange position of our bank through establishing relationship with our country's leading exporters in this year and simultaneously improving the loan portfolio quality of our Bank.





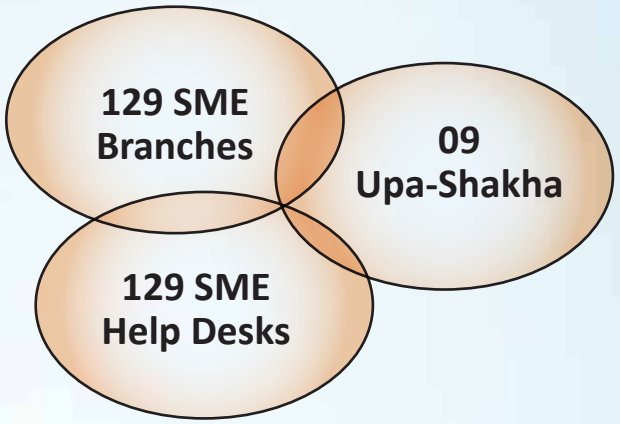
CMSME Financing

Cottage, Micro, Small & Medium Enterprise (CMSME) sector is the growth engine of the economy Bangladesh contributes to grass-root development and generating employment opportunities. CMSMEs have significant contribution to the country's GDP. The government is providing unwavering support to the CMSME sector, and the timely initiative of the regulator helps to overcome the unwanted devastating effects on their businesses. NCC, a proud associate of the government's vision of scaling up CMSME Business, actively working to bring formal banking facilities to the doorstep of un-banked customers through its nationwide branch network.

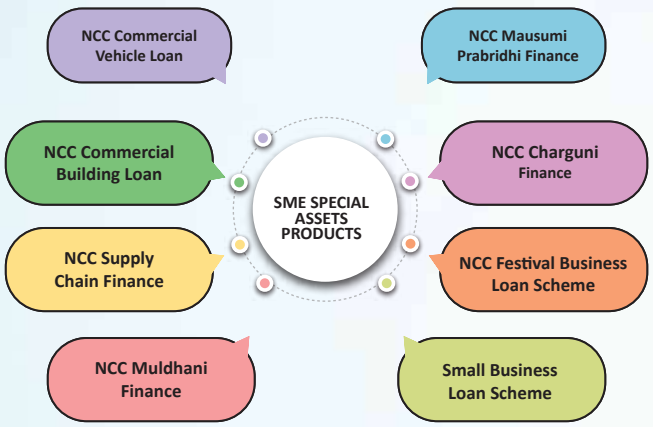
NCCB's commitment to supporting Cottage, Micro, Small and Medium Enterprises (CMSMEs) in Bangladesh has yielded remarkable results, reinforcing our position as a leading provider of CMSME banking services. CMSMEs play a vital role in driving economic growth and job creation. We have tailored our financial products and services to meet their unique needs. Our offerings include flexible loan products, efficient credit processing, and comprehensive advisory services, all designed to facilitate the growth and sustainability of these businesses. Additionally, we have leveraged digital banking solutions to enhance accessibility and convenience for our CMSME clients. Through dedicated support and innovative solutions, we have empowered countless CMSMEs to expand their operations, improve their financial health, and contribute more robustly to the national economy. Our efforts in CMSME financing not only reflect our strategic priorities but also underscore our commitment to fostering inclusive economic development in Bangladesh.

NCC Bank's CMSME Business demonstrates its commitment to uplift the historically underserved segment while contributing to the inclusive growth and sustainable development of Cottage, Micro, Small and Medium enterprises in the country. Over the past year, we have focused on expanding our Deposit and Loan portfolios, enhancing digital capabilities, fostering strategic partnerships, and championing women's entrepreneurship.

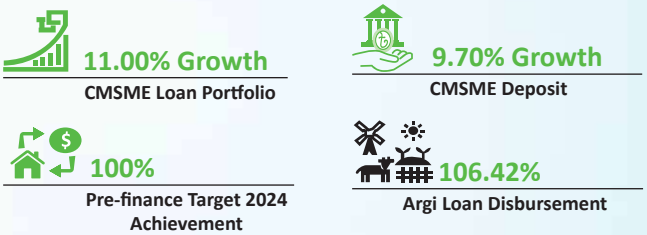
NCC CMSME Delivery Channels:



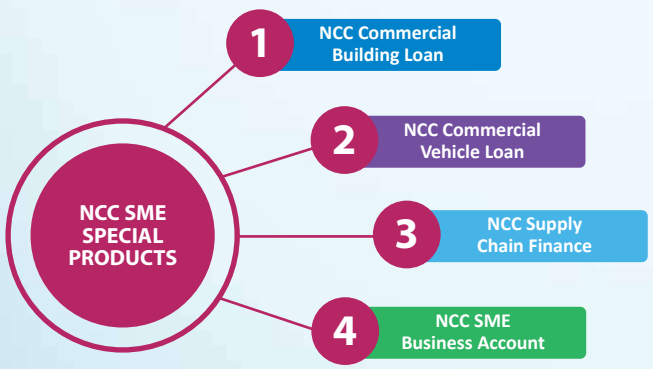
NCC CMSME Products



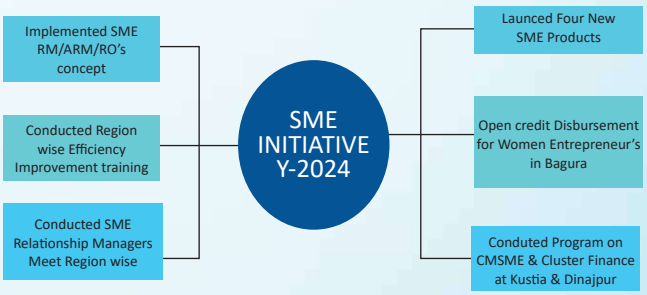
Key Performances in the year 2024:



NCC CMSME Special Products Launched in 2024:



Key Initiatives Y-2024





SME Relationship Managers' Meet at North Region



Open Credit Disbursement for WE's at Bogura



NCC Bank Launched Four New SME Products.



Cluster Financing program at Dinajpur.



NCC Bank signed Two participatory agreements with Bangladesh Bank.



Training on CMSME, Sustainable Finance & DFS at Chattogram.

Shaping Tomorrow, Elevating Experiences: Redefining Excellence in Retail Banking

Retail Banking Focus:

Sustainable Growth: Strengthen market leadership by introducing targeted customer campaigns, ensuring a seamless and rewarding banking journey.

Innovative Solutions: Expand financial accessibility through cutting-edge digital banking services, tailored retail loan and deposit products, to meet evolving customer needs.

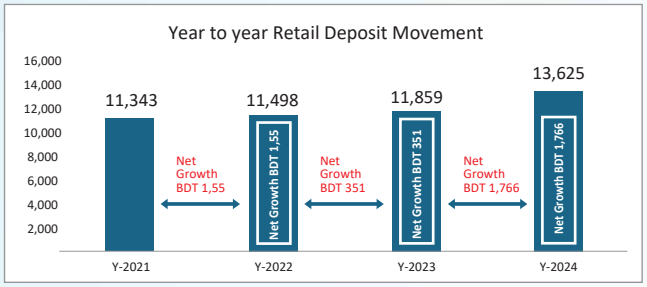
Service Excellence: Elevate customer experience with personalized banking solutions, ensuring trust, convenience, and long-term engagement.

Retail Banking remains at the heart of our business, driving financial inclusion and economic growth. Over the past year, our relentless focus on innovation, technology, and customer satisfaction has led to remarkable progress. By embracing a forward-thinking approach and fostering deeper customer relationships, we continue to set new benchmarks in the retail banking landscape.

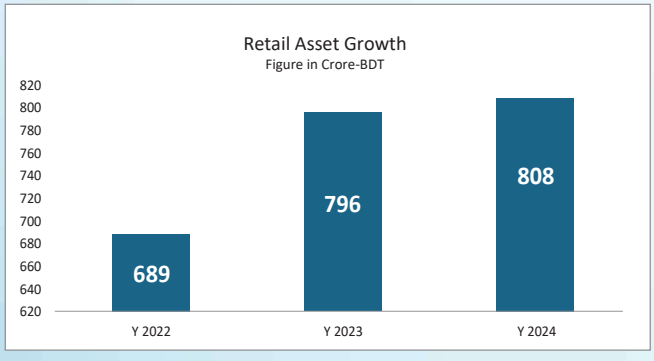


Key Achievements

a) Retail Deposit Growth: Retail Banking remains the cornerstone of our business, driving financial inclusion and sustainable growth. A testament to our success, our Retail Deposit Balance surged from BDT 11,859 crore at the end of 2023 to BDT 13,625 crore by the end of 2024, reflecting a net growth nearly three times higher than the previous year. This remarkable achievement underscores our strategic focus on customer-centric banking, robust financial solutions, and innovative digital services. Through continuous evolution and unwavering commitment, we continue to set new benchmarks in the retail banking landscape.



b) Retail Asset Growth: In 2024, our Retail Asset Portfolio showed steady growth, with the total retail loans increasing to BDT 808 crore, up from BDT 796 crore in 2023, reflecting a growth of 12 crore. However, when compared to the previous year, we observed that the growth rate has been relatively modest, primarily due to our strategic focus on default loan collection throughout the year. Moving forward, we remain committed to sustaining this momentum through targeted recovery initiatives, while continuing to offer innovative loan products that meet the diverse needs of our customers.



c) Product Innovations: We remain committed to staying ahead of the curve with innovative financial solutions. This year, we successfully launched several Retail Loan products, including the **Remittance Beneficiary Loan** under our **Unsecured Personal Loan segment**, further promoting financial inclusion by empowering remittance recipients with access to credit.

In addition to loans, we have taken strategic steps to enhance customer deposit habits by introducing **five (05) new** tailored deposit products and amended features for **eight (8) existing** deposit products to better meet customer needs and encourage long-term savings. The overwhelming market response reaffirms our dedication to delivering customer-centric and forward-thinking financial solutions, solidifying our position as a leader in the retail banking sector.

Conclusion

As we reflect on another successful year, Retail Banking has undeniably remained the cornerstone of our success, driving sustainable growth, financial inclusion, and customer satisfaction. Our unwavering focus on innovation, customer-centric solutions, and digital transformation has allowed us to continue exceeding expectations and set new benchmarks in the retail banking industry.

This year's remarkable growth in Retail Deposits, alongside the introduction of innovative loan and deposit products, demonstrates our ability to respond to evolving customer needs while maintaining our commitment to excellence. We are proud to have enhanced customer engagement and satisfaction through tailored financial solutions, empowering individuals with the tools to build a secure financial future.

With a forward-looking approach, we remain steadfast in our pursuit of growth, improved financial accessibility, and a relentless drive to deliver exceptional banking experiences. We are excited to continue our journey toward further success, shaping the future of retail banking for our customers and the broader community.

"Parama"- Women's banking a new ERA for NCC Bank PLC.

NCC Bank's "Parama" Women's Banking is a notable initiative designed to foster financial inclusion among women in Bangladesh and thus breaking the significant barriers women face in accessing traditional banking services. This newly launched business segment caters the unique banking needs of all segments of women i.e. students, homemaker, job holder, professionals, entrepreneurs, remittance receivers and land lady.

On 26th January 2024, NCC Bank has officially launched a dedicated women's banking segment called "NCC Parama" with the payoff line "for Better You".

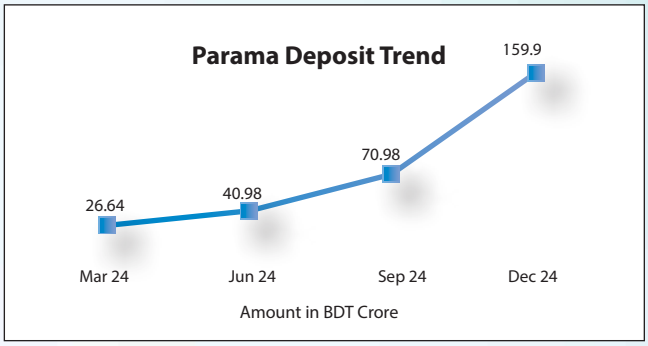
The payoff line clearly represents the bank's purpose to launch women's banking which is supporting in financial independence of women along with ensuring wellness.

Parama offers products especially designed to meet the unique financial needs of women, such as savings accounts, loan facilities & card products. These products come with privileges.

Deposit Products	Loan Products	Card Products
1. Parama Uddokta 2. Parama Super Saver 3. Parama Power Saver 4. Parama Monthly Savings Scheme 5. Parama Fixed Deposit 6. Parama Payroll 7. Parama Nari Shomota	• Parama Nari Shabolombi Rin • Parama Personal Loan	• Parama Credit Cards • Parama Pre Paid Cards



NCC Bank's "Parama" has seen a recommendable deposit growth in just 11 months of its launching in 2024. The year-2024 closed with a parama deposit portfolio of BDT 160 crore (approx.) of which 42% was low cost deposit.



Access to Finance: The major challenge women entrepreneurs' face is the access to finance. Parama supports women entrepreneurs by providing access to financing and refinancing from Bangladesh Bank to enable them to grow their own businesses. Parama Uddokta account, Parama Nari Shabolombi Rin and Parama cards are offered to serve the purpose.

By offering refinancing schemes at a privileged rate, Bangladesh Bank helps to stimulate women's participation in economic activities, fostering their self-reliance and contributing to the overall economic development of the country.

Financial Literacy and Empowerment: NCC Bank emphasizes financial literacy through workshops and training sessions. This empowers women to make informed financial decisions and manage their finances effectively.

NCC Bank PLC. organized a three days long training on "Financial Education & Technical Skill for Women Empowerment" for 100 women entrepreneurs recently at Gram Unnayan Karma (GUK) Auditorium, Bogura by engaging Department of Youth Development (DYD). NCC Bank is working for financial inclusion of mass people across the country as well as ensuring financial literacy for all as per Bangladesh Bank guidelines under Sustainable Development Goal (SDG). This workshop was arranged to empower women in the socio-economic context of Bangladesh.

After scrutiny, 5 women entrepreneurs received loans from NCC Bank under open credit disbursement.

At the closing of the workshop, entrepreneurs received income generating tools i.e. sewing machines and

veterinary materials in the areas of their respective expertise as a token of appreciation for their active participation and competency. Sewing machines were distributed to 10 talented women entrepreneurs in the category of readymade clothing and veterinary materials were distributed for 10 entrepreneurs in the category of livestock rearing.



Photo: NCC Bank PLC organized training on ''Financial Education & Technical Skill for Women Empowerment'' for 100 Women Entrepreneurs of Department of Youth Developmentand sanctioned loan under open credit disbursement at Bogura

Support in informed decision making: Parama strives to reduce the traditional barriers women face and ensures easy documentation and quick processing along with access to finance. Moreover, easy access to banking products related information also helps them to make more informed and effective decision.

Contribute to the socio-economic development: By focusing on the women of Bangladesh, NCC bank is recognizing the importance of women in the socio-economic structure of the country. By empowering women, the overall economic health of the nation will improve contributing in the "Sustainable Development Goals (SDGs).

Collaboration of Banker-Borrower: NCC Bank's "Parama" initiative recognizes the crucial role women play in the economy and aims to unlock their potential by providing them with the necessary financial tools and support. On the occasion of "International Women's Day-2024", NCC Bank organized an experience sharing session engaging female customers and female employees of the Bank and thus strengthening the bond.



Photo: NCC Bank PLC celebrated International Women's Day 2024

Transaction Banking & Cash Management

Overview

The Transaction Banking & Cash Management Division (TBCM) at NCC Bank is dedicated to delivering seamless and efficient solutions for corporate clients. By leveraging innovative technology, we provide a secure and streamlined platform that supports both electronic and instrument-based payment transactions. Our goal is to optimize cash flow for businesses through advanced financial solutions, designed to adapt to the evolving market needs.

Key Features:

- **Comprehensive Cash Flow Management:** Efficient handling of receivables and payables to optimize liquidity.
- **Real-Time Reconciliation:** Our advanced Management Information System (MIS) ensures full visibility over financial operations.
- API Integrations: Enhances connectivity with business systems for seamless financial transactions.
- Digital Reporting Tools: Provides real-time transaction insights, promoting transparency and informed decision-making.

Our Services

NCC Bank's Transaction Banking & Cash Management services include:

- Corporate Internet Banking: Secure, user-friendly online banking solutions through our internet banking platform 'NCC ICON'.
- Automated Payment Solutions: Bulk payments, salary processing, vendor payments, and tax payments.

- Liquidity Management: Tailored solutions to optimize operational cash flow.
- Digital Collections & Reconciliation: Electronic invoicing, real-time fund collection, and automated reconciliation.

Achievements in 2024

- Enhanced API Connectivity: Successful integration with multiple corporate ERP systems for seamless transaction processing.



MoU with National Polymer Industries PLC.

- Innovation in Cash Management Solutions: Launched advanced cash management solutions and successfully implemented nationwide collection services for multiple MNC & FMCGs.
- Brand Visibility: Initiated the installation of



MoU with Ekpay

ATM/CRM booths across all MRT Line-6 stations, enhancing our brand visibility.

- Customer Engagement: Strengthened client relationships through tailored cash management solutions.

Future Business Plans & Strategies Looking ahead, NCC Bank is focused on:

- Digital Innovation: Expanding AI and blockchain solutions for secure, personalized banking.
- API Ecosystem: Strengthening API integrations for a smoother banking experience.
- EMS Solutions: Introducing a system for seamless



Payroll MoU with General Pharmaceuticals Ltd.

fee collection in educational institutions.

- Virtual Account Services: Enhancing banking efficiency with integrated virtual accounts.
- Customer-Centric Enhancements: Developing intuitive, user-friendly platforms.
- Financial Inclusion: Expanding access through mobile banking and digital wallets.
- Sustainability: Promoting green banking and eco-friendly initiatives.

Strategic Partnerships & Alliances:

We are forming strong partnerships with fintech companies and global financial institutions to enhance our capabilities, offer diverse products, and maintain international standards.

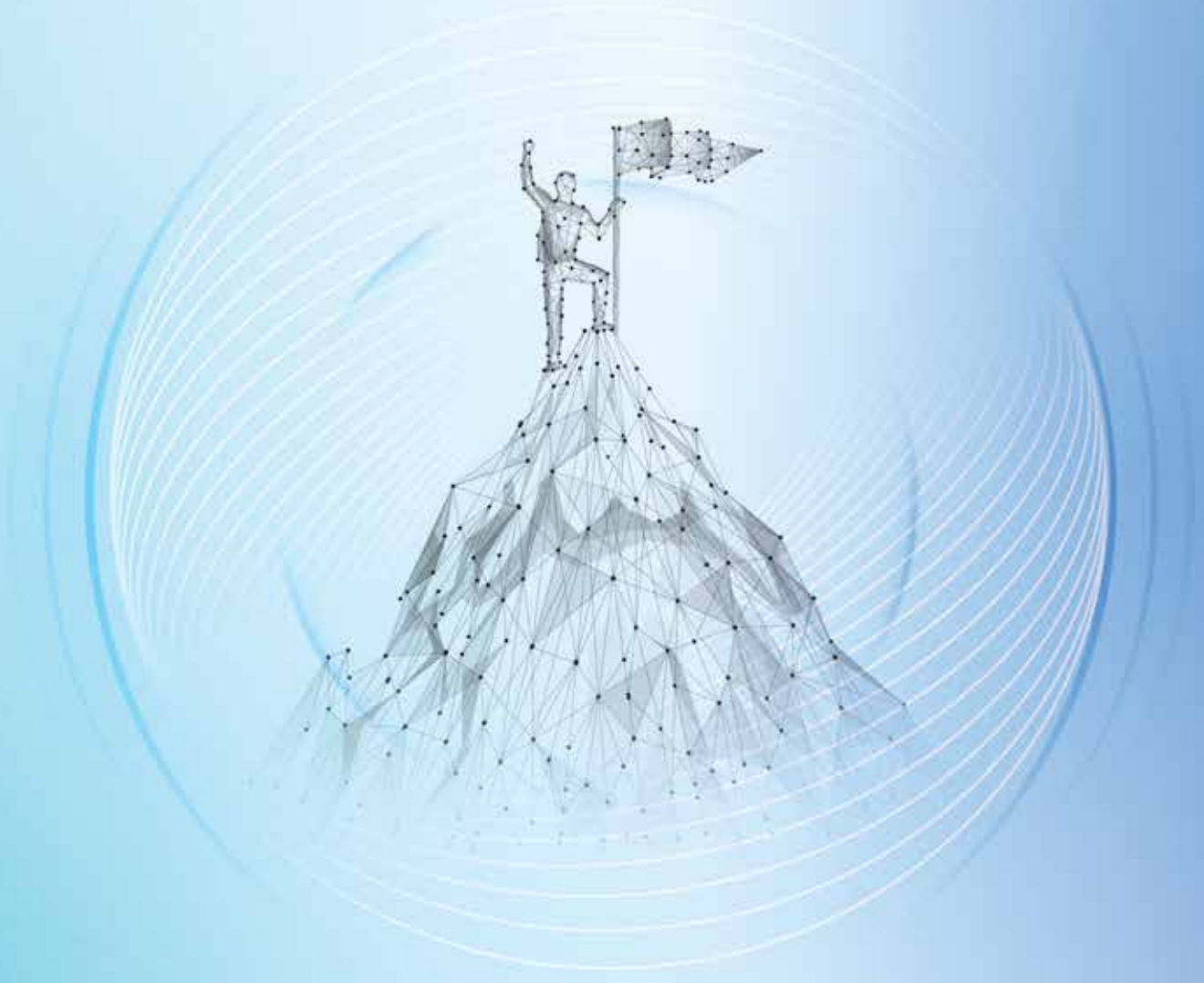


MoU with PRAN-RFL GROUP

Additional Services:

- Payroll Banking Services: Our payroll banking solutions ensure seamless salary disbursement for corporate clients.
- Hajj Fees Collection Services: Comprehensive services for smooth and memorable pilgrimage experiences.
- A-Challan Services: Available for both retail and corporate clients, offering hassle-free tax returns and other government payments.

NCC Bank remains committed to driving innovation and excellence in Transaction Banking and Cash Management, ensuring our clients stay ahead in a competitive financial landscape.



OPERATIONAL EXCELLENCE

Operations Division

Moving Forward towards Operational Excellence.

Operations Division makes sure that the bank's processes and transactions are executed correctly with the objective of minimizing risk and improving service quality. It also provides solution to complex operational issues that arise during day to day transaction at the branches. Operations Division also advises and guides other divisions/departments of the bank in their day to day operations. It is their duty to disseminate any regulatory directive to the whole bank and monitor its implementation. Sound operations contribute to the overall financial health and stability of the bank. NCCB Operations Division strives to ensure operational excellence. Branch Support Division (BSD), Bangladesh Automated Clearing House (BACH) Operations Division, Centralized Unit for General Banking (CUGB), Foreign Account Tax Compliance Act (FATCA) Unit and Customer Service & Complaint Mangement (CSCM) under the leadership of Operations Division is committed to achieve that goal.

Key Achievements of NCCB Operations Division

- Success of organizations like banks and financial institutes depends to a great extent on the scope of their operations. A bank having a wider reach among the target people can achieve desired results more easily than that of a bank having limited scope in terms of its network. In 2024, BSD opened 02 Sub-branches and 01 full-fledged branch. The number of branches and sub branches at end of 2024 was 129 and 09 respectively.
- With the rise of technology, banking operations have become increasingly automated and digital. Initiation of automation projects to reduce human error and reduce carbon foot print. The introduction of Half Yearly Account Statement/ Balance Confirmation Certificate through SMS link has eliminated the usage of paper and has improved customer satisfaction.
- Successfully initiated the Document Archival Digitization Project as a pilot phase, aiming to effectively organize the unstructured archiving system for legacy accounts.
- Streamlined operations ensure that transactions are processed quickly and accurately, minimizing errors and delays. Various operational process reviews were conducted to improve efficiency.
- Different stakeholder's involvement for diverse project implementations were coordinated and monitored
- Centralized Unit of General Banking (CUGB) processed 65,996 Current and Savings accounts in 2024.
- BACH Operations Division successfully implemented the NIKASH-BEFTN module in NCCB PLC under which customers are able to experience smoother fund transfer process through Electronic Fund Transfer (EFT) in 3 sessions per day.
- In 2024, BACH Operations Division successfully processed 676,238 clearing cheques, amounting to BDT 721,723.88 million. The division also handled 10, 49,439 EFT transactions, totaling BDT 81,679.85 million.
- FATCA Unit successfully submitted FATCA yearly reporting to Internal Revenue Service (IRS), USA.

In 2024, the different divisions within Operations showed their commitment to operational excellence and sustainable growth for the bank. Their various initiatives and projects were a key to the bank's success and improving relationships with customers and regulatory bodies. The introduction of new initiatives and better processes shows NCCB's strong dedication to leading in the banking industry.

Corporate Social Responsibility



In present world, Corporate Social Responsibility (CSR) is a business model that helps a company to remain socially accountable to itself, its community and its stakeholders. This business model creates a positive impact on the world whether for the sake of society, the economy or the environment. It has been identified as mutually beneficial for both a corporate institution in making its positive brand image and the community being served by the institution in the sense of interaction as well as support to the underprivileged. It is pivotal for Banks as well as stakeholders.

In the past, a company's only responsibility was to make/increase profit and help economy. With this mindset, a company was never accountable for the larger impact they may have had. CSR programs help these companies to become aware of their effect on society. From there, they can make a plan to ensure their impact is beneficial. Through active participation in the CSR events, organization has been continuously adding values to ultimate goal i.e. profit & wealth maximization. CSR programs also uphold a company's reputation. If the community thinks highly of an institution and the good it brings, they are more inclined to do business with the institution more frequently. As the CSR become more prevalent and the customers heighten their expectations, accountability will help an organization to survive.

NCC Bank has passed 32 years of glorious service excellence as a Bank with recognition from home and abroad for financial services. NCC Bank values its responsibilities to the society as it acknowledges that presence of a healthy society is an important prerequisite for creating a condition where all organs of the environment work as conducive for operating various business concerns, specially bank and FIs. The Bank also holds that earning profit should not be the only goal of any financial institution; rather it must put

efforts towards social advancement as well.

NCC Bank, while doing its business as a financial institution, always exerts attention for the benefit of the underprivileged people. For smooth and effective CSR activities, the Bank has established NCC Bank Foundation aiming to conduct invaluable services in various fields continuously covering the areas of Education, Health, Environment & Climate Change Mitigation & Adaptation, Disaster Management, Income Generating Activities, Infrastructure Development, Sports & Culture etc.

NCC Bank, since its inception, as part of CSR activities, expanded it philanthropic activities by donating to the under privileged segment of the people in the country. NCC Bank has been taking due care of its responsibility to the society and has taken different steps towards a balanced growth of various sectors like Education, Health, Disaster Management, Infrastructure Development, Sports & Culture and Specially on Agriculture to acquire a positive branding as well as reputation. In recent years the Bank started its special CSR in Agriculture sector under the guidance of Bangladesh Bank.

NCC Bank's apex body, i.e., the Board of Directors, as well as Management has given special attention toward CSR activities. In 2024, an amount of Tk.103.25 million has been used for bank's regular CSR activities. In addition to this, as per Bangladesh Bank's guidance, a budget of Tk.119.50 million was allocated for special CSR in Agriculture sector which is being implemented in 2023 and onward.

CSR activities conducted in 2024 as well as initiated by the Bank are mentioned in short below:

Education:

Education is the most important sector for development of the country. NCC Bank always emphasizes to expand its support to promote education sector. One of the most important CSR programs of the Bank is awarding scholarship to meritorious students on monthly basis for one year which is renewable on the basis of the result of the education. In 2024, NCC Bank contributed Tk.1.50 million favoring a nonprofit organization called 'Tauri Foundation' located in Bangladesh whose mission is to empower children with disabilities through the power of education for construction of their own building namely "Center for Education, Training and Rehabilitation of the Children with Autism & other NDDS". The Bank also supported an educational institution to operate smoothly to the tune of Tk.0.75 million.

2. Health:

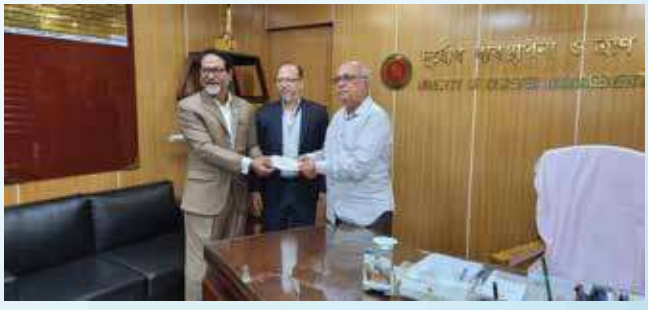
One of the key parameter of development of a nation is healthcare. In our country, development of healthcare facility is one of the most required ones. In 2024, NCC Bank provides onetime financial assistance



to those who have been suffering from various diseases for long time and are not able to bear the further treatment expenses. In the year 2024, a sum of Tk.4.43 million was provided for the purpose of treatment assistance.

3. Disaster Management:

At the time of any natural calamities like Cyclone, Flood, Cold Wave, unusual price hike, NCC Bank always stands by the distressed people.



In August 2024, Bangladesh experienced significant flooding due to heavy rainfall and upstream water releases. Eleven districts including Feni, Noakhali, and



Cumilla, were severely impacted, leading to widespread displacement and significant damage to infrastructure, agriculture, and livelihoods. NCC Bank donated Tk.20.00 million to the “Chief Advisor’s Relief and Welfare Fund” to support the flood affected people of the country. Additionally, NCC Bank also donated Tk.5.00 million as financial assistance for the poor and needy employees of the Bank i.e. Peon, Cleaner, Tea Boy & Others, those were affected by the flood in August 2024.

In 2024, NCC Bank donated 35,000 blankets to the “Chief Advisor’s Relief and Welfare Fund” for



distribution among people affected by severe Cold Wave all over the country. In addition, 30,000 blankets were also distributed by the Bank through its own channel across the country among cold affected poor people. Total Tk.23.17 million was provided for blanket.

NCC Bank contributed Tk.10.00 million for helping the war-torn people of Plaestine through Bangladesh Association of Banks (BAB) and the accumulated donation amount was handed over to the Ambassador of Palestine in Bangladesh.

To support poor and underprivileged people throughout the country during Ramadan, Food items like Rice, Dal, Oil, Chickpeas, Sugar, Chira were distributed. Tk.42.91 million was provided for food distribution purpose.

4. Infrastructure development:

In 2024, NCC Bank contributed Tk.0.40 million as yearly maintenance cost favoring Child Day Care Center named "Pushpita" which is specifically designed for the children of employees of private commercial Banks in Motijheel area.

5. Special CSR in Agriculture Sector:

In early 2022, when war between Ukraine and Russia broke out, the experts feared food crisis across the globe in 2023. On this backdrop, with the guidance of central bank, some of the banks initiated a special CSR program to motivate the people of the country to cultivate every inch of land to increase agricultural production to avoid possible food crisis. To boost up this move, as per advice of Bangladesh Bank, NCC Bank is being implemented Special CSR in Agriculture sector. Total budget for this program is Tk.119.50 million. Central Bank instructed several banks to take this initiative back in 2022 in four sub-sectors. Implementation of the project started actually in 2023. Under this program (1) Agricultural materials like seed, fertilizers, insecticides etc. to be distributed to increase Agricultural Production, (2) Agricultural equipment, tools & Machinery to be purchased and distributed among farmers, (3) Agricultural product processing industries to be supported and (4) Research for ‘Innovating new system for development of Agri sector’ and ‘improving quality production in Agri sector’ to be funded.

In 2023, NCC Bank, has distributed Agriculture material among 12068 marginal farmers to the tune of Tk.33.65 million to increase production in Jhenaidah, Jashore, Feni, Lalmonirhat, Bogra, Shariatpur, Chattogram, Cumilla, Madaripur, Kushtia, Faridpur, Rajbari, Narsingdi, Khulna, Satkhira, Kurigram, Rangpur, Dinajpur, Nilphamari, Naogaon, Chapainawabgonj, Rajshahi, Noakhali and Lakhsmipur districts through 31 distribution programs with the help of local government authorities, Agriculture Offices as well as our branches.

In 2024, we have distributed Agricultural material among 1850 farmers to the tune of Tk.17.24 million

for the same purpose under the same program in Pabna, Feni, Noakhali and Chattogram districts through 04 Distribution programs with the help of local & agricultural authorities as well as our branches.

In addition to material distribution, under this special CSR program, we have supported two following projects:

A. Jute Retting: Under the Special CSR Program by NCC Bank PLC, a Memorandum of Understanding (MoU) was signed on 1 April 2024 to support the research project titled "Next-Generation Jute Fiber Processing" with the Molecular Biology Laboratory, Department of Biochemistry and Molecular Biology, University of Dhaka. With a grant amount of Tk.9.50 million for a 1-year duration, the project aims to improve jute retting through two major goals: (A) understanding microbial dynamics and developing customized microbial jute retting, and (B) developing an eco-friendly chemical retting process. Significant progress has been made— a commercially viable microbial formulation has been developed following multiple large-scale trials, and a comprehensive



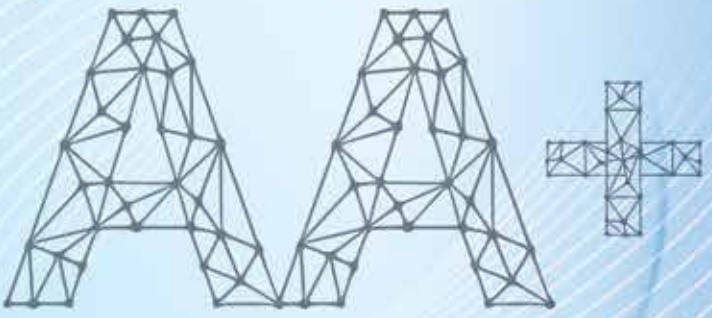
chemical retting method has been established at the lab scale, ready for evaluation at a larger industrial level. This project will make the jute industry more sustainable and environmentally friendly.

B. Prilled Urea Applicator: In the year 2024, NCC Bank proudly reaffirmed its steadfast commitment to driving sustainable development through transformative Corporate Social Responsibility (CSR) initiatives in the agricultural sector. Recognizing the pivotal role of agriculture in ensuring Bangladesh's food security and economic resilience, the Bank, in collaboration with the Bangladesh Rice Research Institute (BRRI), spearheaded a flagship project centered on the dissemination of the Prilled Urea Applicator (PUA)—a groundbreaking climate-smart technology. NCC Bank PLC has contributed around Tk.9.00 million for this project. This innovative solution has revolutionized nitrogen fertilizer management by enhancing fertilizer use efficiency, boosting rice yields by 5–10%, and reducing greenhouse gas emissions by nearly 30%. Most notably, the adoption of the PUA technology enabled farmers to reduce urea fertilizer use by 30% in rice cultivation through precise deep placement, directly addressing the country's pressing need for input cost reduction and environmental protection.

Under this visionary initiative, NCC Bank provided direct support to farming communities by distributing advanced agricultural machinery—including rice transplanters, seed sowers, and PUA devices—thus promoting mechanized, precision farming and sustainable agricultural practices across key rice-producing regions. This landmark CSR program not only empowered farmers with cutting-edge technologies but also played a transformative role in lowering production costs, enhancing profitability, and minimizing environmental degradation.

Through extensive capacity-building programs, practical hands-on training, and live field demonstrations, farmers were equipped with the knowledge and skills necessary to embrace modern, climate-resilient agricultural practices. This initiative is fully aligned with the strategic objectives of Bangladesh's National Adaptation Plan (NAP 2023–2050), underscoring the nation's commitment to sustainable agriculture, efficient resource management, and significant carbon footprint reduction. By championing innovation, sustainability, and rural empowerment, NCC Bank has further solidified its position as a socially responsible and visionary corporate leader—dedicated to securing Bangladesh's food future, uplifting rural livelihoods, and advancing the nation's journey toward a resilient, low-carbon economy.

Powering Forward to



This achievement reinforces our promise to be your reliable FINANCIAL PARTNER today, tomorrow and always!

Ratings	For the year ended on December 31	
	2023	2022
Long Term	AA+ (Higher Safety and High Credit Quality)	AA (Higher Safety and High Credit Quality)
Short Term	ST-1 (Highest Certainty of Timely Repayment)	ST-1 (Highest Certainty of Timely Repayment)
Outlook	Stable	Stable
Valid From	June 24, 2024	June 22, 2023
Valid Till	June 23, 2025	June 21, 2024
Rating Action	Surveillance	Surveillance
Rated by	Credit Rating Information and Services Ltd.	Credit Rating Information and Services Ltd.

A Bank rated **'AA+'** in the long term is adjudged to be of high quality, offer higher safety & have high credit quality and rated **'ST-1'** in the short term indicates highest certainty of timely payment, short term liquidity is very strong and safety is almost like risk free Government short - term obligations. **Stable** outlook indicates rating is likely to remain unchanged.

Five Years Performance at a Glance

Figures in BDT million

Particulars	2020	2021	2022	2023	2024
Balance sheet metrics					
Authorised capital	20,000	20,000	20,000	20,000	20,000
Paid up capital	9,459	10,169	10,575	11,104	11,104
Statutory reserve	8,835	9,693	10,575	11,104	11,104
Other reserve	1,096	668	564	375	441
Retained earnings	1,439	1,667	1,317	1,514	2,051
Shareholders' equity	20,829	22,196	23,033	24,098	24,700
Borrowings	16,835	21,179	29,091	35,147	20,167
Deposits	197,021	203,244	203,750	221,835	257,353
Loans and advances	178,159	189,490	209,738	228,697	240,246
Investments	43,482	49,298	53,594	54,676	75,891
Fixed assets	2,692	2,585	2,774	3,024	3,463
Interest earning assets	231,901	246,043	268,383	286,401	306,695
Non-interest earning assets	25,768	28,993	33,425	32,554	40,262
Total assets (excluding contra items)	257,668	275,037	301,808	318,955	346,957
Total assets (including contra items)	337,372	374,831	410,402	435,312	482,884
Capital metrics					
Total risk weighted assets (RWA)	210,227	205,011	220,852	207,762	212,838
Tier-I capital	19,658	25,986	27,285	28,546	29,094
Tier-II capital	8,112	6,535	5,455	4,514	3,123
Total capital	27,770	32,521	32,741	33,060	32,216
Tier-I capital adequacy ratio	9.35%	12.68%	12.35%	13.74%	13.67%
Tier-II capital adequacy ratio	3.86%	3.19%	2.47%	2.17%	1.47%
Capital to Risk Weighted Assets (CRAR)	13.21%	15.86%	14.82%	15.91%	15.14%
Asset quality metrics					
Amount of non-performing loans (NPLs)	8,879	8,665	14,359	12,955	17,589
Non performing loans as % of total loans	4.98%	4.57%	6.85%	5.66%	7.32%
Specific provision against classified loans	5,148	6,680	8,475	10,864	14,533
General provision against un-classified loans	3,353	3,240	2,875	2,656	2,157
General provision against off-balance sheet items	839	936	981	1,058	966
Percentage (%) of net classified loan	2.09%	1.05%	2.81%	0.91%	1.27%
Interest suspense balance	4,418	5,674	7,762	8,920	10,331
Written off amount year on year	102	720	100	1,126	2,400
Cumulative amount of bad debts written off	9,193	9,913	10,014	11,140	13,540
Cumulative recovery from written off loans	674	726	927	1,245	1,461
Cumulative amount of written off after recovery	8,520	9,188	9,087	9,895	12,079
Cumulative recovery to written off loans ratio	7.33%	7.32%	9.25%	11.18%	10.79%

Figures in BDT million

Particulars	2020	2021	2022	2023	2024
Trade business and remittance metrics					
Import	96,148	132,891	144,541	173,552	236,898
Export	58,355	71,237	87,600	82,483	95,600
Guarantee	23,800	27,836	26,674	47,943	37,206
Inward Remittance	44,616	46,018	55,127	72,129	82,050
Income statement metrics					
Interest income on loans & advances	15,955	13,518	13,906	17,293	23,120
Interest paid on deposits & borr.	11,619	7,806	9,049	11,793	17,015
Net interest margin	4,336	5,712	4,857	5,501	6,105
Net interest margin (%)	1.91%	2.39%	1.89%	1.98%	2.06%
Non-interest income	5,787	5,936	7,818	9,001	11,468
Total operating income	10,123	11,647	12,675	14,501	17,573
Non-interest/operating expenses	4,879	5,168	5,521	6,264	6,481
Total income	21,742	19,453	21,724	26,294	34,588
Total expenses	16,497	12,974	14,570	18,057	23,496
Operating profit	5,244	6,479	7,154	8,237	11,091
Specific provision against classified loans	0.7	2,067	1,882	3,176	5,465
General Provision against UC Loans	1,269	(114)	(365)	(219)	(499)
General Provision against Off- Balance Sheet	-	97	45	77	(92)
Provision for other inv. Fluctuation,asset & others	(33)	30	381	392	1,162
Total Provision for loans & other Provisions	1,237	2,079	1,943	3,427	6,036
Profit before tax	4,007	4,399	5,211	4,810	5,055
Provision for tax	1,775	1,786	2,570	2,515	2,732
Profit after tax	2,232	2,614	2,641	2,295	2,324
Share based metrics					
Earnings per share (EPS)	2.36	2.46	2.50	2.07	2.09
Price earnings (PE) ratio-times	5.59	6.22	5.53	6.34	5.16
Net asset value (NAV) per share	22.02	21.83	21.78	21.70	22.24
Net operating cash flow per share	2.12	1.30	1.85	8.46	2.26
Market price to NAV per share (times)	0.60	0.70	0.63	0.60	0.49
Market value of share	13.20	15.30	13.80	13.10	10.80
Market capitalisation	12,486	15,558	14,594	14,547	11,993
Number of shares (Nos.)	945,926,481	1,016,870,967	1,057,545,805	1,110,423,095	1,110,423,095
Number of shareholders (Nos.)	41,284	40,300	37,746	37,482	34,981
Dividend (%) (proposed for 2024)	15.00%	16.00%	10.00%	12.00%	13.00%
Dividend payment metrics					
Cash (%)	7.50%	12.00%	5.00%	12.00%	13.00%
Stock (%)	7.50%	4.00%	5.00%	-	-

Figures in BDT million

Particulars	2020	2021	2022	2023	2024
Dividend per share (DPS) in BDT	1.50	1.60	1.00	1.20	1.30
Dividend payout ratio (%)	63.58%	65.04%	40.05%	58.07%	62.13%
Unclaimed dividend amount	94.69	93.42	92.00	118.45	125.43
Liquidity Ratios					
Credit Deposit Ratio (CDR) (%)	81.36%	81.38%	76.83%	85.57%	82.30%
Leverage Ratio (%)	6.53%	7.84%	7.52%	7.80%	7.49%
Liquidity Coverage Ratio (LCR) (%)	115.58%	128.43%	115.23%	121.34%	114.78%
Net Stable Funding ratio (NSFR) (%)	106.48%	106.84%	105.56%	104.78%	110.66%
Efficiency Ratios					
Return on equity (ROE) (%)	11.10%	12.15%	11.68%	9.74%	9.52%
Return on assets (ROA) (%)	0.87%	0.98%	0.92%	0.74%	0.70%
Net profit margin (%)	10.26%	13.44%	12.16%	8.73%	6.72%
Cost of deposits & borrowings (%)	5.36%	3.66%	4.02%	4.59%	6.21%
Cost income ratio (%)	48.20%	44.37%	43.56%	43.20%	36.88%
Burden coverage ratio (%)	48.25%	45.11%	75.82%	62.20%	62.19%
Operating income per employee	4.70	5.35	5.12	6.11	7.09
Operating cost per employee	2.26	2.38	2.23	2.64	2.62
Operating profit per employee	2.43	2.98	2.89	3.47	4.48
Profit before tax per employee	1.86	2.02	2.10	2.03	2.04
CASA as a percentage of total deposits	20.17%	22.14%	23.15%	20.77%	20.23%
Deposits Mix (Low : High)	41:59	41:59	43:57	44:56	42:58
Distribution Network					
Number of branches	122	125	126	128	129
Number of Sub-Branches	6	6	6	7	9
Number of AD Branches	25	25	25	26	26
Number of ATMs & CRMs	135	144	152	152	128
Number of employees (permanent)	2,156	2,176	2,477	2,374	2,478
Number of deposit accounts	855,462	892,268	938,050	1,009,400	1,096,601
Number of loan accounts	31,336	30,603	28,929	27,798	27,145
Number of foreign correspondents	338	345	358	366	357
Credit rating					
Credit rating agency (local)	ECRL	CRISL	CRISL	CRISL	CRISL
Long term	AA	AA	AA	AA+	AA+
Short term	ST-1	ST-1	ST-1	ST-1	ST-1

Graphical Presentation

BDT in Million

Paid up capital



Statutory reserve



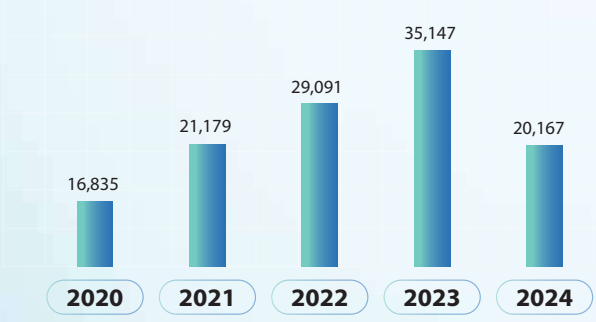
Retained earnings



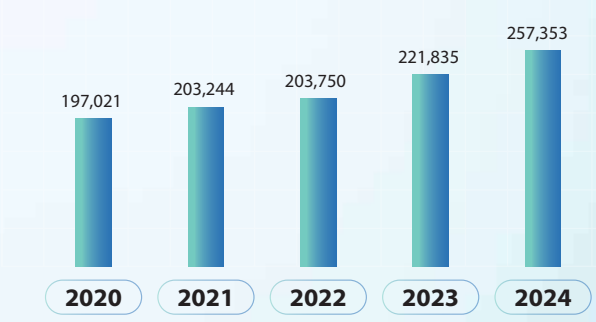
Shareholders' equity



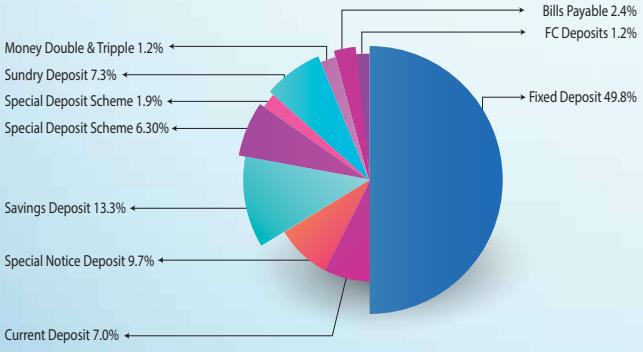
Borrowings



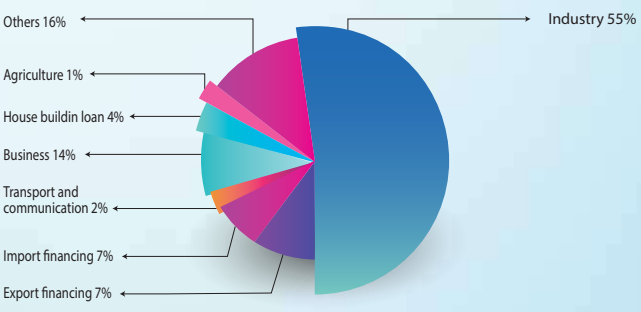
Deposits



Sectoral Distribution of Deposits-2024

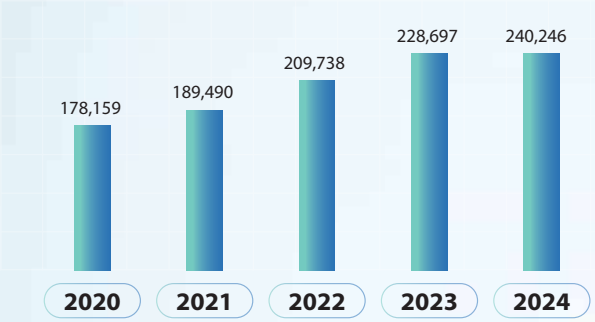


Sectoral Distribution of Loans & Advances-2024



BDT in Million

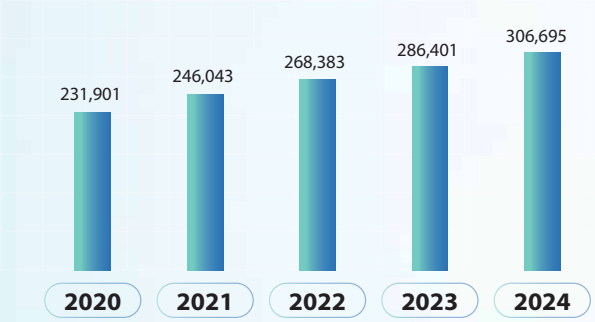
Loans and advances



Investments



Interest earning assets



Non-interest earning assets



Total assets (excluding contra items)



Total risk weighted assets (RWA)



Tier-I capital



Total capital

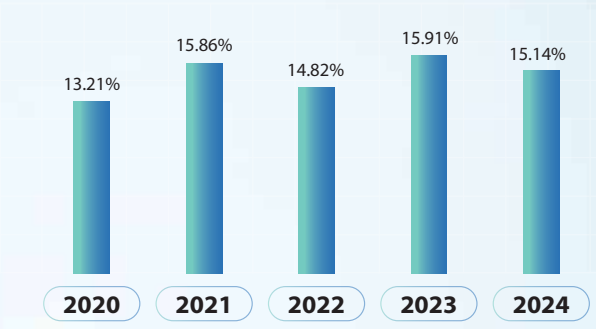


BDT in Million

Tier-I capital adequacy ratio



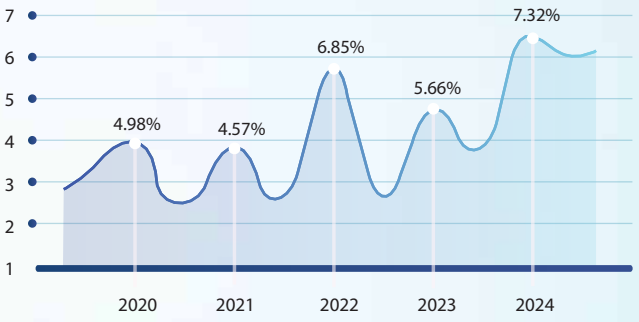
Capital to Risk Weighted Assets (CRAR)



Amount of non-performing loans (NPLs)



Non performing loans as % of total loans



Specific provision against classified loans



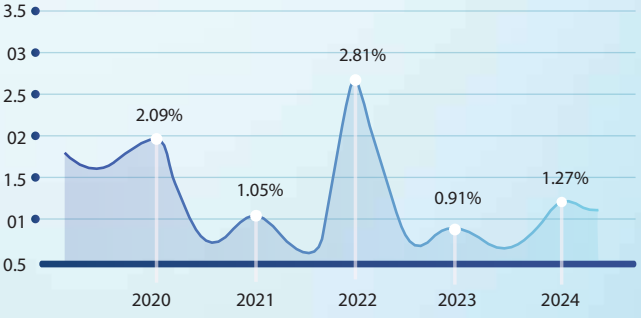
General provision against un-classified loans



General provision against off-balance sheet items



Percentage (%) of net classified loan



BDT in Million

Interest suspense balance



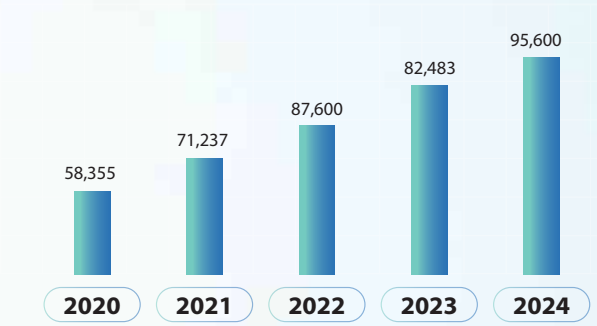
Cumulative amount of bad debts written off



Import



Export



Inward Remittance



Guarantee



Interest income on loans & advances



Interest paid on deposits & borrowings



BDT in Million

Net interest margin



Non-interest income



Total operating income



Operating expenses



Total income



Total expenses



Operating profit



Specific provision charged against classified loans



BDT in Million

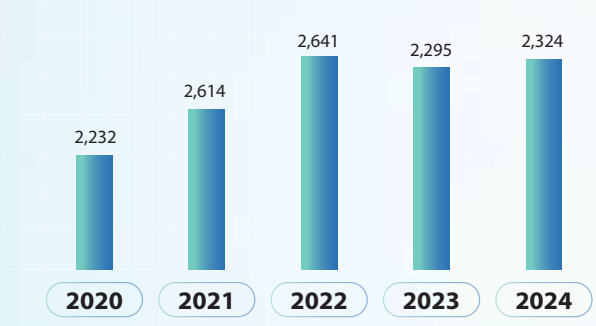
Total Provision for loans & other Provisions



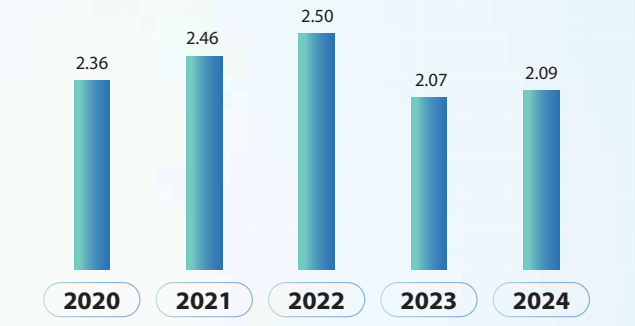
Profit before tax



Profit after tax



Earnings per share (EPS)



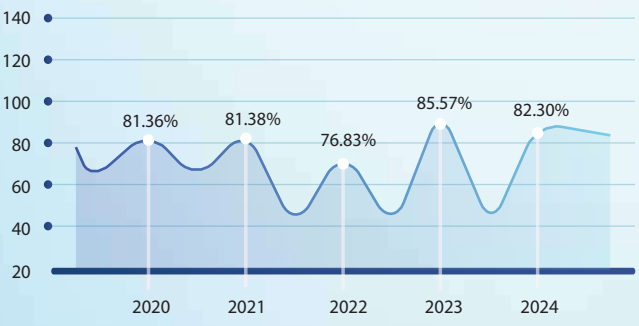
Price earnings (PE) ratio-times



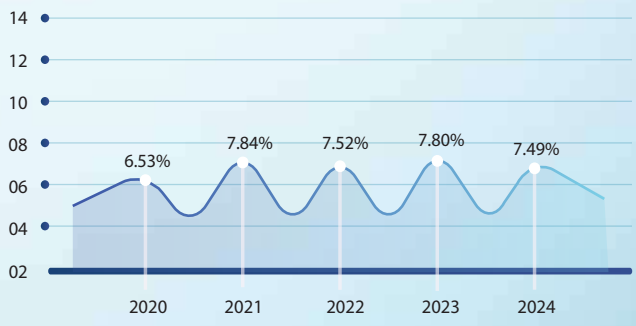
Net asset value (NAV) per share



Credit Deposit Ratio (CDR) (%)

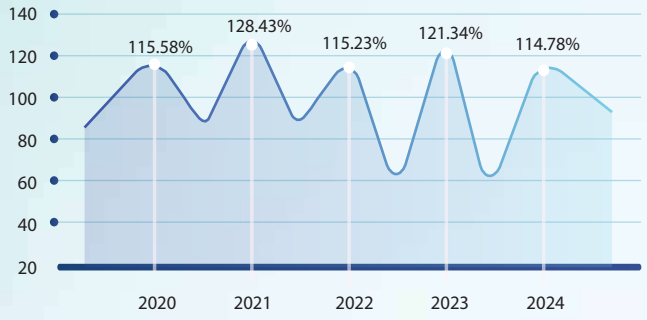


Leverage Ratio (%)

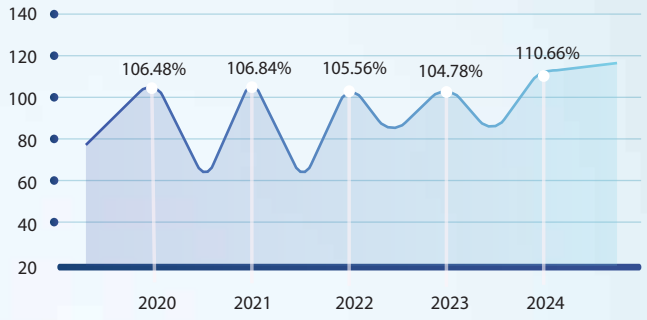


BDT in Million

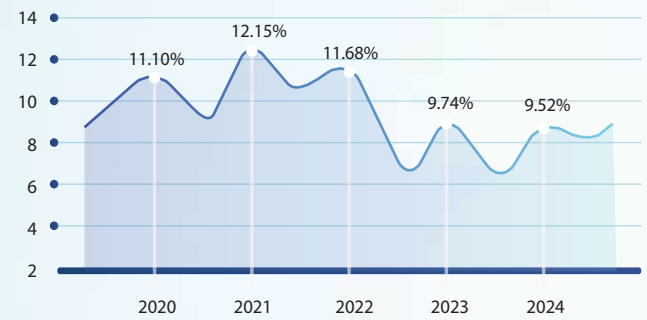
Liquidity Coverage Ratio (LCR) (%)



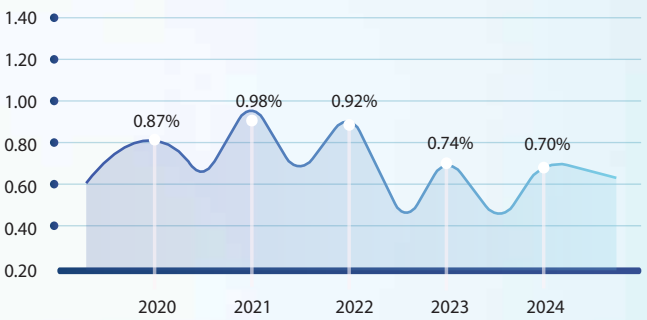
Net Stable Funding ratio (NSFR) (%)



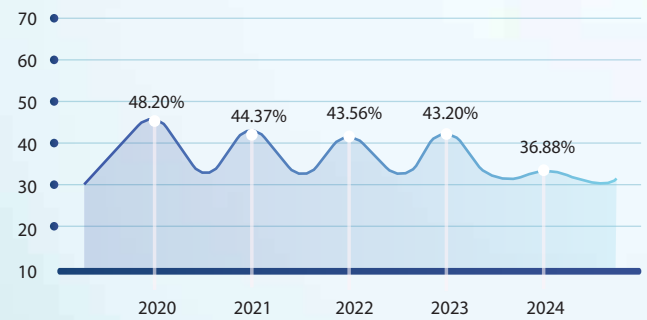
Return on equity (ROE) (%)



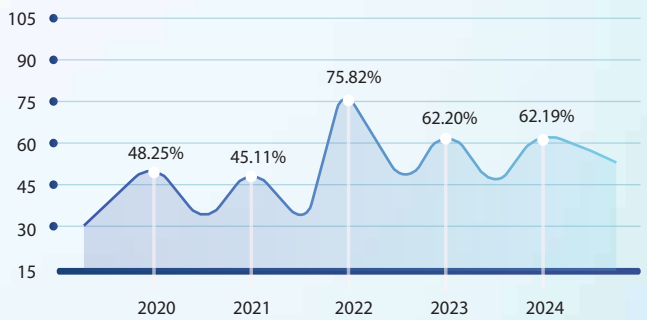
Return on assets (ROA) (%)



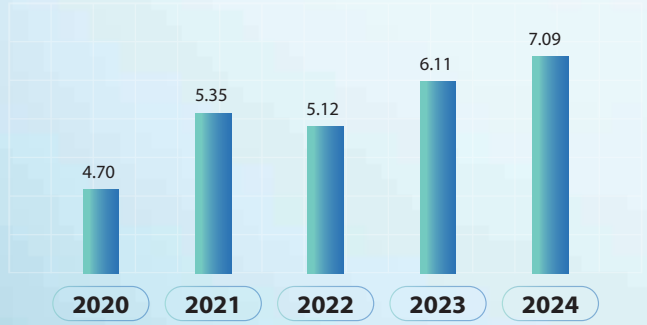
Cost income ratio (%)



Burden coverage ratio (%)



Operating income per employee



Operating cost per employee



BDT in Million

Operating profit per employee



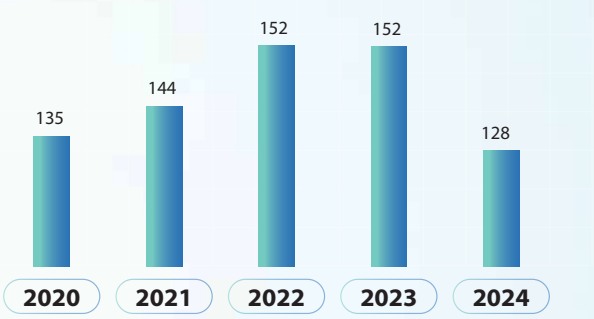
Profit before tax per employee



Number of branches



Number of ATMs & CRMs



Number of employees (permanent)



Number of foreign correspondents



Horizontal Analysis

Balance Sheet

Particulars	Y-2024		Y-2023		Y-2022		Y-2021		Y-2020	
	BDT mn	Δ %	BDT mn	Δ %	BDT mn	Δ %	BDT mn	Δ %	BDT mn	Δ %
PROPERTY AND ASSETS										
Cash in hand & Balance with Bangladesh Bank and its agent bank (s)	17,343	31.0%	13,237	-6.2%	14,106	18.4%	11,919	-14.5%	13,945	-10.3%
Balance with other banks and financial institutions	1,721	-83.4%	10,354	-33.9%	15,655	23.3%	12,694	8.0%	11,755	29.7%
Money at call and short notice	766	-57.9%	1,817	339.4%	414	-87.9%	3,410	324.1%	804	-37.1%
Investments	75,891	38.8%	54,676	2.0%	53,594	8.7%	49,298	13.4%	43,482	15.2%
Loans and advances/investments	240,246	5.1%	228,697	9.0%	209,738	10.7%	189,490	6.4%	178,159	-0.5%
Fixed assets including premises, furnitures and fixtures	3,463	14.5%	3,024	9.0%	2,774	7.3%	2,585	-4.0%	2,692	-1.5%
Other assets	7,525	7.2%	7,022	30.3%	5,387	-36.6%	8,499	24.4%	6,831	-40.5%
Non-banking assets	3	-97.8%	128	-9.13%	141	-	-	-	-	-
TOTAL ASSETS	**346,957**	**8.8%**	**318,955**	**5.7%**	**301,808**	**8.6%**	**277,894**	**7.8%**	**257,668**	**0.3%**
LIABILITIES AND SHAREHOLDERS' EQUITY										
Borrowings from other banks, financial institutions and agents	20,167	-42.6%	35,147	-14.7%	41,191	94.5%	21,179	25.8%	16,835	64.8%
Deposits and other accounts	257,353	16.0%	221,835	8.9%	203,750	0.2%	203,244	3.2%	197,021	-1.5%
Other liabilities	38,936	24.5%	31,274	18.3%	26,434	12.8%	23,425	23.4%	18,983	-18.5%
NCC Bank Subordinated and Perpetual Bonds	5,800	-12.1%	6,600	-10.8%	7,400	-5.7%	7,850	96.3%	4,000	0.0%
Total Liabilities	**322,257**	**9.3%**	**294,857**	**5.8%**	**278,775**	**9.0%**	**255,698**	**8.0%**	**236,839**	**-0.3%**
Total Shareholders' Equity	**24,700**	**2.5%**	**24,098**	**4.6%**	**23,033**	**3.8%**	**22,196**	**6.6%**	**20,829**	**7.5%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**346,957**	**8.8%**	**318,955**	**5.7%**	**301,808**	**8.6%**	**277,894**	**7.8%**	**257,668**	**0.3%**
TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES	135,927	16.8%	116,357	7.1%	108,595	8.8%	99,794	25.2%	79,704	-5.2%
NET ASSETS VALUE PER SHARE (NOT RESTATED)	**22.24**	**2.5%**	**21.70**	**-0.4%**	**21.78**	**-0.2%**	**21.83**	**-0.9%**	**22.02**	**5.4%**

Profit and Loss account

Particulars	Y-2024		Y-2023		Y-2022		Y-2021		Y-2020	
	BDT mn	Δ %	BDT mn	Δ %	BDT mn	Δ %	BDT mn	Δ %	BDT mn	Δ %
Interest/profit income	23,120	33.7%	17,293	24.4%	13,906	2.9%	13,518	-15.3%	15,955	-21.8%
Interest paid/profit shared on deposits and borrowings	17,015	44.3%	11,793	30.3%	9,049	14.3%	7,917	-31.9%	11,619	-17.1%
Net interest/profit income	6,105	11.0%	5,501	13.2%	4,857	-13.3%	5,600	29.1%	4,336	-32.2%
Non-interest income	11,468	27.4%	9,001	15.1%	7,818	31.7%	5,936	2.6%	5,787	12.4%
Total operating income	17,573	21.2%	14,501	14.4%	12,675	9.9%	11,536	14.0%	10,123	-12.3%
Total operating expenses	6,481	3.5%	6,264	13.5%	5,521	6.8%	5,168	5.9%	4,879	1.1%
Profit before provisions	**11,091**	**34.6%**	**8,237**	**15.1%**	**7,154**	**12.4%**	**6,368**	**21.4%**	**5,244**	**-21.9%**
Provision for loans and advances/investments	4,966	67.9%	2,957	94.9%	1,517	-22.3%	1,953	53.8%	1,270	-44.8%
Provision for off-balance sheet exposures	(92)	-219.7%	77	70.5%	45	-53.2%	97		-	
Other provision	1,132	212.5%	362	3.3%	351		-		(63)	-118.7%
Total provisions	6,006	76.8%	3,397	77.6%	1,913	-6.7%	2,049	69.8%	1,207	-55.6%
Contribution to NCC Bank's CSR Fund	30	0.0%	30	0.0%	30	0.0%	30	0.0%	30	50.0%
Profit before tax	5,055	5.1%	4,810	-7.7%	5,211	21.5%	4,288	7.0%	4,007	0.7%
Provision for tax	2,732	8.6%	2,515	-2.1%	2,570	43.9%	1,786	0.6%	1,775	-3.9%
Profit after tax for the year	**2,324**	**1.3%**	**2,295**	**-13.1%**	**2,641**	**5.5%**	**2,503**	**12.1%**	**2,232**	**4.6%**
Earnings per share	**2.09**	**1.3%**	**2.07**	**-17.3%**	**2.50**	**1.6%**	**2.46**	**4.3%**	**2.36**	**2.6%**

Vertical Analysis

Balance Sheet

Particulars	Y-2024		Y-2023		Y-2022		Y-2021		Y-2020	
	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %
PROPERTY AND ASSETS										
Cash in hand & Balance with Bangladesh Bank and its agent bank (s)	17,343	5.0%	13,237	4.2%	14,106	4.7%	11,919	4.3%	13,945	5.4%
Balance with other banks and financial institutions	1,721	0.5%	10,354	3.2%	15,655	5.2%	12,694	4.6%	11,755	4.6%
Money at call and short notice	766	0.2%	1,817	0.6%	414	0.1%	3,410	1.2%	804	0.3%
Investments	75,891	21.9%	54,676	17.1%	53,594	17.8%	49,298	17.7%	43,482	16.9%
Loans and advances/investments	240,246	69.2%	228,697	71.7%	209,738	69.5%	189,490	68.2%	178,159	69.1%
Fixed assets including premises, furnitures and fixtures	3,463	1.0%	3,024	0.9%	2,774	0.9%	2,585	0.9%	2,692	1.0%
Other assets	7,525	2.2%	7,022	2.2%	5,387	1.8%	8,499	3.1%	6,831	2.7%
Non-banking assets	3	0.001%	128	0.04%	141	0.05%	-	-	-	-
TOTAL ASSETS	**346,957**	**100.0%**	**318,955**	**100.0%**	**301,808**	**100.0%**	**277,894**	**100.0%**	**257,668**	**100.0%**
LIABILITIES AND SHAREHOLDERS' EQUITY										
Borrowings from other banks, financial institutions and agents	20,167	5.8%	35,147	11.0%	41,191	13.6%	21,179	7.6%	16,835	6.5%
Deposits and other accounts	257,353	74.2%	221,835	69.6%	203,750	67.5%	203,244	73.1%	197,021	76.5%
Other liabilities	38,936	11.2%	31,274	9.8%	26,434	8.8%	23,425	8.4%	18,983	7.4%
NCC Bank Subordinated and Perpetual Bonds	5,800	1.7%	6,600	2.1%	7,400	2.5%	7,850	2.8%	4,000	1.6%
Total Liabilities	322,257	92.9%	294,857	92.4%	278,775	92.4%	255,698	92.0%	236,839	91.9%
Total Shareholders' Equity	24,700	7.1%	24,098	7.6%	23,033	7.6%	22,196	8.0%	20,829	8.1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**346,957**	**100.0%**	**318,955**	**100.0%**	**301,808**	**100.0%**	**277,894**	**100.0%**	**257,668**	**100.0%**
TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES	135,927	39.2%	116,357	36.5%	108,595	36.0%	99,794	35.9%	79,704	30.9%

Profit and Loss account

Particulars	Y-2024		Y-2023		Y-2022		Y-2021		Y-2020	
	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %
Interest/profit income	23,120	66.8%	17,293	65.8%	13,906	64.0%	13,518	69.5%	15,955	73.4%
Interest paid/profit shared on deposits and borrowings	17,015	49.2%	11,793	44.8%	9,049	41.7%	7,917	40.7%	11,619	53.4%
Net interest/profit income	6,105	17.6%	5,501	20.9%	4,857	22.4%	5,600	28.8%	4,336	19.9%
Non-interest income	11,468	33.2%	9,001	34.2%	7,818	36.0%	5,936	30.5%	5,787	26.6%
Total operating income	17,573	50.8%	14,501	55.2%	12,675	58.3%	11,536	59.3%	10,123	46.6%
Total operating expenses	6,481	18.7%	6,264	23.8%	5,521	25.4%	5,168	26.6%	4,879	22.4%
Profit before provisions	**11,091**	**32.1%**	**8,237**	**31.3%**	**7,154**	**32.9%**	**6,368**	**32.7%**	**5,244**	**24.1%**
Provision for loans and advances/investments	4,966	14.4%	2,957	11.2%	1,517	7.0%	1,953	10.0%	1,270	5.8%
Provision for off-balance sheet exposures	(92)	-0.3%	77	0.3%	45	0.2%	97	0.5%	-	0.0%
Other provision	1,132	3.3%	362	1.4%	351	1.6%	-	0.0%	(63)	-0.3%
Total provisions	**6,006**	**17.4%**	**3,397**	**12.9%**	**1,913**	**8.8%**	**2,049**	**10.5%**	**1,207**	**5.6%**
Contribution to NCC Bank's CSR Fund	30	0.1%	30	0.1%	30	0.1%	30	0.2%	30	0.1%
Profit before tax	**5,055**	**14.6%**	**4,810**	**18.3%**	**5,211**	**24.0%**	**4,288**	**22.0%**	**4,007**	**18.4%**
Provision for tax	**2,732**	**7.9%**	**2,515**	**9.6%**	**2,570**	**11.8%**	**1,786**	**9.2%**	**1,775**	**8.2%**
Profit after tax for the year	**2,324**	**6.7%**	**2,295**	**8.7%**	**2,641**	**12.2%**	**2,503**	**12.9%**	**2,232**	**10.3%**

Note : Profit and Loss account account items have been presented as percentage of gross income (interest income+non-interest income).

NCC Bank PLC.

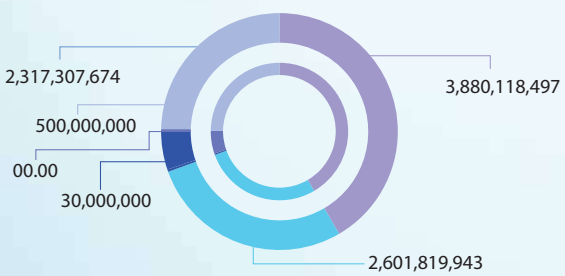
Value Added Statement

For the year ended on 31 December 2024

The value added statement for the bank shows how the value is created and distributed among different stakeholders of the bank.

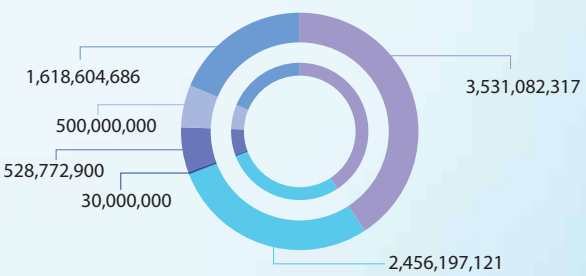
Particulars	2024 Taka	%	2023 Taka	%
Income from Banking Services	34,587,842,419		26,293,959,703	
Less: Cost of Services & Supplies	19,252,481,889		14,232,176,239	
Value Added by the Banking Services	**15,335,360,529**		**12,061,783,463**	
Less: Provisions	6,006,114,415		3,397,126,440	
	9,329,246,114		**8,664,657,024**	
Distribution of Value Added				
To Employees as Salaries & Allowances	3,880,118,497	41.59%	3,531,082,317	40.75%
To Government as Income Tax	2,601,819,943	27.89%	2,456,197,121	28.35%
To NCC Bank Foundation	30,000,000	0.32%	30,000,000	0.35%
To Statutory Reserve	-	0.00%	528,772,900	6.10%
To Perpetual Bondholders	500,000,000	5.36%	500,000,000	5.77%
To Expansion & Growth	2,317,307,674	24.84%	1,618,604,686	18.68%
Retained Earnings for Current Year	1,823,568,924		1,266,063,530	
Deferred Tax	129,842,543		59,060,396	
Depreciation	363,896,208		293,480,759	
	9,329,246,114	**100.00%**	**8,664,657,024**	**100.00%**

Distribution of Value Added Statement-2024



- To Employees as Salaries & Allowances **41.59%**
- To Government as Income Tax **27.89%**
- To NCC Bank Foundation **0.32%**
- To Statutory Reserve **0.00%**
- To Perpetual Bondholders **5.36%**
- To Expansion & Growth **24.84%**

Distribution of Value Added Statement-2023



- To Employees as Salaries & Allowances **40.75%**
- To Government as Income Tax **28.35%**
- To NCC Bank Foundation **0.35%**
- To Statutory Reserve **6.10%**
- To Perpetual Bondholders **5.77%**
- To Expansion & Growth **18.68%**

NCC Bank PLC.

Economic Value Added Statement

For the year ended on 31 December 2024

Economic Value Added (EVA) indicate the true economic profit of a company. EVA is an estimate of the amount by which earnings exceed of fall short of required minimum return for shareholders at comparable risks. EVA of the bank stood at Tk. 147.7 Million as on December 31, 2024 as against Tk. 195.2 million in 2023.

Particulars	2024 Taka	2023 Taka
Total Revenue	34,587,842,419	26,293,959,703
Less: Expenses	29,532,611,009	21,483,865,755
Profit Before Tax	**5,055,231,410**	**4,810,093,948**
Less: Corporate Tax	2,731,662,486	2,515,257,517
Profit After Tax	**2,323,568,924**	**2,294,836,430**
Add: Provision for Loans and Advances &: Off-Balance Sheet Items	6,006,114,415	3,397,126,440
Profit	**8,329,683,339**	**5,691,962,870**
Less: Waiver during the year	615,874,488	138,921,908
Less: Written-off during the year	2,400,059,356	1,126,281,438
Less: Interest on Perpetual Bonds	500,000,000	500,000,000
Earnings for the year (A)	**4,813,749,495**	**3,926,759,524**
Shareholders' Equity	24,700,455,320	24,097,609,463
Add: Cumalative Provision for Loans and Advances & Off-Balance Sheet Items	17,655,876,822	14,577,504,472
Total invested fund by shareholders	**42,356,332,142**	**38,675,113,935**
Average Shareholders' Equity (B)	40,515,723,038	37,019,140,422
Cost of Equity *	11.45%	10.08%
Cost of average equity (C)	4,639,050,288	3,731,529,355
Economic Value Added (D=A-C)	**174,699,207**	**195,230,170**

"Average cost of equity (based on weighted average rate of 10 years treasury bond issued by Government of Bangladesh plus 2% risk premium)"

NCC Bank PLC.

Market Value Added Statement

For the year ended on 31 December 2024

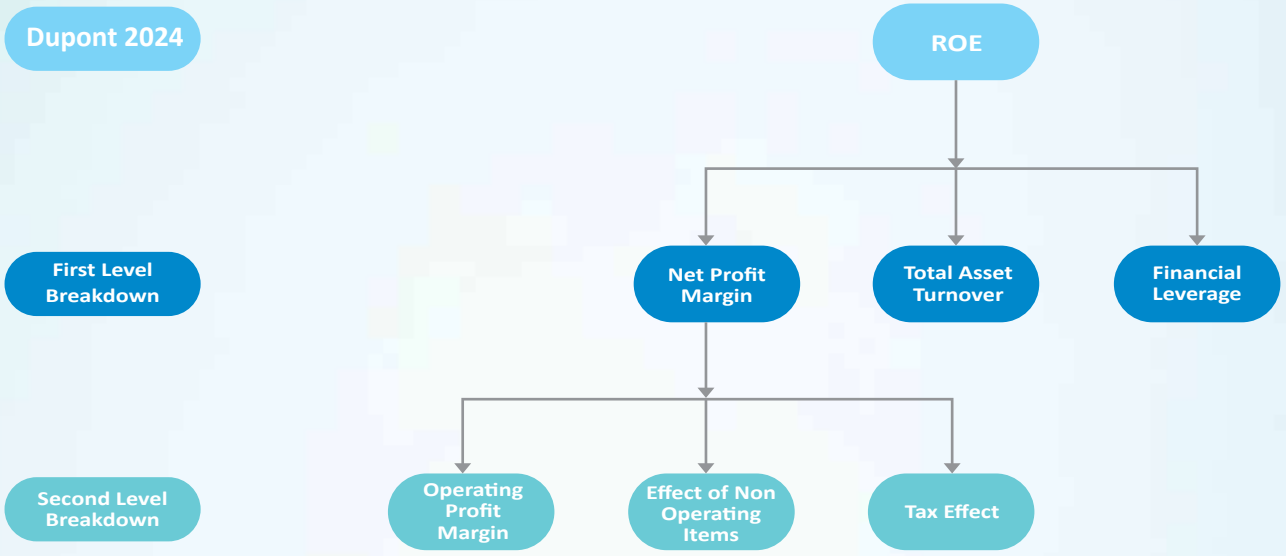
Market Value Addition (MVA) is the difference between the equity market value of a company and the book value of equity invested in the company. A high MVA indicates that the company has created substantial wealth for the Shareholders.

Particulars	2024 Taka	2023 Taka
Market Value of Total Equity	11,992,569,426	14,546,542,545
Less: Book Value of Total Equity	24,700,455,320	24,097,609,463
Market Value Added	**(12,707,885,894)**	**(9,551,066,918)**

Dupont Analysis

5 Factors Model

DuPont analysis is an approach to decomposing return on equity for better understanding about which factor contributed to the ROE most and which factor caused the ROE to move. For broader analysis, we used 5 factors model that covers net profit margin, total asset turnover and financial leverage. Net profit margin is further broken down to operating profit margin, effect of non-operating items and tax effects.



Particulars	2023	2024
Return on equity (ROE)	9.74%	9.52%
Net Profit margin	8.73%	6.72%
Total Asset Turnover	0.0847	0.104
Financial Leverage	12.236	13.047
Operating Profit Margin	31.33%	32.07%
Effect of Non-Operatin items	0.584	0.456
Tax Effect	0.477	0.460

The higher the value of all components of DuPont analysis, the higher the positive impact on Return on Equity. Net profit margin consists of three important components namely operating profit margin, effects on non-operating items and tax effects as mentioned in second level break down. Operating profit margin of Y-2024 increased to 32.07% (Y-2023 : 31.33%).

Effects on non-operating items decreased to 0.456 (Y-2023 : 0.584). Moreover, Tax effect decreased to 0.460 (Y-2023 : 0.477). The combined effects of these three components (increase of operating profit margin, decrease of effect of non-operating items and decrease of tax effect) resulted in decrease of net profit margin to 6.72% (Y-2023 : 8.73%).

Efficiency of utilization of assets as implied by average total assets turnover which was higher than previous year. NCCBL's financial leverage increased to 13.047 from last year's 12.236 that resulted decrease in return on equity.

Disclosures on Risk Based Capital (Basel III)

As on 31 December 2024

The purpose of Market Discipline in Basel III is to complement the minimum capital requirements and the supervisory review process. The aim of introducing Market Discipline is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a Bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, National Credit and Commerce Bank PLC (NCCBPLC) has developed a set of disclosures called "Disclosures on Risk Based Capital (Basel III)" which contains key piece of information on the assets, risk exposures, risk assessment process, and hence the capital adequacy to meet the risks in accordance with Bangladesh Bank guidelines.

1.0 Scope of Application:

Qualitative Disclosure		
a)	The name of the top corporate entity in the group to which this guidelines applies;	**National Credit and Commerce Bank PLC (NCCBPLC)**
b)	An outline of differences in the basis of consolidation for accounting & regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated, (b) that are given a deduction treatment and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted);	The disclosure made in the following sections has addressed NCCBPLC as a single entity (Solo Basis) as well as a consolidated entity (Consolidated Basis), the scope of which is as under: • 'Solo Basis' refers to all position of the Bank including the Islamic Banking Unit and Offshore Banking Unit. • 'Consolidated Basis' refers to all position of the Bank and its Subsidiaries. **The Consolidated Financial Statements of NCCBPLC includes the Financial Statements of:** • National Credit and Commerce Bank PLC • NCCB Securities & Financial Services Limited • NCCB Capital Limited A brief description of the Bank and its subsidiaries is given below: • **National Credit and Commerce Bank PLC (NCCBPLC)** The National Credit and Commerce Bank PLC. (NCCBPLC) is a scheduled commercial bank formed under Bank Company Act, 1991 and incorporated as a public banking company, limited by shares on 15th May 1993 with primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank changed its name from National Credit and Commerce Bank Limited to National Credit and Commerce Bank PLC. (NCCBPLC) as per Bangladesh Bank gazette no- BRPD(LS-1)/745(20)/2023-10767 dated 13 December 2024. The registered office of the Bank is located at NCC Bank Bhaban, 13/1-2 Toyenbee Circular Road, Motijheel Commercial Area, Dhaka-1000. It commenced its banking business with 16 branches from 17 May 1993 under the license letter no - BCD(D)200/52-561/93 issued by Bangladesh Bank. Presently the Bank has 129 branches, 9 Sub-branches and 128 ATM all over Bangladesh. The Bank has no overseas branch as at 31 December 2024.

It carries out all banking activities through it branches in Bangladesh. The Bank went for initial public offering in 1999 and its share is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited from 28 May 2000 and 16 May 2000 respectively as a publicly traded company.

- **Principal activities**

The principal activities of the Bank are to provide all kinds of commercial banking services to its customers through its branches following the provisions of the Bank Company Act, 1991 (as amended up to 2023), Bangladesh Bank's directives and directives of other regulatory authorities i.e. accepting customer deposits, lending to retail, small and medium enterprise (SME) and corporate customers, trade financing, lease financing, project financing, issuing letters of credit, interbank borrowing and lending, dealing in government securities etc.

- **Islamic banking unit**

Islamic Banking Unit is a separate business unit of NCC Bank PLC. governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of Islamic banking units vide Bangladesh Bank letter no. BRPD (LS-2)745(20)/2022-6911 dated on 05 July 2022. The operation of our Islamic Banking is totally different from the Bank's conventional operation as the former operates their business on the basis of Islamic Shariah. For procuring funds from depositors, our Islamic Banking follows Al-Wadiah and Mudaraba principles. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. Principles for accounting under its Islamic banking umbrella, run through a separate Islamic Banking software namely ABABIL.

- **Offshore Banking Unit**

Offshore banking unit (OBU) is a separate business unit of NCC Bank PLC. governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of offshore banking units located at NCC Bank Bhaban Branch & Agrabad Branch vide Bangladesh Bank letter no. BRPD (P-3)744(113)/2010-1648 dated on 02 May 2010 and operation of OBU in line with the offshore banking policy issued by Bangladesh Bank vide BRPD circular no. 02 dated 25 February 2019 and amendment thereon. Our Offshore banking unit operation/transactions involve with fully foreign-owned enterprises in EPZs, PEPZs, EZs and Fli-tech Parks shall include all normal financial services including accepting deposits, making short term loans/advances and investments, discounting bills, negotiating bills, issuing letter of credit and guarantee etc. In addition OBU discounts/purchase accepted usance/deferred bills against import from abroad and accepted usance/deferred export bills against direct and deemed exports. OBU conducts banking business activities in foreign currencies.

		Subsidiaries of National Credit and Commerce Bank PLC: The Bank has 02 (Two) Subsidiary companies as on 31 December 2024– 1) NCCB Securities and Financial Services Limited (NCCBSFSL) and 2) NCCB Capital Limited (NCCBCL). • **NCCB Securities and Financial Services Limited (NCCBSFSL)** NCCB Securities and Financial Services Limited is a subsidiary company of NCC Bank PLC. incorporated as a private company, limited by shares, on April 04, 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83683/10 dated April 04, 2010 under the Companies Act-1994. NCCBSFSL commenced its operation from March 07, 2011. The main objective of the company is to act as a full fledged stock broker & stock dealer to execute buy and sell order and to maintain own portfolio as well as customers' portfolio under the discretion of customers. • **NCCB Capital Limited (NCCBCL)** NCCB Capital Limited (NCCBCL) is a subsidiary company of NCC Bank PLC. incorporated as a private company, limited by shares, on April 01, 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83649/10 dated April 01, 2010 under the Companies, Act-1994. The main objective of the company is to provide full fledged merchant banking services like issue management, underwriting, advisory services & as and when regulators permits the company to carry out such activities as per their guidelines. NCCBCL was not in operation till 31 December 2024.
c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group;	Not applicable.
	Quantitative Disclosure	
d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group;	Not applicable.

2.00 Capital Structure:

	Qualitative Disclosure	
	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2;	In accordance with the Risk Based Capital Adequacy Guidelines issued by Bangladesh Bank in December 2014, the Capital Structure of the Bank is categorized into two Tiers – 1) Tier I and 2) Tier II. The components of the total regulatory capital are enumerated as under: 1. Tier 1 Capital (going-concern capital) a. Common Equity Tier 1 b. Additional Tier 1 2. Tier 2 Capital (gone-concern capital)

Qualitative Disclosure		
		Tier 1 Capital: (Going-concern capital) Going-concern capital is the capital which can absorb losses without triggering bankruptcy of the Bank. As such, from regulatory capital perspective, Tier 1 capital is the core measure of a Bank's financial strength. **As per the guidelines of Bangladesh Bank, CET-1 Capital is comprised the following:** a) Paid up capital b) Non-repayable share premium account c) Statutory reserve d) General reserve e) Retained earnings f) Dividend equalization reserve g) Minority interest in subsidiaries, i.e. common shares issued by consolidated subsidiaries of the Bank and hold by third parties. **Additional Tier 1 (AT 1) Capital consists of the following items:** a) Non-cumulative irredeemable preference shares b) Instruments issued by the Bank that meet the qualifying criteria for AT 1 (The instrument is perpetual i.e. there is no maturity date) c) Minority Interest, i.e., AT 1 issued by consolidated subsidiaries to third parties. **Tier 2 Capital: (Gone-concern capital)** Gone-concern capital is the capital which will absorb losses only in a situation of liquidation of the Bank. Gone-concern capital also called Tier 2 capital. Gone-concern capital represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. **Tier 2 Capital consists of following items:** a) General provisions; (maximum 1.25 % of risk weighted assets) b) All other preference shares c) Subordinated debt/instruments issued by the Bank that meet the qualifying criteria for Tier 2 capital; (Minimum original maturity of at least five years) d) Minority interest i.e. Tier 2 issued by consolidated subsidiaries to third parties; As per the guidelines of Bangladesh Bank, Tier-1 capital of NCCBPLC consists of (i) Fully paid-up capital, (ii) Statutory reserve, (iii) General reserve, (iv) Retained earnings and (v) Minority interest in subsidiaries.

The amount of regulatory capital of the Bank as on 31 December 2024 is stated below:

BDT in Crore (where applicable)

Sl.	Particulars	Solo	Consolidated
1.0	**Tier 1 (Going-concern capital)**		
1.1	**Common Equity Tier 1 (CET 1)**		
1.1.1	Paid-up capital	1,110.42	1,110.42
1.1.2	Non-repayable share premium account		
1.1.3	Statutory reserve	1,110.42	1,110.42
1.1.4	General reserve	1.02	1.10

Sl.	Particulars	Solo	Consolidated
1.1.5	Retained earnings	205.13	218.55
1.1.6	Dividend equalization reserve	--	--
1.1.7	Minority interest in subsidiaries	--	--
1.1.8	**Sub-total (1.1.1 to 1.1.7):**	**2,426.99**	**2,440.49**
1.2	**Less: Regulatory Adjustment**		
1.2.1	Goodwill and all other intangible assets	8.85	8.88
1.2.2	Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities	8.78	8.78
1.2.3	**Sub-total (1.2.1 to 1.2.2):**	**17.63**	**17.66**
Total Common Equity Tier (CET) -1 Capital (1.1.8-1.2.3)		**2,409.36**	**2,422.83**
1.3	**Additional Tier 1 (AT 1)**		
1.3.1	Non cumulative irredeemable preference shares	--	--
1.3.2	Perpetual Bond	500.00	500.00
1.3.3	Minority interest; i.e. AT1 issued by consolidated subsidiaries		
	Sub-total (1.3.1 to 1.3.3):	**500.00**	**500.00**
	Total Tier 1 Capital (CET 1 + AT 1)	**2,909.36**	**2,922.83**
2.0	**Tier 2 (Gone-concern capital)**		
2.1.1	General provision	312.27	340.92
2.1.2	Subordinated debt	--	--
2.1.3	Revaluation reserve		
2.1.4	**Sub-total (2.1.1 to 2.1.3)**	**312.27**	**340.92**
2.2	**Less: Regulatory Adjustment**		
2.2.1	Subordinated Bond – cross holding	--	--
2.2.2	Revaluation Reserve	--	--
2.2.3	**Sub-total (2.2.1 to 2.2.2)**	**--**	**--**
	Total Tier 2 Capital (2.1.4-2.2.2)	**312.27**	**340.92**
	Total Eligible Capital (Tier 1 + Tier 2)	**3,221.63**	**3,263.75**

3.00 Capital Adequacy:		**Qualitative Disclosure**
a)	A summary discussion of the Bank's approach for assessing the adequacy of its capital to support current and future activities;	**Methodology of Capital Adequacy Determination:** The Bank has computed the Capital to Risk Weighted Ratio (CRAR) adopting the following approaches: a. Standardized Approach for Credit Risk to Compute Capital to Risk Weighted Ratio under Basel III, using national discretion for: • Accepting the credit rating agencies as External Credit Assessment Institutions (ECAI) for claims on corporate and eligible SME customers. • Accepting Credit Risk Mitigation (CRM) against the financial securities. b. Standardized (rule based) Approach for Market Risk and c. Basic Indicator Approach for Operational Risk. **Assessment of the Adequacy of Capital:** For assessing Capital Adequacy, the Bank has adopted Standardized Approach for Credit Risk measurement, Standardized (Rule Based) Approach for Market Risk measurement and Basic Indicator Approach for Operational Risk measurement.

Qualitative Disclosure		
		The Bank focuses on strengthening risk management and control environment rather than increasing capital to cover up weak risk management and control practices. NCCBPLC has been generating most of its incremental capital from retained profit (stock dividend and statutory reserve transfer etc.) to support incremental growth of Risk Weighted Assets (RWA). Besides meeting regulatory capital requirement, the Bank maintains adequate capital to absorb material risk foreseen. Therefore, the Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within the comfort zone. During the year 2024 the CRAR ranges from 15.35% to 16.20% on consolidated basis and from 15.14% to 15.87% on solo basis against minimum requirement of 10% (12.50% including Capital conservation buffer) of Risk Weighted Assets (RWA). Basel unit is taking active measures to identify, quantify, manage and monitor all risks to which the Bank's is exposed to.

Quantitative Disclosure

The Capital Requirement and Capital to Risk Weighted Asset Ratio (CRAR) of the Bank as on 31 December 2024 are as under:

BDT in Crore (where applicable)

Particulars	Solo	Consolidated
Capital requirement for credit risk	1,823.83	1,815.00
Capital requirement for market risk	103.93	110.77
Capital requirement for operational risk	200.61	200.12
Total capital requirement under Pillar-I	**2,128.38**	**2,125.89**
Total capital requirement under Pillar-I considering conservation buffer	2,660.47	2,657.36
Capital to risk weighted assets ratio (CRAR)	15.14%	15.35%
Common equity Tier-1 capital to risk weighted assets ratio	11.32%	11.40%
Tier 1 capital to risk weighted assets ratio	13.67%	13.75%
Tier 2 capital to risk weighted assets ratio	1.47%	1.60%
Capital conservation buffer	5.14%	5.35%
Available capital for Pillar 2	561.16	606.39

4.00 Credit Risk:

Qualitative Disclosure		
The general qualitative disclosure requirement with respect to credit risk, including:		
a)	Definitions of past due and impaired (for accounting purposes);	As per relevant guidelines of Bangladesh Bank, the impaired loans and advances are defined on the basis of (i) Objective / Quantitative criteria and (ii) Qualitative judgment. For this purposes, all loans and advances are grouped into four (4) categories namely- (a) Continuous Loan (b) Demand Loan (c) Fixed Term Loan and (d) Short-term Agricultural & Micro Credit. **Definition of past due/overdue:** i. Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date;

Qualitative Disclosure		
		ii. Any **Demand Loan** if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/ overdue from the following day of the expiry date; iii. In case of any installment(s) or part of installment(s) of a Fixed **Term Loan** is not repaid within the fixed expiry date/due date, the amount of unpaid installment(s) will be treated as past due/overdue after three months of the expiry date; iv. The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/ overdue after twelve months of the expiry date and Fixed Term loan of CMSME will be considered past due/ overdue after six months of the expiry date. However, a continuous loan, demand loan or a term loan which will remain overdue for a period of 2 (two) months or more, will be put into the **"Special Mention Account (SMA)"**, the prior status of becoming the loan into impaired/ classified/ non-performing. Definition of impaired / classified / non-performing loans and advances are as follows: Classified loans are categorized in to: 1. Sub-standard 2. Doubtful 3. Bad & Loss **Any Continuous, Demand, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/ overdue:** ➢ a period of 3 months or beyond but less than 9 months, the entire loan will be put into the "Sub-Standard (SS)". ➢ a period of 9 months or beyond but less than 12 months, the entire loan will be put into the "Doubtful (DF)". ➢ a period of 12 months or beyond, the entire loan will be put into the "Bad/ Loss (B/L)". **In case of Short-term Agricultural and Micro-Credit, the loans will be considered:** • 'Sub-standard' if the irregular status continuous for a period of 12 months from the stipulated due date as per loan agreement; • 'Doubtful' if the irregular status continuous for a period of 36 months from the stipulated due date as per loan agreement; • 'Bad & loss' if the irregular status continuous for a period of 60 months from the stipulated due date as per loan agreement.

<table>
<tr><td></td><td></td><td>Qualitative Disclosure</td></tr>
<tr><td></td><td></td><td>In case of Cottage, Micro and Small credits under CMSME, the loans will be considered:
‘Sub-standard’ if a Continuous Loan, Demand Loan or any installment(s)/part of installment(s) past due/overdue for a period of 06 (six) months or beyond but less than 18 (eighteen) months. For fixed Term Loan of installment(s) past due/overdue for a period of 9 (Nine) months or beyond but less than 21 (Twenty One) months (including 3 months as per BRPD Circular no. 16, dated 21.07.2020 & Circular no. 09, dated: April 08,2024);
‘Doubtful’ if a Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 21 (Twenty One) months or beyond but less than 33 (Thirty Three) months (including 3 months as per BRPD Circular no. 16, dated 21.07.2020 & Circular no. 09, dated: April 08,2024);
‘Bad & loss’ if a Continuous loan, Demand loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 33 (Thirty Three) months or beyond, the entire loan will be classified as "Bad/Loss (B/L)" (including 3 months as per BRPD Circular no. 16, dated 21.07.2020 & Circular no. 09, dated: April 08,2024).
N.B: Loans except Short-term Agricultural & Micro-Credit in the "Special Mention Account" and “part of Sub-Standard” will not be treated as defaulted loan for the purpose of section 27KaKa(3) [read with section 5(GaGa)] of the Banking Companies Act, 1991</td></tr>
<tr><td>b)</td><td>Approaches followed for specific and general allowances and statistical methods;</td><td>As per the guideline of Bangladesh Bank regarding the provisioning of loans & advances, the Bank has followed the following approaches in calculating the specific & general provisions:
<table>
<tr><th colspan="2" rowspan="2">Types of Loans & Advances</th><th colspan="5">Rate of provision requirements</th></tr>
<tr><th>UC</th><th>SMA</th><th>SS</th><th>DF</th><th>BL</th></tr>
<tr><td rowspan="4">Consumer</td><td>Credit Card and Loans to Professionals</td><td>2%</td><td>2%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td>Housing Finance</td><td>1%</td><td>1%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td>Other than Credit Card, Housing Finance & Loans to Professionals</td><td>2%</td><td>2%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td colspan="2">Brokerage House, Merchant Banks, Stock Dealers, etc.</td><td>1%</td><td>1%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td colspan="2">Short Term Agri. Credit and Micro Credit</td><td>1%</td><td>--</td><td>5%</td><td>5%</td><td>100%</td></tr>
<tr><td colspan="2">Cottage, Micro and Small & Medium Enterprise Finance</td><td>0.25%</td><td>0.25%</td><td>5%</td><td>20%</td><td>100%</td></tr>
<tr><td colspan="2">Others</td><td>1%</td><td>1%</td><td>20%</td><td>50%</td><td>100%</td></tr>
</table></td></tr>
</table>

		Methods used to measure Credit Risk: As per Bangladesh Bank Guidelines, the Bank follows Standardized Approach for measurement of Credit Risk adopting the credit rating agencies as External Credit Assessment Institutions (ECAIs) for claims on Bank & Non-banking Financial Institutions (BNBFIs), Corporate & eligible SME Customers and Credit Risk Mitigation (CRM) against the financial securities & guarantees of loan exposure.
a)	Discussion of the bank's credit risk management policy;	Credit risk arises while the borrowers or counterparty to a financial transaction fails to discharge an obligation as per agreed covenants, resulting in financial loss to the Bank. Credit exposures may arise from both the banking and trading books as well as Off-Balance sheet exposures. Credit risk is managed in the NCCBPLC through a framework that spell out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the businesses and approvers in the risk function. All credit exposure limits are approved within a defined credit approval authority framework. Credit policies and standards are considered and approved by the Board of Directors. **4.1 Credit Risk Identification** Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. The Guidelines issued by Bangladesh Bank on Internal Credit Risk Rating (ICRR) System has been following meticulously. The ICRR is used to assess the client along with a range of quantitative and qualitative factors. Our credit grades against Corporate & Medium clients are supported by external credit grades, and ratings assigned by external Rating Agencies. **4.2 Credit Approval** Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by and recommended for approval to the competent authority by the risk review units. All credit approval authorities are delegated by the Board of Directors to executives based on their capability, experience & business acumen. Credit origination and approval roles are segregated in all cases. The ICRR is an integral part of credit approval process. **4.3 Credit Monitoring** We regularly monitor credit exposures, portfolio performance, and external trends through relationship and credit administration team at Branch and Head Office. Internal risk management reports containing information on key environmental, political and economic trends across major portfolios, portfolio delinquency & loan impairment performance; as well as credit grade migration are presented to Credit Risk Management (CRM) Monitoring Cell. The CRM Monitoring Cell meets regularly to assess the impact of external events and trends on the credit risk portfolio and to

define and implement our response in terms of appropriate changes to portfolio shape, underwriting standards, risk policy and procedures. Accounts or Portfolios are placed on Early Alert (EA) when they display signs of weakness or financial deterioration. Account plans are re-evaluated and remedial actions are agreed and monitored. In Retail Banking, portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behavior is also tracked and informed in lending decisions. Accounts which are past due are subject to a collections process, monitored in collaboration with the relationship manager by the risk function. Charged-off accounts of the Bank are managed by specialist recovery teams of Recovery Division.

4.4 Concentration Risk

Credit concentration risk in managed within concentration caps set for counterparty or groups of connected counterparty, for industry sector; and for product. Additional targets are set and monitored for concentrations by credit committee. Credit concentrations are monitored by the responsible risk committees in each of the businesses and concentration limits that are material to the Bank are reviewed and approved at least annually by the Board of Directors.

4.5 Credit Risk Mitigation

Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, netting agreements, insurance, and other guarantees. The reliance that can be placed on these mitigates is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. Risk mitigation policies determine the eligibility of collateral types. Collateral types which are eligible for risk mitigation include; cash, residential, commercial and industrial property; fixed assets such as motor vehicles, plant and machinery, marketable securities, commodities, bank guarantees, and letters of credit. Collateral is valued in accordance with our Methodology for Valuation of Security/Collateral Assets, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral. Collateral held against impaired loans is maintained at fair value.

Quantitative Disclosures

Distribution of Credit Exposure by Major Types:

Types of Credit Exposure	BDT in Crore	%
Industrial loan	13,159.25	54.77%
Commercial lending	3,269.13	13.61%
Export finance	397.08	1.65%
Import finance	1,795.56	7.47%
Retail loan	868.03	3.61%
Agricultural loan	355.98	1.48%
House building	769.66	3.20%
Transport & Communication	385.75	1.61%
Staff loan	161.90	0.67%
Others	2,862.30	11.91%
Total	24,024.64	100.00%

Geographical Distribution of Credit Exposure:

Division	BDT in Crore	%
Dhaka	17,933.80	74.65%
Chattogram	4,462.96	18.58%
Khulna	639.38	2.66%
Rajshahi	298.16	1.24%
Sylhet	433.04	1.80%
Rangpur	155.42	0.65%
Barisal	24.27	0.10%
Mymensingh	77.61	0.32%
Total	24,024.64	100.00%

Industry Type Distribution of Exposure:

	Types of Credit Exposure	BDT in Crore	%
Agriculture	295.64	1.23%	
RMG	2,197.02	9.14%	
Textile	2,139.86	8.91%	
Ship building	97.95	0.41%	
Ship breaking	61.21	0.25%	
Other manufacturing industry	7,554.85	31.45%	
SME loans	4,967.46	20.68%	
Construction	892.48	3.71%	
Power and gas	506.90	2.11%	
Transport, storage and communication	398.30	1.66%	
Trade service	3,690.43	15.36%	
Commercial real estate financing	403.34	1.68%	
Residential real estate financing	333.20	1.39%	
Consumer credit	139.86	0.58%	
Capital market	112.28	0.47%	
NBFIs	233.87	0.97%	
Others	-	0.00%	
Total	**24,024.64**	**100.00%**	

Residual Contractual Maturity wise Distribution of Exposure:

Particulars	BDT in Crore
On demand	2,261.51
Up to one month	1,710.58
Over one month but not more than three months	3,465.06
Over three months but not more than one year	4,802.25
Over one year but not more than five years	6,290.81
Above five years	5,494.44
Total	**24,024.64**

Loans & Advances and Provision:

BDT in Crore

Particulars	Loans & Advances	Provision Against Loans & Advances
Total loans and advances	**24,024.64**	**1,669.02**
Un-classified loans & advances-including SMA of Tk. 6,605,239,531	22,265.75	215.70
Classified loans and advances	**1,758.90**	**1,453.32**
Sub -standard (SS)	32.90	0.76
Doubtful (DF)	14.80	1.02
Bad & loss (BL)	1,711.20	809.78
50% of required provision of Tk. 43,12,43,377/- for 2% Reschedule loans & advances/investments treated as specific provision as per B.B Circular.		21.56
Other Specific provision maintained against loans as per B.B direction		461.14
Specific provision for loans & advances against which writ petition pending & NOC from Bangladesh Bank		159.05
Off-balance sheet Items	**12,603.90**	**96.56**

Gross Non Performing Assets (NPAs):

Particulars	BDT in Crore
Gross non-performing assets (NPAs)	1,758.90
Total loans and advances	24,024.64
NPAs to outstanding loans & advances (%)	7.32%

Movement of Non Performing Assets (NPAs):

Particulars	BDT in Crore
Opening balance	**1,295.52**
Additions	1,247.32
Reductions	783.94
Closing balance	**1,758.90**

Movement of Specific Provisions for NPLs:

Particulars	BDT in Crore
Opening balance	**1,086.36**
Add: Provision made against Charges as loan loss	7.12
Less: Adjustment due to write-off	(140.79)
Less: Waiver during the year	(45.87)
Add: Recoveries of amount previously written off	-
Net charged to profit and loss account during the year	546.50
Closing Balance	**1,453.32**

5.00 Equities: Disclosures for Banking Book Positions:

Qualitative Disclosures		
The general qualitative disclosure with respect to equity risk, including:		
a)	Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	The main purpose of holding of equity exposure is for capital gain. The Bank holds equity exposure within set rules of Bangladesh Bank. The quoted shares are valued at market price and the unquoted shares are valued at their cost price.
b)	Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	

Qualitative Disclosures

		BDT in Crore
Particulars	**Cost Price**	**Market Price**
Investment In quoted and Un quoted share	564.36	467.73

Particulars	**BDT in Crore**
Realized gains	23.64
Unrealized gains	86.42
Unrealized losses	-183.05
Net unrealized gains/(loss)	-96.63
Capital requirement for equity risk (specific & general)	66.81

Capital Requirement as per Grouping of Equity: **BDT in Crore**

					Capital Charge
Sector	**Cost Price**	**Market Price**	**Specific Risk**	**General Market Risk**	**Total**
Banks	81.67	86.31	8.63	8.63	17.26
Financial Institution	53.66	26.07	2.61	2.61	5.21
Insurance	7.59	2.60	0.26	0.26	0.52
Fuel & Fower	66.81	42.86	4.29	4.29	8.57
Mutual Funds	32.98	22.74	2.27	2.27	4.55
Engineering	33.32	18.28	1.83	1.83	3.66
Chemical & Pharmaceuticals	49.43	46.73	4.67	4.67	9.35
Textiles	2.28	1.55	0.15	0.15	0.31
Service	112.29	7.08	0.71	0.71	1.42
Tannery	2.02	1.72	0.17	0.17	0.34
Telecommunication	13.12	12.10	1.21	1.21	2.42
Food & Allied	7.08	26.04	2.60	2.60	5.21
Miscellaneous	36.92	39.96	4.00	4.00	7.99
Total	**499.17**	**334.05**	**33.40**	**33.40**	**66.81**

6.00 Interest Rate Risk in the Banking Book (IRRBB):

Qualitative Disclosures		
a)	The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan repayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.	Interest Rate in the Banking Book reflects the shocks to the financial position of the bank including potential loss that the Bank may face in the event of adverse change in market interest rate. This has an impact on earnings of the bank through Net Interest Earnings as well as on Market Value of Equity or net worth. Thus this risk would have an impact on both earning potential and economic value of the Bank. The Bank uses Duration Gap Analysis (DGA) for deriving value of capital requirement for interest rate risk. The Bank ensures that interest rate risk is not included within the market risk. The Bank has calculated the rate sensitive assets and liabilities with maturity up to 12 months bucket and applied the sensitivity analysis to measure the level of interest rate shock on its capital adequacy.

Qualitative Disclosures		
a)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).	

BDT in Crore

Particulars	Up to 3 months	3-6 months	6-12 months
Rate sensitive assets (RSA)	11,821.36	2,657.72	2,510.04
Rate sensitive liabilities (RSL)	7,284.41	2,309.09	4,207.55
Gap (RSA-RSL)	4,536.95	348.63	-1,697.51

Interest Rate Shock on Capital	BDT in Crore
Total regulatory capital	3,221.63
Total risk weighted assets (RWA)	21,283.76
Capital to risk weighted asset ratio (CRAR)	15.14%

BDT in Crore (where applicable)

Assumed decrease in interest Rate	1%	2%	3%
Change in market value of equity	156.78	313.55	470.33
Capital after shock	3,064.85	2,908.08	2,751.30
CRAR after shock	14.83%	14.08%	13.32%
Decrease in CRAR	0.31%	1.06%	1.82%

7.00 Market Risk:

Qualitative Disclosures		
Market risk is a trading book concept. It may be defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject to the risks pertaining to interest rate related instruments & equities in the trading book and foreign exchange risk & commodities risk throughout the Bank. This signifies the risk of loss due to decrease in market portfolio arising out of market risk factors. It may be mentioned that the Bank considers Interest Rate Risk on Banking Book separately.		
a)	Views of Board of Directors on trading/ investment activities;	The Board approves all policies related to market risk, sets limit and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.

b)	Methods used to measure Market Risk;	Standardized (rule based) approach is used to measure the market risk of the Bank whereas for interest rate risk and equity risk both General and specific risk factors are applied for calculating capital charge and for foreign exchange and commodities only general risk factor is applied.
c)	Market Risk Management system;	The duties of managing the market risk including liquidity, interest rate and foreign exchange risk lies with the Treasury Division under the supervision of ALCO. The ALCO is comprised of senior executives of the Bank, who meets at least once in a month. The committee evaluates the current position of the bank and gives direction to mitigate the market risk exposure to a minimum level.
d)	Policies and processes for mitigating market risk;	There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risk. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.

Quantitative Disclosures

Capital Charges for Market Risk	**BDT in Crore**
Interest Rate Related instruments	21.63
Equities	66.81
Foreign Exchange Position	15.50
Commodities	0.00
Total	**103.94**

8.00 Operational Risk:

Qualitative Disclosures

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Recognizing the importance of information technology in banking business, the Bank has considered information technology risk as an independent risk.

a)	Views of Board of Directors on system to reduce Operational Risk;	The policy for operational risks including internal control and compliance risk is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division to protect against all operational risks. As a part of continuous surveillance, the Senior Management Team (SMT), Risk Management Division regularly reviews different aspects of operational risk. The analytical assessment was reported to the Board/ Risk Management Committee/Audit Committee of the Bank for review and formulating appropriate policies, tools & techniques for mitigating operational risk.
b)	Performance gap of executives and staffs;	The Bank identifies the loop holes among the effectiveness of the employees and executives, these loop holes are removed by arranging appropriate training programs, offering competitive packages and providing best working environment. In this process, the Bank kept the performance gap of executives and staffs to a minimum level.

Qualitative Disclosures		
c)	Potential external event;	No potential external event is expected to expose the Bank to significant operational risk. The Bank has a separate Operational Risk Policy addressing specific issues involving Operational Risk.
d)	Policies and processes for mitigating operational risk;	Operational Risk is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. NCC Bank PLC manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry. NCC Bank PLC has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with Bangladesh Bank's requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes.
e)	Approach for calculating capital charge for operational risk;	Basic Indicator Approach is used to measure Operational Risk where capital charge is 15% on last three years average positive gross income of the Bank.

Quantitative Disclosures

Capital Charges for Operational Risk — **BDT in crore**

Basis	Operational Risk	2022	2023	2024	Capital Charge
Solo	Gross Income	1,186.55	1,204.73	1,621.00	200.61
Consolidated	Gross Income	1,194.75	1,161.87	1646.00	200.12

9.00 Leverage Ratio:

Qualitative Disclosures		
a)	Views of Board of Directors on system to reduce Liquidity Risk;	The Leverage Ratio is a non-risk based measure introduced to monitor and build-up of leverage on credit institutions balance sheets aiming at containing the cyclicality of lending. It is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is calculated by dividing Tier 1 capital by assets (both on and off-balance sheet items).

Qualitative Disclosures		
		The policy for Leverage Ratio including off and on balance sheet exposure and capital related policy. The Bank has a well-structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank.
b)	Policies and processes for managing excessive on and off-balance sheet leverage;	NCC Bank PLC has policies and processes in place for the identification, management and monitoring of the risk of excessive leverage. NCCBPLC maintains the leverage ratio above the regulatory limit as a part of the Bank's risk appetite framework.
c)	Approach for calculating exposure;	In order to measure the exposure consistently with financial accounts, the following approaches are applied by the bank: I. On-balance sheet, non-derivative exposures are net of specific provisions and valuation adjustments (e.g. surplus/deficit on Available for Sale (AFS)/ Held-for-trading (HFT) positions). II. Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure. III. Netting of loans and deposits is not allowed A minimum Tier-1 leverage ratio of 3% is being prescribed by Bangladesh Bank both at solo and consolidated basis. The Bank maintains leverage ratio on quarterly basis. The status of leverage ratio at the end of each calendar quarter is submitted to Bangladesh Bank showing the average of the month based on capital and total exposure. The formula of Leverage Ratio is as under: Leverage Ratio = $\frac{\text{Tire-1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions}}$

Quantitative Disclosures

		BDT in Crore
Particulars	**Solo**	**Consolidated**
Tier 1 Capital*	**2,909.36**	**2,922.83**
On Balance Sheet Exposure	33,242.38	33,293.37
Off-Balance Sheet Exposure	5,641.57	5,641.57
Total Deductions from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	17.63	17.63
Total Exposure	**38,866.32**	**38,917.31**
Leverage Ratio	**7.49%**	**7.51%**

*Considering all regulatory adjustments

10.00 Liquidity Ratio:

Qualitative Disclosures		
a)	Views of BOD on system to reduce liquidity Risk;	As per the BRPD Circular no. 18 dated 21 December 2014, Bangladesh Bank has strengthened the liquidity framework by developing two minimum standards for funding liquidity. These standards have been developed to achieve two separate but complementary objectives. The first objective is to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient high quality liquid resources to survive an acute stress scenario lasting for one month. Liquidity Coverage Ratio (LCR) addresses this Objective. The second objective is to promote resilience over a longer time horizon by creating additional incentives for a bank to fund its activities with more stable sources of funding on an ongoing structural basis. The Net Stable Funding Ratio (NSFR) has a time horizon of one year and has been developed to provide a sustainable maturity structure of assets and liabilities.
b)	Methods used to measure Liquidity Risk;	Liquidity measurement involves assessing all of a bank's cash inflows against its outflows to identify the potential for any net shortfalls including funding requirements for off-balance sheet commitments. An important aspect of measuring liquidity is making assumptions about future funding needs, both in the very short-term and for long time periods. Another important factor is the ability to access funds readily and at reasonable terms. Several key liquidity risk indicators monitored on a regular basis to ensure healthy liquidity position are as follows: ❖ Cash Reserve Ratio (CRR) ❖ Statutory Liquidity Requirement (SLR) ❖ Credit Deposit Ratio (CDR) ❖ Liquidity Coverage Ratio (LCR) ❖ Net Stable Funding Ratio (NSFR) ❖ Structural Liquidity Profile (SLP) ❖ Maximum Cumulative Outflow (MCO) ❖ Medium Term Funding Ratio (MTFR) ❖ Liquid Asset to Total Deposit Ratio (LATDR) ❖ Liquid Asset to Short Term Liabilities (LASTL) etc.
c)	Liquidity Risk management system;	NCCBPLC maintains diversified and stable funding base comprising of core retail, corporate and institutional deposits to manage liquidity risk. The prime responsibility of the liquidity risk management of the Bank lies with Treasury Division under the supervision of ALCO, which maintains liquidity based on current liquidity position, anticipated future funding requirement, sources of fund, options for reducing funding needs, present and anticipated asset quality, present and future earning capacity, present and planned capital position etc.

		The intensity and sophistication of liquidity risk management process depend on the nature, size and complexity of a bank's activities. Sound liquidity risk management employed in measuring, monitoring and controlling liquidity risk is critical to the viability of the bank. The ALCO, which meets at least once in a month, is responsible for managing and controlling liquidity of the Bank. Treasury front office closely monitors and controls liquidity requirements on daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the Bank. A monthly projection of fund flows is reviewed in ALCO meeting regularly.
d)	Policies and processes for mitigating Liquidity Risk;	In order to develop a comprehensive liquidity risk management framework, the Bank has a Board approved Contingency Funding Plan (CFP). A set of policies and procedures that serves as a blueprint for the Bank to meet its funding needs in a timely manner and at a reasonable cost. In this sense, a Contingency Funding Plan (CFP) is an extension of ongoing liquidity management and formalizes the objectives of liquidity management by ensuring: A. Maintenance of a reasonable amount of liquid assets; B. Measurement and projection of funding requirements and C. Management of access to funding sources. CFP also provides directions for plausible actions in distress and emergency situations. In case of a sudden liquidity stress, it is important for the Bank to be seemed organized and efficient to meet its obligations to the stakeholders. Maturity ladder of cash inflows and outflows are effective tool to determine a bank's cash position. A maturity ladder estimates a banks cash inflows and outflows and thus net deficit or surplus (GAP) on a day to day basis and different buckets (e.g. 2-7 days, 1 month, 1-3 months, 3-12 months, 1-5 years and over 5 years).
Quantitative Disclosures		
a)	Liquidity Coverage Ratio (LCR) liquid	Liquidity Coverage Ratio (LCR) is a new liquidity standard built on the methodologies of traditional liquidity coverage ratio used by banks to assess exposure to contingent liquidity events. LCR aims to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for 30 calendar days. $\text{LCR} = \frac{\text{Stock of high quality liquid assets}}{\text{Total net cash outflows over the next 30 calender days}}$ The minimum standard for LCR is greater than or equal to 100. However, the bank's status as on 31 December 2024 in this ratio is as follows:

				BDT in crore
		Particulars	**Regulatory Standard**	**31 December 2024**
		Total stock of high quality liquid assets		7,776.47
		Total net cash outflows over the next 30 calendar days	Greater than or equal to 100%	6,775.09
		Liquidity Coverage Ratio (LCR)		114.78%
b)	Net Stable Funding Ratio (NSFR)	Net Stable Funding Ratio (NSFR) is another new liquidity standard introduced by the Basel Committee. The NSFR aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that Available Stable Funding (ASF) should be at least equal to Required Stable Funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or long-term and therefore require stable funding. The time horizon of the NSFR is one year, like the LCA, the NSFR calculations assume a stressed environment. The status of Net Stable Funding Ratio (NSFR) as on 31 December 2024 is as under:		
				BDT in crore
		Particulars	**Regulatory Standard**	**31 December 2024**
		Available amount of stable funding (ASF)		**24,886.37**
		Required amount of stable funding (RSF)	Greater than 100%	**22,488.67**
		Net Stable Funding Ratio (NSFR)		110.66%

11.00 Remuneration:

		Qualitative Disclosures
a)	Information relating to the bodies that oversee remuneration;	Managing Director, Senior Management Team (SMT) & Head of Human Resources Division govern the remuneration related policies and practices in alignment of the Bank's short & long term objectives. They plays an independent role, operating as an overseer; and if required, makes recommendation to the Board of Directors of the Bank for its consideration and final approval for any remuneration related policy. The main work includes presenting recommendations to the Board regarding remuneration, compensation packages of senior management, incentive schemes and retirement benefits. They also assist the Board of Directors to ensure that all employees are remunerated fairly and get

		performance based compensation by ensuring effective remuneration policy, procedures and practices aligned with the Banks' strategy and applied consistency for all employee levels.
b)	Information relating to the design and structure of remuneration processes;	NCCBPLC has a flexible compensation and benefits system that helps to ensure pay equity is linked with performance that is understood by employees, and keeps in touch with employee desires and what's converted in the market, while maintaining a balance with the business affordability. The compensation and benefits are regularly reviewed through market and peer group study. The well-crafted total rewards help the Bank to attract, motivate and retain talent that produces desired business results. The structure and level of remuneration are reviewed time to time based on Bank's business performance and affordability. Other than the regular monthly payments and a good number of allowances, NCCBPLC has variety of market-competitive benefits schemes. The various cash and non-cash benefits include; Bank provided chauffeured car facility for top level executives, car maintenance allowance, leave fare assistance, employee car loan facility, house building loan facility, festival bonus etc. NCCBPLC also provides long term as well as retirement benefits to employees, like leave encashment, provident fund, benefit under gratuity & superannuation fund etc. The overall objective of the Bank's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits.
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes;	The business risk including credit/default risk, compliance & reputational risk are mostly considered when implementing the remuneration measures for each employee/group of employee. Financial and liquidity risk are also considered. Different set of measures are in practice based on the nature & type of business lines/segments etc. These measures are primarily focused on the business target/goals set for each area of operation, branch vis-à-vis the actual results achieved as of the reporting date. The most vital tools & indicators used for measuring the risks are the asset quality (NPL ratio), Net Interest Margin (NIM), provision coverage ratio, credit deposit ratio, cost-income ratio, growth of net profit, as well the non-financial indicators, namely, the compliance status with the regulatory norms, instructions has been brought to all concerned of the Bank from time to time. While evaluating the performance of each employee annually, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly the result of the performance varies from one to another and thus affect the remuneration as well. No material change has been made during the year 2024 that could the affect the remuneration.

d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration;	The Board sets the Key Performance Indicators (KPIs) for the senior management while approving the business target/budget for each year for the Bank and business lines/segments. The management sets the appropriate tools, techniques and strategic planning (with due concurrence/approval of the Board) towards achieving those targets. The most common KPIs are the achievement of loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.
e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance;	The Bank pays variable remuneration i.e. annual increment based on the yearly performance rating on cash basis with the monthly pay. While the value of longer term variable part of remuneration i.e. the amount of Provident Fund, Gratuity Fund, Superannuation Fund are made provision on aggregate /individual employee basis; actual payment is made upon retirement, resignation etc. as the case may be, as per rule.
f)	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms;	**A summary of Short-term and Long-term compensation plan are as follows:** Total Compensation = Fixed Pay (Salary) + Variable Pay (Bonus) + Variable Pay (Long term incentive). **Form of variable remuneration offered by NCC Bank:** **Cash Form:** **Short-Term Incentive/Rewards** 1. Yearly fixed and incentive bonus; 2. Yearly increment; 3. Business accomplishment financial award; 4. Car fuel and car maintenance allowance for executives; 5. Cash risk allowance for cashier; 6. Charge allowance for branch manager. **Long-Term Incentive/Rewards** 1. Provident fund; 2. Gratuity; 3. Superannuation fund; 4. Employee house building loan with minimum interest rate; 5. Provident fund loan with minimum interest rate; 6. Periodically salary review (enhancement) 7. Furniture allowance for executives; **Non-Cash Form:** **1) Short-Term Incentives/Rewards:** Accelerate promotion for top talents; **2) Long-Term Incentives/Rewards:** Foreign training award;
Quantitative Disclosures		
g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member;	Meeting regarding overseeing the remuneration was held on need basis. No additional remuneration was paid for such meeting.

<table>
<tr><td>h)</td><td>i) Number of employees having received a variable remuneration award during the financial year;</td><td>Nil</td></tr>
<tr><td></td><td>ii) Number and total amount of guaranteed bonuses awarded during the financial year;</td><td>Nil</td></tr>
<tr><td></td><td>iii) Number and total amount of sign-on awards made during the financial year;</td><td>Nil</td></tr>
<tr><td></td><td>iv) Number and total amount of severance payments made during the financial year;</td><td>Details of severance payments during the year 2024 are appended below:<table><tr><th>Type of Severance Payment</th><th>Nos. of employee</th><th>BDT in crore</th></tr><tr><td>Leave encashment</td><td>109</td><td>1.26</td></tr><tr><td>Superannuation fund</td><td>65</td><td>1.55</td></tr></table></td></tr>
<tr><td>i)</td><td>i) Total amount of outstanding deferred remuneration, split into cash, shares and share- linked instruments and other forms;</td><td>Nil</td></tr>
<tr><td></td><td>ii) Total amount of deferred remuneration paid out in the financial year;</td><td>Amount of deferred remuneration paid during the year: Tk. 17.96 crore.</td></tr>
<tr><td>j)</td><td>Breakdown of amount of remuneration awards for the financial year to show:</td><td>Fixed and variable remuneration paid in 2024 are as follows:<table><tr><th>Particulars</th><th>BDT in crore</th></tr><tr><td>Basic salary</td><td>147.89</td></tr><tr><td>House rent allowances</td><td>65.52</td></tr><tr><td>Other allowances</td><td>66.63</td></tr><tr><td>Festival bonus</td><td>28.54</td></tr><tr><td>Provident fund contribution</td><td>14.44</td></tr><tr><td>Incentive bonus</td><td>65.00</td></tr><tr><td>Total</td><td>388.01</td></tr></table>Deferred and non-deferred:
Deferred paid during the year 2024: Tk. 17.96 crore.
Non-deferred paid during the year 2024: Nil
Different forms used (cash, shares and share linked instruments, other forms): All the remunerations have provided in the form of cash.</td></tr>
<tr><td>K)</td><td colspan="2">Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration</td></tr>
<tr><td></td><td>i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments;</td><td>Nil</td></tr>
<tr><td></td><td>ii) Total amount of reductions during the financial year due to ex post explicit adjustments;</td><td>Nil</td></tr>
<tr><td></td><td>iii) Total amount of reductions during the financial year due to ex post implicit adjustments;</td><td>Nil</td></tr>
</table>

Report to the Shareholders of National Credit and Commerce Bank PLC. on compliance on the Corporate Governance Code

[(Certificate as per condition No. 1(5) (xxvii)]

We have examined the compliance status to the Corporate Governance Code by National Credit and Commerce Bank PLC. for the year ended on December 31, 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;

(b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institution of Chartered Secretaries of Bangladesh (ICSB) as required by this code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The Governance of the company is highly satisfactory.

Place: Dhaka
Dated: 20 May 2025

Ahsan Manzur & Co.
Chartered Accountants

COMPLIANCE STATUS ON BSEC NOTIFICATION ON CORPORATE GOVERNANCE

[(As per condition No. 1(5) (xxvii)]

The Bangladesh Securities and Exchange Commission (BSEC) issued a Corporate Governance Code in 2018 which is being followed by the banks on 'Comply' basis. Status of compliance by National Credit and Commerce Bank PLC. with the said CG code issued by BSEC through Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under the Section 2CC of the Securities and Exchange Ordinance, 1969 is as follows:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.	**Board of Directors**			
1(1)	**Size of the Board of Directors**: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		As on 31.12.2024 NCC Bank has 11 (eleven) Directors.
1(2)	**Independent Directors**			
1(2) (a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s): Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company.		√	The Board of Directors consists of 12 (twelve) members including 02 (two) Independent Directors up to 22 August 2024. Mentionable that Mr. Md. Obayed Ullah Al Masud resigned from the office of the Independent Director of the Bank on 22 August 2024 and to full fill the regulatory requirement, the Board of Directors of the Bank appointed Mr. Md. Amirul Islam, FCS, FCA as another Independent Director of the Bank on November 07, 2024 subject to approval of Bangladesh Bank and Bangladesh Securities and Exchange Commission. Accordingly, Bangladesh Bank and Bangladesh Securities and Exchange Commission have accorded their approval in this regard on April 15, 2025 and May 14, 2025 respectively. It is noted that as per Bank Companies Act 1991 (amended up to 2023), Sec: 15(9), if the number of Directors is less than 20 (twenty) then number of independent director(s) shall not less than 2(two). As per BSEC Notification No. BSEC/CMRRCD/2006-158/207-Admin/80 dated 3 June 2018 para 1

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
				(2)(a), at least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s). In case of NCC Bank, the required number of Independent Director is 02(two) as per the Banking Companies Act, 1991. And accordingly, the required number of Independent Director was absent from 22 August 2024 to December 31, 2024 though the Bank appointed another Independent Director within the prescribed time of 90 days.
1(2) (b)	Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director-			
1(2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		None of the Independent Directors holds any share of the Bank.
1(2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√		-
1(2) (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		-
1(2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2) (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		-
1(2) (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or the holder of stock exchange or an intermediary of the capital market;	√		-
1(2) (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		-
1(2) (b) (viii)	Who is not independent director in more than 5 (five) listed companies.	√		As per declaration of Independent Directors, other than NCC Bank, Mr. Meer Sajed Ul-Basher, FCA and Mr. Md. Amirul Islam, FCS, FCA are not holding the position of Independent Director in any listed company.
1(2) (b) (ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and	√		-
1(2) (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude.	√		-
1(2) (c)	The Independent Director(s) shall be appointed by the Board and approved by the Shareholders in the Annual General Meeting (AGM): Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of the recommendation of the Nomination and Remuneration Committee (NRC) of the company;	√		-
1(2) (d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days; and	√		-
1(2) (e)	The tenure of office of an Independent Director shall be for a	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	period of 3 (three) years which may be extended for 1 (one) tenure only.			
1(3)	**Qualification of Independent Director: -**			
1(3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		The qualification and background of the Independent Directors are commensurate to the requirements of the position and are stated in BRPD Circular No. 03 dated 14 February 2024.
1(3) (b)	**Independent Director shall have following Qualification.**			
1(3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or			N/A
1(3) (b) (ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or			N/A
1(3) (b) (iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1(3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		Mr. Meer Sajed Ul-Basher, FCA is a Chartered Accountant and Fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Md. Amirul Islam, FCS, FCA is a Chartered Secretary and Chartered Accountant and Fellow member of the Institute of Chartered Secretaries of Bangladesh (ICSB) as well as Institute of Chartered Accountants of Bangladesh (ICAB)
1(3) (c)	The Independent Director(s)shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		-
1(3) (d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.			N/A
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer: -**			
1(4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		-
1(4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		-
1(4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		-
1(4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		-
1(4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			
1(5)	**Directors' Report to Shareholders: -**			
1(5) (i)	An industry outlook and possible future developments in the industry;	√		-
1(5) (ii)	The segment-wise or product-wise performance;	√		-
1(5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		-
1(5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		-
1(5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		NCC Bank PLC. does not have such gain or loss.
1(5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Cost of Fund, Operating & Net Profit and related ratios are provided.
1(5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			No such events have occurred during the year.
1(5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			N/A
1(5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		-
1(5) (x)	A statement of remuneration paid to the directors including independent directors;	√		-
1(5) (xi)	A statement that the financial statements prepared by the management of the issuer	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;			
1(5) (xii)	A statement that proper books of account of the issuer company have been maintained;	√		-
1(5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		-
1(5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		-
1(5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		-
1(5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		-
1(5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		-
1(5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		-
1(5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			N/A
1(5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	√		-
1(5) (xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:**			
1(5) (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details);	√		-
1(5) (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√		-
1(5) (xxiii)(c)	Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit);	√		-
1(5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		-
1(5) (xxiv)	**In case of the appointment or re-appointment of a Director a disclosure on the following information to the Shareholders:**			
1(5) (xxiv) (a)	a brief resume of the Director;	√		-
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas; and	√		-
1(5) (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		-
1(5) (xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1(5) (xxv) (a)	accounting policies and estimation for preparation of financial statements;	√		-
1(5) (xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	financial position as well as cash flows in absolute figure for such changes;			
1(5) (xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		-
1(5) (xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		-
1(5) (xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		-
1(5) (xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		-
1(5) (xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		-
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		-
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	√		-
1(5) (xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality."	√		-
1(6)	**Meetings of the Board of Directors**			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.			
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		The Bank has a Code of Conduct approved by the Board in 434th Board of Directors meeting, dated 17 September 2020.
1.7. (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2	**Governance of Board of Directors of Subsidiary Company**			
2 (a)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company;	√		-
2 (b)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company;	√		-
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	√		-
2 (d)	The Minutes of the respective Board meeting of the holding company shall state that they have	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	reviewed the affairs of the Subsidiary Company also;			
2 (e)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.	√		-
3.0	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)**			
3 (1)	**Appointment**			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		-
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		-
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	√		N/A
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		-
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	N/A		No such situation arisen in the reporting year

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(2)	**Requirement to attend Board of Directors' Meetings**			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	√		-
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3) (a) (i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		-
3(3) (a) (ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		-
3(3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		-
3(3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		Included in this Annual Report
4	**Board of Directors' Committee:-**			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	√		As on 31 December 2024, the audit committee consists of 04 (four) non-executive directors including 01 (one) Independent director is the chairperson of the committee.
4 (ii)	Nomination and Remuneration Committee.	√		The NRC was formed in 2019 as per BSEC guideline with the approval of board in its 147th board meeting held on 12 November 2019 However, the NRC has abolished by board approved by 457th Board meetings held on 30 September 2021 with a goal to comply with the guideline of Bangladesh Bank vide their letter bearing No. BRPD(R-1)717/2021/5064, dated- June 16, 2021.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
				As per discussion of the 457th Board meeting held on 30 September 2021, Banking Regulation and Policy Department of Bangladesh Bank vide their letter bearing No. BRPD(R-1)717/2021/5064, dated June 16, 2021, advised all scheduled banks regarding compliance of conditions of Corporate Governance Code-2018 of Bangladesh Securities and Exchange Commission (BSEC) for formation of Nomination and Remuneration Committee (NRC) of the Board and others that there is no scope to comply with the directives of Corporate Governance Code- 2018 of BSEC which conflicts with the directions/guidelines of Bangladesh Bank and The Banking Companies Act, 1991 including formation of Nomination and Remuneration Committee of the Board. Accordingly, complying the instruction of Bangladesh Bank, the Board unanimously decided that the existing NRC of the Board is hereby abolished until further directions in this regard. Now, Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024 has guided the banks that for ensuring good governance, henceforth the Audit Committee of the Board of a banking company will perform the stipulated duties and responsibilities of the Nomination and Remuneration Committee (NRC) in terms of Corporate Governance Code 2018 of BSEC.
5	**Audit Committee: -**			
5 (i)	**Responsibility to the Board of Directors.**			
5(i) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		-
5(i) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(i) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		-
5 (2)	**Constitution of the Audit Committee**			
5 (2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		-
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		-
5 (2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		-
5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		-
5 (2)(e)	The company secretary shall act as the secretary of the Committee;	√		-
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		-
5(3)	**Chairperson of the Audit Committee**			
5(3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		-
5(3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		-
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	√		07 (seven) Audit Committee meetings were held during the year 2024.
5(4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		-
5(5)	**Role of Audit Committee**			
	The audit committee shall: -			
5(5) (a)	Oversee the financial reporting process;	√		-
5(5) (b)	Monitor choice of accounting policies and principles;	√		-
5(5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		-
5(5) (d)	Oversee hiring and performance of external auditors;	√		-
5(5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		-
5(5) (f)	Review along with the management, the annual financial statements before submission to	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	the Board for approval;			
5(5) (g)	Review along with the management, the quarterly and half yearly Financial Statements before submission to the Board for approval;	√		-
5(5) (h)	Review the adequacy of internal audit function;	√		-
5(5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		-
5(5) (j)	Review statement of all related party transactions submitted by the management;	√		-
5(5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		-
5(5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		-
5(5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	N/A		-
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a) (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		-
5(6)(a) (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -			
5(6)(a)(ii)(a)	Report on conflicts of Interests;	-		No such event occurred

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	√		On review of report of the Audit Committee of the Board it is observed that the committee has reviewed suspected or presumed fraud or irregularity, or material defect identified in the internal audit and compliance process or in the financial statements as provided by the Management.
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	√		On review of report of the Audit Committee of the Board it is observed that the committee has reviewed suspected or presumed fraud or irregularity, or material defect identified in the internal audit and compliance process or in the financial statements as provided by the Management.
5(6)(a)(ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√		No such event occurred
5(6)(b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	√		No such event occurred
5(7)	**Reporting to the Shareholders and General Investors: -** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer	√		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	company.			
6	**Nomination and Remuneration Committee (NRC)**			
6(1)	**Responsibility to the Board of Directors**			
6 (1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	-		Not Applicable. Please refer section-4(ii) of this report. Audit committee performs the stipulated duties and responsibilities of the NRC as per the Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024.
6 (1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-		
6 (1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	-		
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-		Not Applicable. Please refer section-4(ii) of this report. Audit committee performs the stipulated duties and responsibilities of the NRC as per the Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024.
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	-		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external	-		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	expert and/or member(s) of staff shall be required or valuable for the Committee;			
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-		
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	-		Not Applicable. Please refer section-4(ii) of this report. Audit committee performs the stipulated duties and responsibilities of the NRC as per the Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024.
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	-		
6(4)	**Meeting of the NRC**			
6(4) (a)	The NRC shall conduct at least one meeting in a financial year;	-		
6(4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-		Not Applicable. Please refer section-4(ii) of this report. Audit committee performs the stipulated duties and responsibilities of the NRC as per the Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024.
6(4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	-		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-		
6(5)	**Role of the NRC**			
6(5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-		Not Applicable. Please refer section-4(ii) of this report. Audit committee performs the stipulated duties and responsibilities of the NRC as per the Bangladesh Bank vide their BRPD Circular Letter No. 21 dated May 12, 2024.
6(5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-		
6(5) (b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-		
6(5) (b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-		
6(5) (b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-		
6(5) (b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-		
6(5) (b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5) (b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	-		
6(5) (b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-		
6(5) (b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	-		
6(5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-		
7	**External or Statutory Auditors.**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		-
7(1)(ii)	financial information systems design and implementation;	√		-
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		-
7(1)(iv)	broker-dealer services;	√		-
7(1)(v)	actuarial services;	√		-
7(1)(vi)	internal audit services or special audit services;	√		-
7(1)(vii)	any service that the Audit Committee determines;	√		-
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		-
7(1)(ix)	Any other service that creates conflict of interest.	√		-
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√		-
7(3)	Representative of external or statutory auditors shall remain	√		Representative of the external auditor were present in the AGM held in 2024.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.			
8	**Maintaining a website by the Company.**			
8(1)	The company shall have an official website linked with the website of the stock exchange;	√		https://www.nccbank.com.bd the official website & it is linked with websites of DSE & CSE.
8(2)	The Company shall keep the website functional from the date of listing;	√		-
8(3)	The company shall make \available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		-
9	**Reporting and Compliance of Corporate Governance.**			-
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report;	√		Certificate is included in this Annual Report which is obtained from a reputed Professional Accountant
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting;	√		-
9(3)	The directors of the company shall state, in accordance with the **Annexure-C** attached, in the directors' report whether the company has complied with these conditions or not.	√		-

Compliance Report on BSEC's Notification

Statement of Attendance of the Members in the Meetings of the Board of Directors
From 01.01.2024 to 31.12.2024

Sl no.	Name of Directors	Status	Attendance		No. of Meetings Absent	Remarks
			No. of Meetings held	No. of Meetings Present		
1.	Alhaj Md. Nurun Newaz	Chairman	17	17	-	
2.	Mr. A.S.M. Mainuddin Monem	Vice Chairman	17	09	08*	The office of Director was vacated from 19.03.2025
3.	Mr. Abdus Salam	Director	17	16	01*	Held the office of Vice Chairman from 10.04.2025
4.	Mrs. Sohela Hossain	Director	17	15	02*	
5.	Mr. Amjadul Ferdous Chowdhury	Director	17	10	07*	
6.	Ms. Tanzina Ali	Director	17	15	02*	
7.	Mr. Syed Asif Nizamuddin	Director	08	08	-**	
8.	Mr. Khairul Alam Chaklader	Director	17	17	-	
9.	Mr. Md. Moinuddin	Director	17	10	07*	
10.	Mr. Mohammed Sazzad Un Newaz	Director	17	16	01*	
11.	Mr. Meer Sajed-Ul-Basher, FCA	Independent Director	17	17	-	
12.	Mr. Md. Abul Bashar	Ex-Director	10	10	***	The office of Director was vacated from 12.10.2024
13.	Mr. Md. Abdul Awal	Ex-Director	10	10	***	The office of Director was vacated from 12.10.2024
14.	Mr. S.M. Abu Mohsin	Ex-Director	08	08	**	Resigned from the office of Director on 27.06.2024
15.	Mr. Obayed Ullah Al Masud	Ex-Independent Director	10	10	***	Resigned from the office of Independent Director on 22.08.2024
16.	Mr. M. Shamsul Arefin	Ex-Officio Director (Managing Director)	17	17	-	

* Leave of absence was granted by the Board.

**08 meetings were held during their period as on 31.12.2024.

***10 meetings were held during their period as on 31.12.2024.

Md. Monirul Alam, FCS
DMD& Company Secretary

The Pattern of Shareholding of NCC Bank PLC.

As on 31 December 2024

The pattern of shareholding of NCC Bank PLC. as on 31.12.2024 as per BSEC's Notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012:

a) Shareholding by Parent/Subsidiary/Associated Companies and other related parties: Nil

b.i) Shareholding by Directors:

SL No.	Name	Designation	No. of Shares	Percentange (%)
1.	Alhaj Md. Nurun Newaz	Director	26207336	2.36
2.	Mr. A S M Mainuddin Monem	Director	44430168	4.00
3.	Mr. Abdus Salam	Director	32737306	2.95
4.	Mrs. Sohela Hossain	Director	35743635	3.22
5.	Ms. Tanzina Ali	Director	22211164	2.00
6.	Mr. Amjadul Ferdous Chowdhury	Director	22228681	2.00
7.	Mr. Syed Asif Nizamuddin	Director	22351345	2.01
8.	Mr. Khairul Alam Chaklader	Director	34705464	3.13
9.	Mr. Md. Moinuddin	Director	28926336	2.60
10.	Mr. Mohammed Sazzad Un Newaz	Director	22518128	2.03
11.	Mr. Meer Sajed-Ul-Basher, FCA	Independent Director	Nil	Nil
		Total	**292059563**	**26.30**

ii) Shareholding by Managing Director : Nil
iii) Shareholding by Company Secretary : Nil
iv) Shareholding by Chief Financial Officer : Nil
v) Shareholding by Head of Internal Control & Compliance : Nil
vi) Shareholding by Spouses of above Executives : Nil

c) Shareholding by Executives : as on 31.12.2024

i) Mr. M. Khurshed Alam, AMD : Nil
ii) Mr. Md. Mahbub Alam, DMD : Nil
iii) Mr. Md. Zakir Anam, DMD : Nil
iv) Mr. Md. Shafiqure Rahman, SEVP : Nil
v) Mr. M. M. Emranul Hoque, SEVP : Nil
vi) Spouses of above Executives : Nil

d) Shareholders holding ten percent (10%) of shares : Nil

Declaration by Managing Director and the Chief Financial Officer

28 April 2025

The Board of Directors
National Credit and Commerce Bank PLC.
NCC Bank Bhaban
13/1-2 Toyenbee Circular Road
Motijheel C/A, Dhaka-1000.

Subject: Declaration on Financial Statements for the year ended on 31 December 2024.

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 03 June 2018 under Section 2CC of the Securities and Exchange Ordinance, 1969,

we do hereby declare that:

(1) The Financial Statements of National Credit and Commerce Bank PLC. for the year ended on 31 December 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

(i) We have reviewed the financial statements for the year ended on 31 December 2024 and that to the best of our knowledge and belief:

(a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Mohammed Mizanur Rahman FCA
Chief Financial Officer (CFO)

M. Shamsul Arefin
Managing Director



FINANCIAL STATEMENT

Independent Auditor's Report
To the Shareholders of National Credit and Commerce Bank PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of National Credit and Commerce Bank PLC. and its subsidiaries (the "Group") as well as the separate financial statements of National Credit and Commerce Bank PLC. (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2024 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank present fairly, in all material respects, the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as explained in note # 2 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), rules and regulations issued by Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

Description of key audit matters	Our response to key audit matters
1. Measurement of provision for loans and advances	
The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex. For the individual analysis, provisions consider the estimates of future business performance and the market value of the collateral provided for credit transactions. For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation. At year end, the Group reported total gross loans and advances of BDT 242,083 million (2023: BDT 230,985 million) and provision for loans and advances of BDT 16,690 million (2023: BDT 13,519 million). On the other hand, the Bank reported loans and advances of BDT 240,246 million (2023: BDT 228,697 million). We need to focus on the following significant judgements and estimates may give rise to material misstatement or management bias: • Completeness and timing of recognition of loss events in accordance with criteria set out in relevant BRPD and other relevant Circulars issued by Bangladesh Bank; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows. Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.	We tested the design and operating effectiveness of key controls focusing on the following: • Testing of the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Reviewing the quarterly Classification of Loans (CL). Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the Bank's general and specific provisions; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and • Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. For consolidation purposes we relied on the audited financial statements in the case of NCCB Securities and Financial Services Ltd. And NCCB Capital Ltd. The relevant figures of the subsidiaries are not material in the context of the Group as a whole.
See note # 9 and 15 to the financial statements	

Description of key audit matters	Our response to key audit matters
2. Valuation of Treasury Bills and Treasury Bonds	
The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates. In the absence of a quoted price in an active market, Treasury Bill and Treasury Bond's fair value is determined using Bangladesh Bank's guidelines and complex valuation techniques that may take into consideration direct or indirect unobservable market data and complex pricing models.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of Treasury Bills and Treasury Bonds. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally, we assessed the appropriateness and presentation of disclosures in accordance with the Bangladesh Bank guidelines.
See note # 8 to the financial statements	
3. Measurement of deferred tax assets and liabilities	
The Bank disclosed deferred tax assets and deferred tax liabilities of BDT 472 million (BDT 25 million in 2023) and BDT 1,272 million (BDT 696 million in 2023) respectively as of 31 December 2024. Significant judgment is required in relation to deferred tax assets, and liabilities as their recoverability and adjustment are dependent on forecasts of future profitability over a number of years.	We obtained an understanding, and evaluated the design, the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets & liabilities and the assumptions used in estimating the Bank's future taxable income. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. We involved tax specialists in assessing key assumptions, controls, recognition, and measurement of deferred tax assets and liabilities. Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
See note # 15.4.1 to the financial statements	
4. Impairment Assessment of Investment in Unquoted Shares	
The fair value of unquoted shares and bonds, particularly any impairment, is determined using valuation procedures that may take into account direct or indirect unobservable market data and so call on a high degree of judgment when there isn't a quoted price in an active market.	We have evaluated the procedures and safeguards implemented by the Company to ensure that appropriate due diligence is conducted before making any significant investment decisions. We evaluated a sample of investments as of 31 December 2024, and we compared our findings with the value that was documented. Lastly, we evaluated the disclosures' appropriateness and presentation in comparison to Bangladesh Bank requirements and pertinent accounting standards.

See note # 8 to the financial statements	
5. IT systems and controls	
The Bank's key financial accounting and reporting processes are significantly dependent on the automated controls over the Bank's information systems. As such that there exist risks that gaps in the IT control environment, including automated accounting procedures, IT dependent manual controls and controls preventing unauthorized access to systems and data could result in the financial accounting and reporting records being materially misstated. The IT systems and controls, as they impact the financial recording and reporting of transactions, is a key audit matter.	We performed audit procedures to assess IT systems and controls over financial reporting, which included the followings: • Testing the sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access, system change management and computer operations. • Assessing the management's evaluation of access rights granted to applicants relevant to financial accounting and reporting systems and tested resolution of a sample of exceptions. • Assessing the operating effectiveness of controls over granting, removal and appropriateness of access rights. • Testing of specific application controls for key financial reporting controls.

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also the separate financial statements of the Bank in accordance with IFRSs as explained in note # 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 as amended and the Bangladesh Bank Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial

statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 (as amended up to date) and the rules and regulations issued by Bangladesh Bank, we also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:

(a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;

(b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities other than matters disclosed in these financial statements;

(iii) Consolidated financial statements of the Bank include two subsidiaries, namely NCCB Securities and Financial Services Ltd. and NCCB Capital Ltd. which have been audited by Hoda Vasi Chowdhury & Co., Chartered Accountants and have been properly reflected in the consolidated financial statements;

(iv) in our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appeared from our examination of those books;

(v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(vi) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

(vii) the expenditures incurred were for the purpose of the Group's and the Bank's business for the year;

(viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;

(ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;

(x) the information and explanations required by us have been received and found satisfactory;

(xi) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 7,600 person hours; and

(xii) Capital to Risk¬-weighted Assets Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dated, Dhaka
30 April 2025

ACNABIN, Chartered Accountants
Registration # CAF-001-012



Muhammad Aminul Hoque FCA
Partner
ICAB Enrollment No # 1129
DVC No: 2504301129AS332382

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2024

	Note	2024 Taka	2023 Taka
PROPERTY AND ASSETS			
Cash	**5(a)**	**17,343,428,334**	**13,236,965,584**
In hand (including foreign currencies)		3,398,085,511	2,522,237,298
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		13,945,342,823	10,714,728,286
Balance with other banks and financial institutions	**6(a)**	**1,850,729,941**	**10,411,012,211**
In Bangladesh		1,365,736,516	8,353,590,410
Outside Bangladesh		484,993,425	2,057,421,801
Money at call and short notice	**7**	**765,700,000**	**1,817,300,000**
Investments	**8 (a)**	**77,015,350,280**	**55,262,898,749**
Government		65,916,747,074	42,594,687,770
Others		11,098,603,206	12,668,210,979
Loans and advances/investments	**9(a)**	**242,082,668,135**	**230,984,677,002**
Loans, cash credits, overdrafts, etc./investments		229,504,421,447	219,673,070,722
Bills purchased & discounted		12,578,246,688	11,311,606,280
Fixed assets including premises, furniture and fixtures	**10(a)**	**3,500,362,785**	**3,039,510,488**
Other assets	**11(a)**	**4,905,923,069**	**4,440,108,107**
Non-banking assets	**12**	**2,750,514**	**127,773,014**
TOTAL ASSETS		**347,466,913,058**	**319,320,245,155**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	**13 (a)**	**20,316,815,660**	**35,377,764,390**
Deposits and other accounts	**14 (a)**	**256,651,079,123**	**220,949,124,939**
Current deposits/Mudaraba current deposit and other accounts		35,884,334,882	35,318,408,190
Bills payable		6,093,137,237	6,428,436,722
Savings bank/Mudaraba savings bank deposits		34,177,530,659	31,926,820,849
Fixed deposits/Mudaraba term deposits		128,146,321,299	101,135,847,318
Time deposits/Mudaraba time deposit		52,349,755,046	46,139,611,861
Other liabilities	**15(a)**	**39,863,527,087**	**32,163,922,936**
NCC Bank Subordinated and Perpetual Bonds	**16(a)**	**5,800,000,000**	**6,600,000,000**
Non-Convertible Subordinated Bonds		800,000,000	1,600,000,000
Perpetual Bonds		5,000,000,000	5,000,000,000
TOTAL LIABILITIES		**322,631,421,871**	**295,090,812,265**
Shareholders' equity			
Paid up capital	**17.2**	11,104,230,950	11,104,230,950
Statutory reserve	**18**	11,104,230,950	11,104,230,950
General reserve	**19(a)**	10,993,285	10,669,712
Non-controlling (Minority) interest	**17.8**	209	209
Other reserve including assets revaluation reserve	**20**	533,717,079	361,879,410
Foreign currency translation gain/(loss) reserve	**21.3**	7,128,607	3,297,082
Actuarial gain/(loss) on defined benefit plans	**20.2**	(110,279,313)	-
Surplus in profit and loss account	**21(a)**	2,185,469,422	1,645,124,578
TOTAL SHAREHOLDERS' EQUITY		**24,835,491,188**	**24,229,432,890**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**347,466,913,058**	**319,320,245,155**
NET ASSETS VALUE PER SHARE		**22.37**	**21.82**

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2024

	Note	2024 Taka	2023 Taka
OFF BALANCE SHEET ITEMS:			
Contingent liabilities			
Acceptances and endorsements	**22.1**	34,694,658,193	31,148,249,078
Letters of guarantee	**22.2**	43,038,558,124	44,321,940,502
Letters of credit issued	**22.3**	44,672,855,296	30,317,699,504
Bills for collection	**22.4**	13,521,078,572	10,552,007,552
Other commitments			
Export development fund (EDF)		-	17,524,740
TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES		**135,927,150,185**	**116,357,421,376**

These financial statements should be read in conjunction with the annexed notes from 1 to 49.

Chairman **Director** **Director** **Managing Director**

See annexed auditor's report to the Shareholders of the date.

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012

Dated, Dhaka
30 April 2025

Muhammad Aminul Hoque FCA
Partner
Enrolment number: 1129
DVC No: 2504301129AS332382

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Profit and Loss Account

For the year ended on 31 December 2024

	Note	2024 Taka	2023 Taka
Interest/profit income	24(a)	23,197,412,529	17,380,941,256
Less: Interest paid/profit shared on deposits and borrowings	25(a)	17,024,220,901	11,795,171,463
Net Interest/profit income		**6,173,191,628**	**5,585,769,793**
Income from investments in shares & securities etc.	26(a)	7,527,359,411	5,124,803,926
Commission, exchange and brokerage	27(a)	2,940,569,602	2,744,289,260
Other operating income	28(a)	1,168,651,229	1,230,562,571
Total operating income		**17,809,771,870**	**14,685,425,550**
Salary and allowances	29(a)	3,918,203,258	3,553,945,648
Rent, taxes, insurance, electricity etc.	30(a)	564,589,882	615,660,192
Legal expenses	31(a)	22,818,550	22,197,567
Postage, stamp, telecommunication etc.	32(a)	74,629,664	55,940,210
Stationery, printing, advertisement etc.	33(a)	113,623,909	89,321,132
Managing Director's salary and allowances	34	10,858,579	23,753,875
Director's fees & other meeting related expenses	35(a)	5,492,755	3,909,779
Auditors' fees	36(a)	782,000	695,750
Charges on loan losses		81,998,970	298,668,323
Repairs,maintenance,amortization and depreciation of bank's assets	37(a)	579,569,259	493,651,470
Other expenses	38(a)	1,191,149,480	1,187,776,849
Total operating expenses		**6,563,716,306**	**6,345,520,796**
Profit before provision		**11,246,055,565**	**8,339,904,754**
Provision for loans and advances/investments		5,069,663,327	3,017,213,736
Specific provision	15.5.1(a)	5,465,039,558	3,176,208,211
General provision	15.5.1(b)	139,320,104	112,123,488
Special general provision COVID-19	15.5.1(c)	(534,696,334)	(271,117,963)
Provision for off-balance sheet exposures	15.5(d)	(92,412,246)	77,235,347
Provision for off-shore banking unit	15.5(e)	(3,749,142)	25,165,088
Provision for investment fluctuation in shares & Others	8.3(a)	1,042,081,901	288,491,791
Provision for other assets	15.2	121,252,602	73,900,000
Provision for nostro accounts	15.9	-	-
Total provisions		**6,136,836,442**	**3,482,005,962**
Profit after provision for loans & advances and others items		**5,109,219,123**	**4,857,898,793**
Contribution to NCC Bank's CSR Fund	15.7	30,000,000	30,000,000
Profit before tax		**5,079,219,123**	**4,827,898,793**
Provision for tax		**2,752,437,758**	**2,530,209,366**
Current tax	15.4	2,621,914,526	2,471,148,970
Deferred tax expense/(income)	15.4.1	130,523,232	59,060,396
Net Profit after tax		**2,326,781,365**	**2,297,689,427**
Attributable to:			
Shareholders' of the bank		2,326,781,365	2,297,689,427
Non-controlling (Minority) Interest/profit			-
		2,326,781,365	**2,297,689,427**
Balance of profit brought forward from last year	21.2	312,616,864	388,493,331
Add: Net Profit after tax for the year		2,326,781,365	2,297,689,427
Total profit available		**2,639,398,229**	**2,686,182,758**
Appropriations:			
Statutory reserve		-	528,772,900
Interest on perpetual bonds		500,000,000	500,000,000
Start-up fund	15.11	23,235,689	22,948,364
General reserve		323,573	287,649
		523,559,262	1,052,008,913
Retained earnings		**2,115,838,966**	**1,634,173,844**
Earnings per share (EPS)	44(a)	**2.10**	**2.07**

These financial statements should be read in conjunction with the annexed notes from 1 to 49.

Chairman **Director** **Director** **Managing Director**

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka
30 April 2025

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012

Muhammad Aminul Hoque FCA
Partner
Enrolment number: 1129
DVC No: 2504301129AS332382

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Cash Flow Statement

For the year ended on 31 December 2024

	Note	2024 Taka	2023 Taka
A) Cash flows from operating activities			
Interest/profit receipts		28,906,111,334	22,095,605,539
Interest/profit payments		(16,065,962,048)	(11,733,409,082)
Dividend receipts		268,671,405	134,688,870
Fees & commission receipts		1,958,023,924	1,727,347,196
Recoveries of loans previously written off		215,446,276	318,727,173
Cash paid to employees		(3,981,204,850)	(3,661,174,426)
Cash paid to suppliers		(415,733,179)	(365,856,258)
Income taxes paid		(2,699,531,541)	(2,417,777,255)
Receipts from other operating activities	39(a)	1,929,656,016	1,925,026,148
Payments for other operating activities	40(a)	(1,426,736,312)	(1,812,180,056)
Operating cash flow before changes in operating assets and liabilities		8,688,741,025	6,210,997,850
Increase/(Decrease) in operating assets & liabilities:			
Purchase & sale of trading securities		(14,259,824,744)	2,523,784,515
Loans and advances to customers (Other than banks)		(11,179,990,103)	(18,970,704,047)
Other assets	41(a)	426,174,050	(2,213,427,877)
Deposits and borrowings from other banks		(13,493,374,075)	2,200,540,893
Deposits from customers (Other than banks)		32,710,403,125	18,126,787,476
Other liabilities account of customers		(1,258,142,135)	701,629,133
Other liabilities	42 (a)	1,510,124,683	1,127,754,630
Net Cash receipts from operating activities		**3,144,111,826**	**9,707,362,573**
B) Cash flows from investing activities			
Proceeds from sale of Shares		382,920,248	112,325,637
Payment for purchase of Shares		(448,312,293)	(668,124,636)
Investment in securities		(7,630,387,025)	(4,173,626,589)
Purchase of property, plant and equipment		(224,661,731)	(185,253,137)
Sales proceeds of fixed assets		597,666	5,471,527
Net cash used in investing activities		**(7,919,843,135)**	**(4,909,207,198)**
C) Cash flows from financing activities			
Borrowings from other bank's, financial institutions and Others		1,395,169,118	(8,239,442,890)
Issue/(redemption) of non-convertible subordinated bonds		(800,000,000)	(800,000,000)
Issue of NCC Bank perpetual bonds		-	-
Dividend paid		(1,325,530,153)	(502,324,986)
Net cash receipts/(payments) from financing activities		**(730,361,035)**	**(9,541,767,876)**
D) Net (decrease)/ increase in cash and cash-equivalents (A+B+C)		**(5,506,092,344)**	**(4,743,612,501)**
E) Effects of exchange rate changes on cash and cash-equivalents		3,831,525	(9,482,007)
F) Cash and cash-equivalents at the beginning of the year		25,474,291,896	30,227,386,404
G) Cash and cash-equivalents at the end of the year (D+E+F)	43(a)	**19,972,031,077**	**25,474,291,896**
Net Operating Cash Flows Per Share		**2.83**	**8.74**

These financial statements should be read in conjunction with the annexed notes from 1 to 49.

Chairman **Director** **Director** **Managing Director**

Dated, Dhaka
30 April 2025

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended on 31 December 2024

Amount in Taka

Particulars	Paid up capital	Statutory reserve	General reserve	Other reserve including asset revaluation reserve	Actuarial measurement gain/(loss)	F.C. Translation reserve	Non-controlling (Minority) interest	Surplus in profit and loss account	Total
Balance as on 01 January 2024	**11,104,230,950**	**11,104,230,950**	**10,669,712**	**361,879,410**	**-**	**3,297,082**	**209**	**1,645,124,578**	**24,229,432,890**
Transferred from revaluation reserve against depreciation on revaluation of fixed assets	-	-	-	(1,705,440)		-	-	1,705,440	-
Transferred from Deferred tax liability agt. reverse deferred tax on revaluation on land & building	-	-	-	-		-	-	-	-
Revaluation of Govt. securities (treasury bills/bonds) HFT made during the year	-	-	-	173,543,109		-	-	-	173,543,109
Gain on sale of Non-banking assets	-	-	-	-		-	-	67,925,016	67,925,016
Newly measurement gain/(loss) on defined benefit plans	-	-	-	-	(110,279,313)	-	-	-	(110,279,313)
Currency translation gain/(loss) not recognized in the income statement	-	-	-	-		3,831,525	-	-	3,831,525
Non-controlling (Minority) Interest/profit	-	-	-	-		-	-	-	-
Bonus share for the year 2023		-	-	-		-	-	-	-
Net Profit after tax	-	-		-		-	-	2,326,781,365	2,326,781,365
Interest on perpetual bonds as distributable items								(500,000,000)	(500,000,000)
Transfer to statutory reserve	-	-	-	-		-	-	-	-
Transfer to general reserve			323,573					(323,573)	-
Transfer to start-up fund	-	-	-	-		-	-	(23,235,689)	(23,235,689)
Cash dividend for the year 2023	-	-	-	-		-	-	(1,332,507,714)	(1,332,507,714)
Balance as on 31 December 2024	**11,104,230,950**	**11,104,230,950**	**10,993,285**	**533,717,079**	**(110,279,313)**	**7,128,607**	**209**	**2,185,469,422**	**24,835,491,188**
Balance as on 31 December 2023	**11,104,230,950**	**11,104,230,950**	**10,669,712**	**361,879,410**	**-**	**3,297,082**	**209**	**1,645,124,578**	**24,229,432,890**

Chairman **Director** **Director** **Managing Director**

Dated, Dhaka
30 April 2025

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Liquidity Statement (Asset and Liability Maturity Analysis)

As at 31 December 2024

Amount in Taka

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
Assets:						
Cash	8,365,971,822	-	-	-	8,977,456,512	17,343,428,334
Balances with other banks and financial institutions	700,729,941	-	-	1,150,000,000	-	1,850,729,941
Money at call & short notice	642,400,000	-	-	123,300,000	-	765,700,000
Investments	10,415,575,884	1,808,425,843	6,103,172,567	20,864,198,800	37,823,977,185	77,015,350,280
Loans & advances	39,732,959,290	34,684,782,033	48,211,438,548	64,061,885,882	55,391,602,382	242,082,668,135
Fixed assets including premises, furniture & fixtures	35,072,475	73,248,851	329,619,830	1,034,897,368	2,027,524,262	3,500,362,785
Other assets	818,187,533	1,457,939,248	2,519,978,716	92,554,784	17,262,790	4,905,923,069
Non-banking assets	-	-	-	2,750,514	-	2,750,514
Total assets	**60,710,896,945**	**38,024,395,975**	**57,164,209,661**	**87,329,587,348**	**104,237,823,130**	**347,466,913,058**
Liabilities:						
Borrowing from other banks, financial institutions & agents	10,395,207,225	2,105,905,907	4,595,267,851	2,916,644,651	303,790,026	20,316,815,660
Deposits	45,281,529,540	59,212,377,747	56,960,492,164	55,099,171,306	34,004,371,129	250,557,941,886
Bills payable	6,093,137,237	-	-	-	-	6,093,137,237
Provision & other liabilities	1,207,631,867	1,433,520,538	3,800,699,516	10,862,305,848	22,559,369,318	39,863,527,087
NCC Bank Subordinated and Perpetual Bonds	-	-	800,000,000	-	5,000,000,000	5,800,000,000
Total liabilities	**62,977,505,869**	**62,751,804,192**	**66,156,459,531**	**68,878,121,805**	**61,867,530,473**	**322,631,421,871**
Net liquidity gap	**(2,266,608,924)**	**(24,727,408,217)**	**(8,992,249,870)**	**18,451,465,543**	**42,370,292,656**	**24,835,491,188**

Net result of the liquidity statement represents the 'shareholders' equity' of the bank.
Required CRR amount shown above 5 years term bucket under Cash item as per DOS Circular No-02 dated 29-March 2011 which is highly liquid cash and cash equivalent in accordance with BRPD Circular-14 dated 25 June 2003.

Chairman **Director** **Director** **Managing Director**

Dated, Dhaka
30 April 2025

National Credit and Commerce Bank PLC.

Balance Sheet

As at 31 December 2024

	Note	2024 Taka	2023 Taka
PROPERTY AND ASSETS			
Cash	5	**17,343,428,334**	**13,236,965,584**
In hand (including foreign currencies)		3,398,085,511	2,522,237,298
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		13,945,342,823	10,714,728,286
Balance with other banks and financial institutions	6	**1,720,855,949**	**10,354,383,653**
In Bangladesh		1,235,862,524	8,296,961,853
Outside Bangladesh		484,993,425	2,057,421,801
Money at call and short notice	7	**765,700,000**	**1,817,300,000**
Investments	8	**75,890,759,740**	**54,675,990,137**
Government		65,207,473,524	42,594,687,770
Others		10,683,286,216	12,081,302,367
Loans and advances/investments	9	**240,246,437,780**	**228,696,724,823**
Loans, cash credits, overdrafts, etc./investments		227,668,191,092	217,385,118,543
Bills purchased & discounted		12,578,246,688	11,311,606,280
Fixed assets including premises, furnitures and fixtures	10	**3,462,535,251**	**3,023,980,182**
Other assets	11	**7,524,505,672**	**7,021,567,417**
Non-banking assets	12	**2,750,514**	**127,773,014**
TOTAL ASSETS		**346,956,973,240**	**318,954,684,811**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	13	**20,167,367,676**	**35,147,476,587**
Deposits and other accounts	14	**257,352,743,366**	**221,835,114,370**
Current deposits/Mudaraba current deposit and other accounts		36,585,999,125	36,204,397,621
Bills payable		6,093,137,237	6,428,436,722
Savings bank/Mudaraba savings bank deposits		34,177,530,659	31,926,820,849
Fixed deposits/Mudaraba term deposits		128,146,321,299	101,135,847,318
Time deposits/Mudaraba time deposit		52,349,755,046	46,139,611,861
Other liabilities	15	**38,936,406,878**	**31,274,484,390**
NCC Bank Subordinated and Perpetual Bonds	16	**5,800,000,000**	**6,600,000,000**
Non-Convertible Subordinated Bonds		800,000,000	1,600,000,000
Perpetual Bonds		5,000,000,000	5,000,000,000
TOTAL LIABILITIES		**322,256,517,921**	**294,857,075,348**
Shareholders' equity			
Paid up capital	17.2	11,104,230,950	11,104,230,950
Statutory reserve	18	11,104,230,950	11,104,230,950
General reserve	19	10,162,348	10,162,348
Other reserve including assets revaluation reserve	20	533,717,079	361,879,410
Foreign currency translation gain/(loss) reserve	20.1	7,128,607	3,297,082
Actuarial gain/(loss) on defined benefit plans	20.2	(110,279,313)	-
Surplus in profit and loss account	21	2,051,264,700	1,513,808,724
TOTAL SHAREHOLDERS' EQUITY		**24,700,455,320**	**24,097,609,463**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**346,956,973,240**	**318,954,684,811**
NET ASSETS VALUE PER SHARE		**22.24**	**21.70**

	Note	2024 Taka	2023 Taka
OFF BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	**22.1**	34,694,658,193	31,148,249,078
Letters of guarantee	**22.2**	43,038,558,124	44,321,940,502
Letters of credit issued	**22.3**	44,672,855,296	30,317,699,504
Bills for collection	**22.4**	13,521,078,572	10,552,007,552
Other commitments			
Export development fund (EDF)		-	17,524,740
TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES		**135,927,150,185**	**116,357,421,376**

These financial statements should be read in conjunction with the annexed notes from 1 to 49.

Chairman **Director** **Director** **Managing Director**

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka
30 April 2025

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012

Muhammad Aminul Hoque FCA
Partner
Enrolment number: 1129
DVC No: 2504301129AS332382

National Credit and Commerce Bank PLC.

Profit and Loss Account

For the year ended on 31 December 2024

	Note	2024 Taka	2023 Taka
Interest/profit income	24	23,119,940,125	17,293,277,510
Less: Interest paid/profit shared on deposits and borrowings	25	17,015,308,621	11,792,671,463
Net Interest/profit income		**6,104,631,504**	**5,500,606,047**
Income from investments in shares & securities etc.	26	7,437,020,482	5,104,668,903
Commission, exchange and brokerage	27	2,863,521,991	2,666,827,963
Other operating income	28	1,167,359,820	1,229,185,327
Total operating income		**17,572,533,797**	**14,501,288,240**
Salary and allowances	29	3,869,259,918	3,507,328,442
Rent, taxes, insurance, electricity etc.	30	559,203,917	600,970,859
Legal expenses	31	22,818,550	22,197,567
Postage, stamp, telecommunication etc.	32	74,057,060	55,349,286
Stationery, printing, advertisement etc.	33	113,051,178	88,459,822
Managing Director's salary and fees	34	10,858,579	23,753,875
Director's fees & other meeting related expenses	35	5,225,955	3,508,179
Auditors' fees	36	632,500	632,500
Charges on loan losses		81,998,970	298,668,323
Repairs,maintenance,amortization and depreciation of bank's assets	37	569,448,563	491,167,012
Other expenses	38	1,174,632,783	1,172,031,988
Total operating expenses		**6,481,187,973**	**6,264,067,853**
Profit before provision		**11,091,345,825**	**8,237,220,387**
Provision for loans and advances/investments		4,969,934,480	2,932,334,214
Specific provision	15.5(a)	5,465,039,558	3,176,208,211
General provision	15.5(b)	39,591,257	27,243,966
Special general provision COVID-19	15.5(c)	(534,696,334)	(271,117,963)
Provision for off-balance sheet exposures	15.5(d)	(92,412,246)	77,235,347
Provision for off-shore banking unit	15.5(e)	(3,749,142)	25,165,088
Provision for investment fluctuation in shares & Others	8.3	1,011,088,721	288,491,791
Provision for other assets	15.2	121,252,602	73,900,000
Provision for nostro accounts	15.9	-	-
Total provisions		**6,006,114,415**	**3,397,126,440**
Profit after provision for loans & advances and others items		**5,085,231,410**	**4,840,093,947**
Contribution to NCC Bank's CSR Fund	15.7	30,000,000	30,000,000
Profit before tax		**5,055,231,410**	**4,810,093,947**
Provision for tax		**2,731,662,486**	**2,515,257,517**
Current tax	15.3	2,601,819,943	2,456,197,121
Deferred tax expense/(income)	15.4.1	129,842,543	59,060,396
Net Profit after tax		**2,323,568,924**	**2,294,836,430**
Balance of profit brought forward from last year	21.1	181,301,010	259,742,824
Add: Net Profit after tax for the year		2,323,568,924	2,294,836,430
Total profit available for distribution		**2,504,869,933**	**2,554,579,254**
Appropriations:			
Statutory reserve		-	528,772,900
Interest on perpetual bonds		500,000,000	500,000,000
Start-up fund	15.11	23,235,689	22,948,364
General reserve		-	-
		523,235,689	1,051,721,264
Retained earnings		**1,981,634,244**	**1,502,857,990**
Earnings per share (EPS)	44	**2.09**	**2.07**

These financial statements should be read in conjunction with the annexed notes from 1 to 49.

Chairman **Director** **Director** **Managing Director**

See annexed auditor's report to the Shareholders of the date.

ACNABIN, Chartered Accountants
FRC Registration # CAF-001-012

Dated, Dhaka
30 April 2025

Muhammad Aminul Hoque FCA
Partner
Enrolment number: 1129
DVC No: 2504301129AS332382

National Credit and Commerce Bank PLC.

Cash Flow Statement

For the year ended on 31 December 2024

	Note	2024 Taka	2023 Taka
A) Cash flows from operating activities			
Interest/profit receipts		28,797,854,434	22,007,941,793
Interest/profit payments		(16,057,049,768)	(11,730,909,082)
Dividend receipts		244,249,580	118,468,271
Fees & commission receipts		1,880,976,313	1,649,885,899
Recoveries on loans previously written off		215,446,276	318,727,173
Cash paid to employees		(3,935,507,925)	(3,616,963,070)
Cash paid to suppliers		(404,045,285)	(355,709,499)
Income taxes paid		(2,665,490,698)	(2,402,825,406)
Receipts from other operating activities	39	1,928,364,607	1,923,648,904
Payments for other operating activities	40	(1,415,076,425)	(1,784,440,453)
Operating cash flow before changes in operating assets and liabilities		8,589,721,109	6,127,824,531
Increase/(decrease) in operating assets & liabilities			
Purchase & sale of trading securities		(14,259,824,744)	2,523,784,515
Loans and advances to customers (Other than banks)		(11,631,711,927)	(19,257,874,486)
Other assets	41	382,740,721	(2,192,729,071)
Deposits and borrowings from other banks		(13,412,534,256)	1,970,253,090
Deposits from customers (Other than banks)		32,526,077,937	18,311,013,123
Other liabilities account of customers		(1,261,507,520)	732,895,020
Other liabilities	42	1,578,806,667	1,178,356,582
Net cash receipts from operating activities		**2,511,767,986**	**9,393,523,305**
B) Cash flows from investing activities			
Proceeds from sale of Shares		134,692,479	50,148,868
Payment for purchase of Shares		(351,507,496)	(303,129,067)
Investment in securities (Net off)		(6,921,113,475)	(4,173,626,589)
Purchase of property, plant and equipment		(223,311,188)	(183,238,850)
Sales proceeds of fixed assets		494,950	5,412,677
Net cash used in investing activities		**(7,360,744,730)**	**(4,604,432,961)**
C) Cash flows from financing activities			
Borrowings from other bank's, financial institutions and Others		1,395,169,118	(8,239,442,890)
Issue/(redemption) of non-convertible subordinated bonds		(800,000,000)	(800,000,000)
Issue of NCC Bank perpetual bonds		-	-
Dividend paid in cash		(1,325,530,153)	(502,324,986)
Net cash receipts/(payments) from financing activities		**(730,361,035)**	**(9,541,767,876)**
D) Net increase/(decrease) in cash and cash-equivalents (A+B+C)		**(5,579,337,779)**	**(4,752,677,532)**
E) Effects of exchange rate changes on cash and cash-equivalents		3,831,525	(9,482,007)
F) Cash and cash-equivalents at the beginning of the year		25,417,663,337	30,179,822,876
G) Cash and cash-equivalents at the end of the year (D+E+F)	43	**19,842,157,083**	**25,417,663,337**
Net Operating Cash Flows Per Share		**2.26**	**8.46**

These financial statements should be read in conjunction with the annexed notes from 1 to 49.

Chairman **Director** **Director** **Managing Director**

Dated, Dhaka
30 April 2025

National Credit and Commerce Bank PLC.

Statement of Changes in Equity

For the year ended on 31 December 2024

Amount in Taka

Particulars	Paid up capital	Statutory reserve	General reserve	Other reserve including assets revaluation reserve	Actuarial measurement gain/(loss)	F.C. Translation gain/(loss) reserve	Surplus in profit and loss account	Total
Balance as on 01 January 2024	**11,104,230,950**	**11,104,230,950**	**10,162,348**	**361,879,410**	**-**	**3,297,082**	**1,513,808,724**	**24,097,609,463**
Transferred from revaluation reserve against depreciation on revaluation of fixed assets	-	-	-	(1,705,440)	-	-	1,705,440	-
Transferred from Deferred tax liability agt. reverse deferred tax on revaluation on land & building	-	-	-	-	-	-	-	-
Revaluation of Govt. securities (treasury bills/bonds) HFT made during the year	-	-	-	173,543,109	-	-	-	173,543,109
Gain on sale of Non-banking assets	-	-	-	-	-	-	67,925,016	67,925,016
Newly measurement gain/(loss) on defined benefit plans	-	-	-	-	(110,279,313)	-	-	(110,279,313)
Surplus/(deficit) on account of revaluation of Govt. securities (treasury bills/bonds) HTM & HFT transferred to income A/C	-	-	-	-	-	-	-	-
Currency translation gain/(loss) not recognized in the income statement	-	-	-	-	-	3,831,525	-	3,831,525
Bonus share for the year 2023	-	-	-	-	-	-	-	-
Net Profit after tax	-	-	-	-	-	-	2,323,568,924	2,323,568,924
Interest on perpetual bonds as distributable items	-	-	-		-	-	(500,000,000)	(500,000,000)
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Transfer to start-up fund	-	-	-	-	-	-	(23,235,689)	(23,235,689)
Cash dividend for the year 2023	-	-	-	-	-	-	(1,332,507,714)	(1,332,507,714)
Balance as on 31 December 2024	**11,104,230,950**	**11,104,230,950**	**10,162,348**	**533,717,079**	**(110,279,313)**	**7,128,607**	**2,051,264,700**	**24,700,455,320**
Balance as on 31 December 2023	**11,104,230,950**	**11,104,230,950**	**10,162,348**	**361,879,410**	**-**	**3,297,082**	**1,513,808,724**	**24,097,609,463**

Chairman **Director** **Director** **Managing Director**

Dated, Dhaka
30 April 2025

National Credit and Commerce Bank PLC.

Liquidity Statement (Asset and Liability Maturity Analysis)

As at 31 December 2024

Amount in Taka

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
Assets:						
Cash	8,365,971,822	-	-	-	8,977,456,512	17,343,428,334
Balances with other banks and financial institutions	570,855,949	-	-	1,150,000,000	-	1,720,855,949
Money at call & short notice	642,400,000	-	-	123,300,000	-	765,700,000
Investments	10,019,560,183	1,808,425,843	6,103,172,567	20,864,198,800	37,095,402,346	75,890,759,740
Loans & advances	39,720,855,855	34,650,575,162	48,022,507,626	62,908,091,441	54,944,407,695	240,246,437,780
Fixed assets including premises, furniture & fixtures	34,883,737	72,871,375	327,921,188	1,002,325,105	2,024,533,847	3,462,535,251
Other assets	817,941,879	1,881,766,235	2,519,978,716	37,556,054	2,267,262,790	7,524,505,672
Non-banking assets	-	-	-	2,750,514	-	2,750,514.00
Total assets	**60,172,469,425**	**38,413,638,615**	**56,973,580,097**	**86,088,221,914**	**105,309,063,189**	**346,956,973,240**
Liabilities:						
Borrowing from other banks, financial institutions & agents	10,359,342,238	2,099,851,028	4,578,673,071	2,825,711,313	303,790,026	20,167,367,676
Deposits	45,983,193,783	59,212,377,747	56,960,492,164	55,099,171,306	34,004,371,129	251,259,606,129
Bills payable	6,093,137,237	-	-	-	-	6,093,137,237
Provision & other liabilities	1,147,174,067	1,429,865,758	3,750,166,206	9,968,790,745	22,640,410,102	38,936,406,878
NCC Bank Subordinated and Perpetual Bonds	-	-	800,000,000	-	5,000,000,000	5,800,000,000
Total liabilities	**63,582,847,325**	**62,742,094,533**	**66,089,331,442**	**67,893,673,364**	**61,948,571,257**	**322,256,517,921**
Net liquidity gap	**(3,410,377,900)**	**(24,328,455,918)**	**(9,115,751,344)**	**18,194,548,550**	**43,360,491,932**	**24,700,455,320**

Net result of the liquidity statement represents the 'shareholders' equity' of the bank.

Required CRR amount shown above 5 years term bucket under Cash item as per DOS Circular No-02 dated 29-March 2011 which is highly liquid cash and cash equivalent in accordance with BRPD Circular-14 dated 25 June 2003.

Chairman | **Director** | **Director** | **Managing Director**

Dated, Dhaka
30 April 2025

1.1 Status of the Bank

The National Credit and Commerce Bank PLC. (NCCBPLC) is a scheduled commercial bank formed under Bank Company Act, 1991 and incorporated as a public banking company, limited by shares on 15th May 1993 with primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank changed its name from National Credit and Commerce Bank Limited to National Credit and Commerce Bank PLC. (NCCBPLC) as per Bangladesh Bank gazette no- BRPD(LS-1)/745(20)/2023-10767 dated 13 December 2024.

The registered office of the Bank is located at NCC Bank Bhaban, 13/1-2 Toyenbee Circular Road, Motijheel Commercial Area, Dhaka-1000. It commenced its banking business with 16 branches from 17 May 1993 under the license letter no - BCD(D)200/52-561/93 issued by Bangladesh Bank. Presently the Bank has 129 branches, 9 Sub-branches and 128 ATM all over Bangladesh. The Bank has no overseas branch as at 31 December 2024. It carries out all banking activities through it branches in Bangladesh. The Bank went for initial public offering in 1999 and its share is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited from 28 May 2000 and 16 May 2000 respectively as a publicly traded company.

1.1.1 Principal activities

The principal activities of the Bank are to provide all kinds of commercial banking services to its customers through its branches following the provisions of the Bank Company Act, 1991 (as amended up to 2023), Bangladesh Bank's directives and directives of other regulatory authorities i.e. accepting customer deposits, lending to retail, small and medium enterprise (SME) and corporate customers, trade financing, lease financing, project financing, issuing letters of credit, interbank borrowing and lending, dealing in government securities etc.

1.1.2 Islamic banking units

Islamic Banking Unit is a separate business unit of NCC Bank PLC. governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of Islamic banking units vide Bangladesh Bank letter no. BRPD (LS-2)745(20)/2022-6911 dated on 05 July 2022. The operation of our Islamic Banking is totally different from the Bank's conventional operation as the former operates their business on the basis of Islamic Shariah. For procuring funds from depositors, our Islamic Banking follows Al-Wadiah and Mudaraba principles. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. Principles for accounting under its Islamic banking umbrella, run through a separate Islamic Banking software namely ABABIL. Separate financial statements of Islamic banking unit are shown in Annexure-O.

1.1.3 Offshore banking units

Offshore banking unit (OBU) is a separate business unit of NCC Bank PLC. governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of offshore banking units located at NCC Bank Bhaban Branch & Agrabad Branch vide Bangladesh Bank letter no. BRPD (P-3)744(113)/2010-1648 dated on 02 May 2010 and operation of OBU in line with the offshore banking policy issued by Bangladesh Bank vide BRPD circular no. 02 dated 25 February 2019 and amendment thereon. Our Offshore banking unit operation/transactions involve with fully foreign-owned enterprises in EPZs, PEPZs, EZs and Fli-tech Parks shall include all normal financial services including accepting deposits, making short term loans/advances and investments, discounting bills, negotiating bills, issuing letter of credit and guarantee etc. In addition OBU discounts/purchase accepted usance/deferred bills against import from abroad and accepted usance/deferred export bills against direct and deemed exports. OBU conducts banking business activities in foreign currencies. Separate financial statements of offshore banking unit are shown in Annexure-P.

1.1.4 Information regarding subsidiary

The Bank has 02 (Two) fully owned subsidiary companies as at 31 December 2024. One of them is in operation on the reporting date named as NCCB Securities and Financial Services Limited. Although the subscription of another fully owned subsidiary 'NCCB Capital Limited' has completed, full fledged operation of this company is yet to start. Information of subsidiary companies are given below:

1.1.4.1 NCCB Securities and Financial Services Limited (NCCBSFSL)

NCCB Securities and Financial Services Limited is a subsidiary company of NCC Bank PLC. incorporated as a private company, limited by shares, on April 04, 2010 with the Registrar of Joint Stock Companies and Firms vide certificate

of incorporation no.C-83683/10 dated April 04, 2010 under the Companies Act-1994. NCCBSFSL commenced its operation from March 07, 2011. The main objective of the company is to act as a full fledged stock broker & stock dealer to execute buy and sell order and to maintain own portfolio as well as customers' portfolio under the discretion of customers.

1.1.4.2 NCCB Capital Limited (NCCBCL)

NCCB Capital Limited (NCCBCL) is a subsidiary company of NCC Bank PLC. incorporated as a private company, limited by shares, on April 01, 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83649/10 dated April 01, 2010 under the Companies, Act-1994. The main objective of the company is to provide full fledged merchant banking services like issue management, underwriting, advisory services & as and when regulators permits the company to carry out such activities as per their guidelines. NCCBCL was not in operation till 31 December 2024.

2 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of preparation

The separate financial statements of the Bank as at and for the year ended 31 December 2024 comprise those of Domestic Banking Unit (Main operations), Off shore Banking Unit (OBU) and Islamic Banking Unit together referred to as 'the Bank'. Consolidated financial statements comprise those of the bank(parent) and its subsidiaries together referred to as 'the group' and individually referred to as 'group entities/subsidiaries'). Financial Statements of the Bank are prepared on a going concern basis under the historical cost convention and in accordance with First Schedule of the Bank Company Act 1991, as amended 2023, BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards, (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Financial Reporting Council (FRC) under Financial Reporting Act, 2015, the Companies Act, 1994 and the Bangladesh Securities and Exchange Rules 2020. Wherever appropriate, such principles are explained in succeeding notes.

Statement of compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 and the council adopt IASs & IFRSs as standards vide gadget no-146/FRC/Admin/Gadget/2020/67 dated 02 November 2020 for preparing financial report. The Bank Company Act, 1991 (as amended up to date) was amended to require banks to prepare their financial statements under such IFRS. The consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by The Financial Reporting Council (FRC) and the requirements of the Bank Company Act, 1991 (as amended up to date) , the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 2020. In case any requirement of the Bank Company Act, 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRSs are as follows:

i) Presentation of financial statements

IFRS/IAS: As per IAS 1: Presentation of Financial Statements, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section 38) of the Bank Company Act 1991 (amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and noncurrent classifications.

ii) Investment in shares and securities (Equity Share, Mutual Funds etc.)

IFRS: As per requirements of IFRS 9 Financial Instruments, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per net asset value (NAV)/book value of last audited balance sheet respectively. As per instruction of DOS circular letter no. 3 dated 12 March 2015 and 28 June 2015, investment in mutual fund (closed-end) is revalued at lower of cost and (higher of market value and 95% of NAV). As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognized at costs. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

iii) Revaluation gains/losses on Government Securities

IFRS: As per requirement of IFRS 9 where securities will fall under the category of Fair value through Profit and Loss account, any change in the fair value of held for trading assets is recognized through profit and loss account. Where securities are measured 'at fair value through other comprehensive income' then gains or losses shall be recognized in other comprehensive income (OCI), except for impairment gains or losses and foreign exchange gains and losses. The loss allowance arise from impairment shall be recognized in OCI and shall not reduce the carrying amount of financial assets in the Financial Position. Securities designated as amortized cost are measured at effective interest rate method and interest income is recognized through the profit and loss account.

Bangladesh Bank: According to Department of Offsite Supervision (DOS) Circular # 05, dated 26 May 2008 and subsequent clarification in DOS Circular # 05, dated 28 January 2009 of Bangladesh Bank, loss on revaluation of Government securities (T-bill/T-bond) which are categorized as held for trading will be charged through Income accounts, but any gain on such revaluation should be recorded under revaluation reserve accounts. However, at the year-end if there is any revaluation gain for any particular held for trading T-bill /T- bonds, such gain can be used to the extent of any revaluation loss for that particular held for trading T-bills/T-bonds. T-bills/T-bonds designated as held to maturity are measured at amortized cost method but interest income / gain should be recognized through revaluation reserve.

iv) Provision on loans and advances/investments

IFRS: As per IFRS 9: Financial Instruments, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD Circular # 11 dated 19 July 2022,BRPD Circular # 19, dated 27 December 2012, BRPD Circular # 05, dated 29 May 2013, BRPD Circular #16, dated 18 November 2014, BRPD Circular # 08, dated 02 August 2015, BRPD Circula # 12 dated 20 August 2027,BRPD Circular # 15, dated 27 September 2017 and BRPD Circular # 01, dated 20 February 2018, BRPD Circular # 03 dated 21 April 2019, BRPD circular # 16 dated 21 July 2020, BRPD circular Letter no-63 dated 31 December 2020, BRPD circular # 52 dated 20 October 2020, BRPD Circular # 3 dated 02 February 2023, BRPD Circular # 09 dated 08 April 2024 a general provision at 0.25% to 2% under different categories of unclassified loans (standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses, should be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD Circular # 10, dated 18 September 2007 and BRPD Circular # 01, dated 03 January 2018, a general provision at 1% should be provided for all off-balance sheet exposures except general provision against the LC for First Track Power Supply Projects.

v) Recognition of interest suspense

IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9: Financial Instruments and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

vi) Other comprehensive income and appropriation of profit

IFRS: As per IAS 1 other comprehensive income (OCI) is a component of financial statements or the elements of

OCI are to be included in a single other comprehensive income statement. IFRS do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks in Bangladesh. The templates of financial statements issued by Bangladesh Bank neither include other comprehensive income nor are the elements of other comprehensive income allowed to be included in a single other comprehensive income (OCI) statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vii) Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9: Financial Instruments. As such full disclosure and presentation requirements of "IFRS 7: Financial Instrument- Disclosures" and "IAS 32: Financial Instruments-Presentation" cannot be made in the accounts.

viii) Financial guarantees

IFRS: As per IFRS 9: Financial Instruments, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value plus transaction cost that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognized less, income recognized in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

ix) Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call on short notice', treasury bills, Bangladesh Bank bills and prize bond are shown as cash and cash equivalents. Money at call on short notice presented on the face of the balance sheet, and treasury bills and prize bond are shown in investments.

x) Repo and Reverse Repo transactions

IFRS: As per IFRS 9: Financial Instruments, When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. Same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per BRPD guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

xi) Non-Banking Assets

IFRS: No indication of non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD 14, there must be stated a face item named as non-banking asset.

xii) Cash flow statement

IFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect methods.

xiii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiv) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xvi) Loans and advances/Investments net of provision

IFRS: Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

2.2 Going Concern basis of accounting

The accompanying financial statements have been prepared on a going concern basis that the Bank will continue in operation over the foreseeable future. The bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materiality the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The rating outlook of the Bank as reported by all the rating agencies is 'Stable'. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as going concern.

2.3 Basis of consolidation

The consolidated financial statements include the financial statements of NCC Bank PLC. and its subsidiary companies - NCCB Securities and Financial Services Limited & NCCB Capital Limited. The consolidated financial statements have been prepared in accordance with International Accounting Standard 27: Separate Financial Statements and International Financial Reporting Standards 10-"Consolidated Financial Statements". The Consolidated Financial Statements are prepared to common financial year ending 31 December 2024.

Subsidiary

Subsidiary is the enterprise which is controlled by the parent company. Control exists when the parent company has the power, directly and indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that the control effectively commences until the date that it control effectively ceases. Subsidiary company is consolidated using the cost method of accounting.

Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions is also eliminated on consolidation.

2.4 Use of estimates and judgments

In the preparation of financial statements, management requires to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The key item which involve these judgements, estimates and assumptions are discussed below:

Impairment losses on loans and advances

In addition to the provision made for loans and advances based on the guidelines of Bangladesh Bank, the Bank reviews its loans and advances portfolio on a quarterly basis to assess whether a further allowance for impairment should be provided in the income statement. Judgements by the management is required in the estimation of these amounts and such estimations are based on assumptions about a number of factors, though actual results may differ resulting in future changes to the provisions.

Other key items where estimates or judgement were involved includes:

a) Deferred Tax

b) Useful life of fixed assets and right of use of assets

c) Revaluation of land & buildings

d) Defined benefit obligation-gratuity

e) Lease liabilities

f) Provision for taxation

2.5 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka which is the Bank's functional currency. The functional currency of the Bank Off-shore banking unit is USD. Financial statements of OBU has been translated into the presentation currency, i.e. Bangladeshi Taka (BDT) following the guidelines of IAS 21: The Effect of Changes in Foreign Exchange Rates.

2.6 Foreign currency transaction/translation

a) Foreign currencies transaction/translation

Foreign currency transactions are converted into equivalent taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Assets and liabilities in foreign currencies at 31 December 2024 have been converted into Taka currency at the closing mid rates of the relevant foreign currencies at that date except "Balances with other Banks and Financial Institutions" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

b) Commitments

Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT at the rates of exchange prevailing on the balance sheet date.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation.

2.7 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank. It reported cash flows during the year classified under operating activities, investing activities and financing activities.

2.8 Liquidity statement

The liquidity statement of assets and liabilities as at the reporting date has been prepared on residual maturity term as per the following bases :

I) Balance with other banks and financial institutions, money at call and short notice, etc. are shown on the basis of their maturity term;

ii) Investments are on the basis of their respective maturity;

iii) Loans and advances / investments are on the basis of their repayment schedule;

iv) Fixed assets are on the basis of their useful lives;

v) Other assets are on the basis of their realization / amortization;

vi) Borrowing from other banks, financial institutions and agents, etc. are as per their maturity / repayment terms;

vii) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors;

viii) Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.9 Reporting year

These financial statements cover the year from 01 January to 31 December 2024.

2.10 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, realize the asset and settle the liability simultaneously.

2.11 Assets and basis of their valuation

2.11.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances held with Bangladesh Bank & other Banks and FI, Money at call & short notice and price bond which highly liquid financial asset which are subject to insignificant risk of changes in their fair value and are used by the bank management for its short-term commitments.

2.11.2 Loans and advances

a) Loans and advances are stated in the balance sheet on gross basis.

b) Interest is calculated on a daily product basis but charged on quarterly basis and accounted for on accrual basis. Interest on classified loans and advances are kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers [please refer Note- 9.11 (x)]. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

c) The Bank are providing concessional interest rate to its good borrowers.

d) Provision for loans and advances is made on the basis of quarter-end review by the management following instructions contained in Bangladesh Bank BRPD Circular # 11 dated 19 July 2022,BRPD Circular # 19, dated 27 December 2012, BRPD Circular # 05, dated 29 May 2013, BRPD Circular #16, dated 18 November 2014, BRPD Circular # 08, dated 02 August 2015, BRPD Circula # 12 dated 20 August 2027,BRPD Circular # 15, dated 27 September 2017 and BRPD Circular # 01, dated 20 February 2018, BRPD Circular # 03 dated 21 April 2019, BRPD circular # 16 dated 21 July 2020, BRPD circular Letter no-63 dated 31 December 2020, BRPD circular # 52 dated 20 October 2020, BRPD Circular # 3 dated 02 February 2023, BRPD Circular # 09 dated 08 April 2024.The provision rates are given below:

Particulars	Standard	SMA	Sub-standard (SS)	Doubtful (DF)	Bad & Loss (BL)
Consumer financing - House building	1%	1%	20%	50%	100%
Consumer financing - Loans for Professional & Credit card	2%	2%	20%	50%	100%
Consumer financing - Other than house building, Loans for Professional & Credit card	2%	2%	20%	50%	100%
Small and medium enterprise financing	0.25%	0.25%	5%	20%	100%
Loans to BHs, MBs etc.	1%	1%	20%	50%	100%
Short Term Agriculture/Micro Credit	1%	-	5%	5%	100%
All others credit	1%	1%	20%	50%	100%
Off balance sheet exposure	1%	N/A	N/A	N/A	N/A

e) Loans and advances with no realistic prospect of recovery have been written off against which full provisions are made and legal cases has been initiated. Detailed memorandum records for all such written off accounts are maintained.

2.11.3 Investments

All investments on securities are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accredited, using the effective yield method and are taken to discount income. The valuation methods of investments used are:

Held to maturity (HTM)

Investments which have 'fixed or determinable payments' and are intended to be 'held to maturity' other than those that meet the definition of 'held at amortized cost-others' are classified as held to maturity. These investments are subsequently measured at present value as per Bangladesh Bank guideline. Investments in securities have been revalued as mark to market as at 31 December 2024. The gain of revaluation from the held to maturity securities has been shown in the statement of changes in equity of 31 December 2024.

Held for trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short-trading or if designated as such by the management after initial recognition, investments are measured at fair value and any change in the fair value is recognized in the profit & loss account for the year in which it arises. These investments are subsequently revalued at current market value on weekly basis as per Bangladesh Bank guidelines. Revaluation gain has been shown in revaluation reserve account & revaluation loss has been shown in profit & loss account.

Value of investments has been enumerated as follow:

Item	Initial Recog.	Measurement After Recog.	Records/Charges
Government treasury bills-HTM	Cost	Amortized Cost	Changes in value to equity reserve
Government treasury bills-HFT	Cost	Fair value	Loss to P/L & gain to equity reserve
Government treasury bonds-HTM	Cost	Amortized Cost	Changes in value to equity reserve
Government treasury bonds-HFT	Cost	Fair value	Loss to P/L & gain to equity reserve
Prize bonds	Cost	Cost	Charges to Profit & Loss Account

Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements which market price is below the cost price of investment. Provision against mutual fund calculated as per B.B DOS Circular No-10 dated 28 June 2015 (Note-8.3).

Investment in unquoted securities

Investment in unquoted securities is reported at diminishing value based on NAV of those securities as on date. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unquoted securities.

Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IRFS-10. Accordingly, Investment in subsidiary is stated in the Bank's balance sheet at cost, less impairment losses if any.

2.11.4 Property, plant and equipment

Recognition and measurement

All fixed assets except land and buildings/office premises are stated at historical cost which land and building/office premises at revalued amount (whenever applicable) less accumulated depreciation as per IAS -16" Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non refundable taxes.

Subsequent cost

The cost of replacing part of such an item of fixed assets is recognized in the carrying amount of an item of property, plant and equipment if it is probable that the future economic benefits embodied with the part will flow to the company and the cost of the item can be measured reliably. The cost of day to day servicing of fixed asset is recognized in profit and loss as incurred.

Capital work in progress

Some development work is under process is recognized and reported under fixed assets as per IAS 16 as capital work in progress until the construction work is completed and the asset is ready for intended use. This asset is stated at cost and depreciation of the asset will be charged from the date of its intended use.

Depreciation

Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets other than vehicles and Computer Equipment on which straight line depreciation method is followed and no depreciation is charged on land:

Category of fixed assets	Method of Depreciation	Rate of depreciation
Land	N/A	Nil
Building/Office premises	Reducing balance method	2.50%
Furniture & fixture	Reducing balance method	10% to 20%
Machineries & equipment	Reducing balance method	20%
Computer equipment	Straight line method	20%
Vehicles	Straight line method	20%

a) For additions during the year, depreciation is charged for the remaining days of the year and for disposal, depreciation is charged up to the date of disposal.

b) On disposal of fixed assets the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account which is determined with reference to the net book value of the assets and net sale proceeds.

2.11.5 Intangible assets

a) An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of assets can be measured reliably.

b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditures that are incurred in customizing the software for its intended use.

c) Software is being amortized using the following method and rates:

Category of intangible assets	Method of Amortization	Rate of amortization
Software	Straight line method	20%

2.11.6 Other assets

Provision for other assets

Other assets have been classified as per BRPD circular no- 4 dated 12-04-2022 of Bangladesh Bank and necessary provisions have been made thereon accordingly and for item not covered under the circular, adequate provision have been made considering their recoverability.

2.11.7 Securities purchased under re-sale agreement

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The amount lent is shown as an asset either as loans and advances to customers or loans to other banks.

The difference between purchase price and resale price is treated as interest received and accrued evenly over the life of REPO agreement.

2.11.8 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.11.9 Inventories

There are no Inventories related measurement for Banks. That's why IAS-2 is not applicable for the Bank.

2.11.10 Leases

NCCBL has applied IFRS-16: Leases for the first time with the date of initial application of 01 January 2019. As IFRS 16 supersedes IAS 17: Leases, the bank has made recognition, measurement and disclosure in the financial statements of 2024 both as Lessee and Lessor as per IFRS 16.

Bank as lessee:

The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange of consideration, then the bank consider the contract as a lease contract.

The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The bank recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease year as short term in line with the recognition threshold of ROU assets as per Fixed Asset policy of the bank. The reason behind considering the materiality threshold of BDT 10 million and above is that the bank operates many ATM booths, sub-branches with short and single contracts; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities. Moreover, frequent changes of those establishments would create misreporting as well as complexity in recording.

Right-of-use assets (ROU):

The bank recognizes the right-of-use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining year of the lease term.

The bank assessed all lease contracts live in 2024 and recognized as RoU of assets of all leases, except short term and low value of assets as parameter guided by Bangladesh Bank and Banks' own policy set as per IAS 16 and IFRS 16. As leases under IFRS 16 has been first time adopted by the bank, the bank has followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. Therefore, the bank considered a cut-off date beginning of the year 2024 and reassessed unadjusted advance payment and remaining lease year of each contract, and recognized those in the financial statements for the year ended 31 December 2024 without giving retrospective impact in earlier presentation. The RoU assets are presented in the note 10.1 of these financial statements.

Lease Liabilities (Bank as a lessee):

At the commencement of the lease, the bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease.

In 2024, the bank reassessed all lease payment of existing contracts for remaining year considering a cut-off date i.e. 01 January 2024. The lease liabilities are presented in the note 15.10 of these financial statements.

The bank as lessor

When the Bank acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. The Bank has no such lease in reporting date.

2.11.11 Non-banking assets

Non-banking assets were acquired due to failure of borrowers to repay the loan in time taken against mortgaged property. The Bank has been awarded ownership of few mortgaged properties vide verdict under section 33(7) of the Artharin Adalat Act, 2003.

2.11.12 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries / balances in case of inter-branch transaction as at the reporting date are not material.

2.11.13 Materiality and aggregation

Each material item considered by the management as significant has been displayed separately in the financial statements. No amount has been set off, unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.11.14 Comparative information

Accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is rearranged wherever necessary to conform to the current presentation.

2.12 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.13 Statutory reserve

The Bank Companies Act, 1991 (Amended up to date) requires the bank to transfer not less than 20% of its current year profit before tax to reserve until such reserve equals to Bank's paid up capital.

2.14 Revaluation reserve

When an asset's carrying amount is increased as a result of a revaluation, the increased amount credited directly to equity under the heading of revaluation surplus/reserve as per IAS-16: "Property, Plant and Equipment". The Bank revalued the assets of land and buildings last in 2012 which is absolutely own by the Bank and the increased amount transferred to revaluation reserve account accordingly. The tax effects on revaluation gain are measured and recognized in the financial statements as per IAS-12 "Income Tax".

2.15 Non-controlling (Minority) interest in subsidiary

Non-controlling (Minority) interest in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the non-controlling (Minority) interest in the subsidiary company is always less than 50% of outstanding shares; else the corporation would cease to be a subsidiary of the parent. Non-controlling (Minority) interest belongs to other investors and is reported on

the consolidated balance sheet of the owing company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, non-controlling (Minority) interest is reported on the consolidated income statement as a share of profit belonging to non-controlling (Minority) shareholders.

2.16 Deposits and other accounts

Deposits by customers and banks are recognized when the bank enters into contractual provisions of the arrangements with the counterparties, which is generally on trade date, and initially measured at the consideration received.

2.17 Borrowings from other banks, financial institutions and agents

Borrowed fund include call money deposits, borrowings from Bangladesh Bank and other Banks. They are stated in the balance sheet at amounts payable. Interest paid/payable on these borrowings is charged to the profit and loss account. Disclosures on borrowings against REPO are shown in Annexure-J.

2.18 Basis for valuation of liabilities and provisions

2.18.1 Provision for taxation

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit & Loss Account because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted before the date of balance sheet.

Provision for current income tax has been made @ 37.50% on accounting profit made by the Bank after considering some of the add backs of income and disallowances of expenditure as per Income Tax Act 2023.

2.18.2 Deferred taxation

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing difference arising between the carrying values of assets, liabilities and their respective tax bases. Deferred tax assets & liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes". Disclosures on deferred taxes are shown in note-15.4.1.

2.18.3 Retirement benefits to the employees

The retirement benefits accrued for the employees of the Bank as at reporting date have been accounted for in accordance with the provisions of IAS-19 "Employee Benefits". The Bank operates retirement benefits scheme for its permanent employees. Elements of which are as under:

a) Provident fund

Provident fund benefits are given to the permanent employees' of the Bank in accordance with Bank's service rules. Accordingly a trust of deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone-04, Dhaka has approved the provident fund as a recognized provident fund within the meaning of section 2(90), read with the provisions of part - 3 of the Second Schedule of Income Tax Act 2023. The recognition took effect from 16.01.1992. The fund is operated by a Board of Trustees consisting 05 (five) members. All confirmed employees of the bank are contributing 10% of their basic salary as subscription to the fund. The bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members account on yearly basis.

b) Gratuity fund

The bank has operated gratuity fund which was approved by National Board of Revenue on 17.09.2009. The fund is operated by a Board of Trustees and any investment decision out of this fund is also made by this Board of Trustees. The benefit is paid on separation to the eligible employees i.e. who have completed at least 5 (five) years of continuous service. Gratuity benefits are payable on retirement, leaving service and death/disability in service according to less than 5 years service, benefit is Nil, 5 years to less than 10 years service, benefit is half months 'last drawn basic salary for each year of services, 10 years but less than 15 years service, benefit is 1 month's last drawn basic salary for each year of service, 15 years but less than 20 years, benefit is 1.5 months 'last drawn basic salary for each year of service and 20 years and above service, benefit is 2 months 'last drawn basic salary for each year of service. Service in excess of 6 months is considered as a year. Provision in respect of which is made annually covering all its permanent eligible employees as per IAS-19 "Employee Benefits".

c) Superannuation fund

The bank operates an employees' Superannuation Fund Trust by a separate Board of Trustees consisting of 05 (Five) members. The death-cum survival benefits are given to the employees as per the eligibility narrated in the Trust Rules. The fund got recognition from the National Board of Revenue (NBR) effect from 01.01.2004 under the section 2(90) of part -1 of Second Schedule of Income Tax Act 2023. The bank contributes to the fund annually as per Superannuation Fund Rules of the bank.

d) Benevolent fund

NCCBL employees' benevolent fund was established in the year 2007 for the welfare of the distressed employees and their dependents. The employees of the bank contribute to the fund at a rate applicable for each grade from their monthly salary.

e) Workers profit participation fund and welfare fund

SRO-336-AIN/2010 dated 5-10-2010 issued by the 'Ministry of Labor and Employment' and published in Bangladesh gazette on 7-10-2010 declares the status of business of certain institutions and companies like mobile operating companies, mobile network service providing company, all Govt. and Non-govt. money lending companies, all insurance companies etc. as "Industrial Undertakings" for the purposes of Chapter-XV of the Bangladesh Labor Act, 2006 (as amended up to 2013) which deals with the workers' participation in company's profit by way of 'Workers Profit Participation Fund' and 'Welfare Fund'. The Bangladesh Labor Act, 2006 (as amended up to 2013) requires the "Industrial Undertakings" to maintain provision for workers' profit participation fund @ 5% on net profit. WPPF is not applicable for Banks & FI as per Notification no-53.00.0000.311.22.002.17.130 dated 14-02-2017 issued by Ministry of Finance, Government of the Peoples Republic of Bangladesh. That's why no appropriation/provision has been made by the Bank in the reporting period against Workers Profit Participation Fund(WPPF).

2.18.4 Provision for liabilities

A provision is recognized in the balance sheet when the bank has a legal or constructive obligation of a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation in accordance with the IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".

2.18.5 Provision for off-balance sheet items

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. As per BRPD Circular no.10 dated September 18, 2007, BRPD Circular no.14 dated September 23, 2012 & BRPD Circular no.-07 dated 21 June 2018, BRPD circular no. 06 dated 25 April 2023, the Bank has been maintaining adequate provision against off-balance sheet exposures (mainly contingent assets/liabilities).

2.18.6 Provision for NOSTRO accounts

As per instructions contained in the BRPD circular no. 04 dated 12 April, 2022, Banks are required to make provision regarding the un-adjusted debit balance of NOSTRO account over more than three months as at the reporting date in these financials. There is no un-reconciled entry which are outstanding more than three months as at 31 December 2024.

2.19 Revenue recognition

NCC Bank PLC. has applied IFRS 15 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under IFRS 15. However due to cumulative effect method, there was no adjustment required in the opening Retained Earnings. Under IFRS 15, revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognizes revenue when it satisfies a performance obligation by transferring control over services to a customer. The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. In the comparative year, revenue was measured at the fair value of the consideration received or receivable. Revenue was recognized when services rendered, to the extent it was probable that the economic benefits from the transactions would flow to the company and the revenue could be reliably measured.

2.19.1 Interest income

In terms of the provision of the IFRS-15 "Revenue from contracts with customers" the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken in to income when such advances

are classified. It is then kept in interest suspense in a memorandum account. Interest on classified loans and advances is accounted for on a cash receipt basis.

2.19.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

2.19.3 Fees and commission income

The Bank recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for other parties to provide services. The Bank's fee or commission might be the net amount of consideration that it retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party. Commission charged to customer on letters of credit and letters of guarantee is credited to income at the time of effecting the transactions.

2.19.4 Dividend income on shares

Dividend income from an investment is recognized when the company's rights to receive payment is established (declared by the Annual General Meeting of the investee or otherwise).

2.19.5 Interest paid and other expenses

In terms of the provisions of IFRS, interest and other expenses are recognized on accrual basis.

2.19.6 Dividend policy

The Bank's policy is to maximize shareholders' wealth. As a result, the bank tries to allocate optimum dividend to the shareholders for each operational year, after payment of income tax, transfer of fund to regulatory reserve, provision for loans and advances, etc. The payment of dividend is made within the time prescribed by law and published in a newspaper. With respect to the Bank's subsidiary companies, the decision to declare a dividend payment is at the discretion of the Boards of Directors of that particular subsidiary and is dependent upon the net earnings of the subsidiary. Interim dividends recognize when they pay to shareholders. Final dividend is recognized when it is approved by the shareholders.

Final dividend distribution to the Company's shareholders are recognized as a liability in the financial statements in the period in which the dividend is approved by the shareholders at the Annual General Meeting and deducted from the shareholders equity when it is payable/paid in the year in which the shareholders right to receive the payment is established.

2.20 Risk management

The risk of the Bank may be defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers six core risks i.e. Credit Risk, Internal Control & Compliance Risk, Money Laundering Risk, Asset Liability Management Risk (Balance Sheet Risk), Foreign Exchange Risk and Information Technology Risk. As a part of risk management, adequate capital is maintained against Credit Risk, Market Risk and Operational Risk under Basel-III accord. Under the second pillar of Basel-III, a Supervisory Review Process (SRP) team has been formed to review, monitor and maintain adequate capital considering all relevant risks. Quarterly Stress Testing is conducted to assess the impact of different risks associated with banking business on asset, liability & ultimately on capital and the report is submitted before the Board of Directors and to Bangladesh Bank regularly. The prime objective of the risk management is that the bank evaluates and takes well calculative business risks and there by safeguarding the banks capitals, its financial resources and profitability from various business risks through its own measures and through implementing Bangladesh Bank guidelines and following some of the best practices as under:

2.20.1 Credit risk

It arises mainly from lending, trade finance, and leasing and treasury business. Credit Risk can be described as potential loss arises from the failure of a counter party to perform as per contractual agreement with the bank. The failure may result from unwillingness of the counter party of decline in his or her financial condition there for the banks credit risk management activities have been designed to address all these issues.

The Bank has segregated duties of the officers / executives involved in credit related activities, a separate corporate division has been formed at Head office which is entrusted with the duties of maintaining effective relationship with the customers, marketing of credit products, exploring now business opportunities etc. moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the credit division these are a) Credit risk Management Unit b) Credit Administration Unit and c) Credit monitoring and recovery Unit. Credit risk management Unit is entrusted with the duties of maintaining assets quality, assessing risk in lending to a particular customer,

sanctioning credit, formulating policy / strategy for lending operation, etc. Adequate provision has been made on classified loans is shown in Note 15.5 (a).

A thorough assessment is done before sanction of any credit facility at Credit Risk Management Unit. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility, etc. The assessment process starts at Corporate Credit Division by the Relationship Manager / Officer and ends at Credit Risk Management Unit when it is approved / declined by the competent authority. Credit approval authority has been delegated to the individual at executives. Proposals beyond their delegation are approved / declined by the Executives Committee and / or the Management of the Bank. In determining Single borrower / large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at yearly intervals to ensure compliance of Banks and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines. Concentration of single borrower/large loan limit is shown in Annexure-C.

2.20.2 Foreign exchange risk

Foreign exchange risk is defined as the potential change in earning due to change in exchange rate. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. All NOSTRO accounts are reconciled on a monthly basis and the management for its settlement reviews outstanding entry beyond 30 days. The position maintained by the bank at the end of day within the stipulated limit prescribed by the Bangladesh Bank.

2.20.3 Liquidity risk

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) that meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc. ALCO also monitors concentration of deposits on large situational depositors which is volatile in nature. ALCO reviews liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingence plan. The primary objective of the ALCO is to monitor and avert significant volatility in Net Interest Income (NII), investment value and exchange earnings.

2.20.4 Money Laundering Risk

Money Laundering Risk arises from non-compliance of money laundering related instructions of the regulatory body. It's consequence are dire & far reaching and may be in the form of financial penalty, reputation loss, legal harassment and even the risk of sustainability. Weakness in money laundering prevention and combating terrorist financing may lower the image of the Bank in local & global environment. It may also reduce the confidence of the stakeholders. For involvement in money laundering & terrorist financing, the regulatory bodies may impose restrictions in expansion of business and Bank may lose the market share. Banks around the globe may be unwilling to establish correspondent banking relationship if money laundering prevention and combating financing of terrorism status are not up to the mark. The following initiatives have been taken by our Bank to comply with the requirements of Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Bank.

Central Compliance Committee (CCC) at Head Office, AML-CFT Division at Head Office, Branch Compliance Unit (BCU) at branch level have been formed headed by Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Branch Anti-Money Laundering Compliance Officer (BAMLCO) respectively. We have divisional focal person to ensure AML/CFT Compliance at divisional level.

Policy Guideline on Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) has been revised & updated complying with BFIU of Bangladesh Bank's instruction & circulars/circular letters. Bank also has enacted Customer Acceptance and Prevention of Trade Based Money Laundering Policy.

Uniform Account Opening Form was introduced where KYC is a must. As per Money Laundering Prevention Act-2012, Bangladesh Bank's instruction and BFIU Master Circular 26 date 16.06.2020 branches have been instructed to obtain complete & accurate information of the clients while establishing banking relationship. Our HO, IT Business Division are maintaining "Complete Customer Database" centrally.

Actual transactions are compared with Transaction Profile (TP) to identify abnormal and suspicious transaction(s). Branch generates monthly Cash Transaction Report (CTR) for threshold amount Tk. 10 lacs & above, monitor these transactions for the purpose to identify the suspicious transaction and Bank submits the CTR to BFIU through goAML Software within given deadline. If Branches identify Suspicious Transaction by transaction symptoms & submit STR to AML-CFT Division, Head Office. After receiving STR/SAR activity AML-CFT Division sends Suspicious Transaction Report STR/Suspicious Activities Report SAR directly to BFIU of Bangladesh Bank using goAML web as per regulatory instructions.

In accordance with the instructions of BFIU, Banks provide the information of customer account within the stipulated time as per their requirement. If any account / amount are freezed bank confirms the same immediately to BFIU.

Customers are graded on the basis of risk. High Risk Customers are closely monitored and Enhanced Due Diligence is applied in this case. In case of trade transaction, branches and concerned employee of head office are advised to grade trade customer as per Trade Transaction Profile (TTP) as per TBML Guideline.

Self assessment is done by the branches and a summary report is prepared and submitted to the Managing Director & CEO and thereafter to BFIU, Bangladesh Bank on half- yearly basis.

Independent Testing Procedure is done while conducting audit in the branches by ICC Division Audit Team. The same is summarized and placed before the Management and BFIU, Bangladesh Bank on half- yearly basis.

As per BFIU Circular 26 dated 16.06.2020, branches have been instructed to apply Enhanced Due Diligence (EDD) in opening & maintaining accounts of Politically Exposed Persons (PEPs), Influential Persons (IPs), their family members and close associates.

Extensive training is being continuously imparted to the officials of the Bank to make them familiar with money laundering prevention and combating financing terrorism and to mitigate the risk arising there from. In the year 2024 total 572 training officials respectively were provided training on Anti Money Laundering & Combating Financing of Terrorism through outreach workshop & virtually. Our Training Institute is also arranging training/ workshop on the AML-CFT issues on regular basis.

Emphasis is given to prevent Trade Base Money Laundering (TBML).Concern department of Head Office and Branches are advised to take all possible measures to prevent Trade Base Money laundering in case of Import & Export and to comply the Bank in this regard accordingly.

NID verification has been introduced for verification the genuineness of national identity of the customers; Branches are complying this issue in respect of account open, trade finance, and walk-in customers.

We have integrated Anti Money Laundering Mgt.Software with our Core Banking Software for screening UN, OFAC EU, UK-HMT & Local banned sanction list. Our all branches and Head Office is now screening UNSC, US-OFAC, EU, UK-HMT Local banned sanction list at the time of Account Opening, Inward Foreign Remittance Payments and Opening of any L/C. We utilize SWIFT Sanction Screening Software for screening Foreign National/Entity/against L/C/, Import, Export & Foreign Remittance.

Screening Mechanism is strictly followed for every customer and especially any foreign transactions like import, export, foreign remittance, foreign guarantee & correspondent banking relationship through System software procured by the bank.

Quarterly meeting of Central Compliance Committee (CCC) and Branch Compliance Unit (BCU) are arranged and the decisions are gradually implemented.

Before establishing correspondent banking relationship, status on money laundering prevention and combating financing of terrorism of the respondent banks are obtained through a questionnaire developed by BFIU of Bangladesh Bank. Correspondent banking relationships with any bank is established upon receipt of the desired information and subject to our satisfaction pursue in the BFIU Circular 26 dated 16.06.2020.

As a part of precautionary measure and as per instruction of Central Bank, we do not establish Relationship Management Arrangement (RMA) with any shell bank or any bank having banking relationship with any shell bank.

Records of Accounts, supporting documents, Transactions, Instruments /vouchers & records of Walk-in Customers are maintained for all operating accounts & above documents are always maintained at least for 5 (five) years after closure of the account.

In compliance of directives of the Board of Directors Central Compliance Committee (AML) of Head Office sending compliance report on quarterly basis on Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) as per Money Laundering Prevention Act-2012 (Amendment 2015) & Anti-Terrorism Act-2009 (Amendment 2013) and Bangladesh Financial Intelligence Unit (BFIU) instructions.

2.20.5 Operational risk

Operational loss may arise from error and fraud due to lack of internal control and compliance. Management through internal control and compliance division, controls operational procedure of the Bank. Internal control and compliance division undertakes yearly and special audit of the branches and departments at Head Office for review of the operation and compliance of statutory requirement. The Audit Committee of the Board subsequently reviews the reports of the internal control and compliance division.

Operating Environment

The Bank's operating environment during the year ended 2024 were impacted by a number of major global events such as start of Russia-Ukraine, Gaza conflict, Supply chain disturbance, increase in fuel and commodity prices, strengthening of US Dollars, etc. Most of these events also had significant impact on the local economic environment affecting the Bank's operations. From time to time, the Government of Bangladesh and the local Central Bank (Bangladesh Bank) has issued various directives to manage impacts from these events which the Bank has followed. Management on regular basis review and monitor the global and country specific macro-economic situation and factor these issues into the decision making process.

2.20.6 Information technology

NCC Bank PLC follows the guideline stated in BRPD Circular no. 14 dated 23 October 2005 regarding "Guideline on Information and Communication Technology for Scheduled Banks". IT management deals with IT policy documentation, internal IT audit, training and insurance.

IT operation management covers the dynamics of technology operation management including change management, assets management and operating environment procedures management. The objective is to achieve the highest levels of technology service quality by minimum operational risk. Physical security involves providing environmental safeguards as well as controlling physical access to equipment and data. In order to ensure that information assets are protected against risk, there are controls over:

a) Password
b) User ID maintenance
c) Input
d) Network security
e) Data encryption
f) Virus protection
g) Internet and e-mail

The Business Continuity Plan (BCP) is formulated to cover operational risk and taking into account the potential for wide area disasters, data center disasters and the recovery plan. The BCP takes into account the backup and recovery process.

2.20.7 Market risk

Interest rate risk

Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities as far as Interest rate risk is concern. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and the Bank's Markets Treasury team actively manages the Balance Sheet gap to reduce the risk.

Equity risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank. Price changes in the value of listed shares used as collateral for loans whether the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares.

2.20.8 Reputation risk arising from money laundering incidences

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has a designated Chief Compliance Officer at Head office and Compliance Officers at branches, who independently review the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and transaction profile has been introduced. Training is continuously given to all the category of Officers and Executives for developing awareness and skill for identifying suspicious activities / transactions.

2.21 Earnings per share

Basic earnings per share

Basic earnings per share have been calculated in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year under review.

2.22 Memorandum items

Memorandum items are maintained to control all items of importance and for such transactions where the Bank has business responsibility but no legal commitment. Stock of Traveler's Cheques (TC), Saving Certificates and other fall under the memorandum items.

2.23 Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The Financial Reporting Council (FRC) is the official standard setting body in the country. FRC has adopted most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). While preparing the financial statements, NCC Bank PLC has applied all the applicable of IASs & IFRSs for preparation and presentation of financial statements except described in note no. 2.1 as noted below:

Name of the IAS	IAS no	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting year	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting of Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investments in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economies	29	N/A
Financial Instruments: Presentation	32	Applied*
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied*
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS no.	Status
First time adoption of International Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	Applied
Insurance Contract	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	Applied*
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied*
Operating Segments	8	Applied
Financial Instruments	9	Applied*
Consolidated Financial Statements	10	Applied

Name of the IFRS	IFRS no.	Status
Joint Arrangements	11	N/A
Disclosure of interest in other entities	12	Applied
Fair Value Measurement	13	Applied*
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	Applied*
Insurance Contracts	17	N/A

* Subject to departure described in note 2.1. IAS and IFRS which are not applied due to compliance of the Bank Company Act 1991, Rules and regulations and instructions issued by Bangladesh Bank from time to time.

2.24 Regulatory and legal compliance

The Bank complied with the requirements of following regulatory and legal authorities:

a) The Bank Company Act 1991 (Amended up to date);

b) The Companies Act 1994;

c) Rules and regulations issued from time to time by Bangladesh Bank;

d) The Bangladesh Securities and Exchange Rules 2020, The Bangladesh Securities and Exchange Ordinance 1969, The Securities and Exchange Commission Act 1993, The Bangladesh Securities and Exchange Commission (Public Issue) Rules up to date;

e) Income Tax Act, 2023.

f) The Value Added Tax and Supplementary Duty Act, 2012;

g) The Financial Reporting Act, 2015.

h) Other laws & regulations as applicable.

2.25 Information about business segments

Segments information is presented in respect of the group's business.

Business segments

Business segments report consists of products and services whose risks and returns are different from those of other business segments. These segments comprise conventional banking including offshore banking unit, investment services (NCCBSFSL & NCCBCL). Business segment report shown in Annexure-M

Inter segment transactions, generally based on inter branch fund transfer measurements as determined by the management. Income, expenses, assets, liabilities are specifically identified with individual segments. Based on such allocation segment balance sheet as at 31 December 2024 and segment profit and loss account for the year ended 31 December 2024 have been prepared.

2.26 Events after the reporting period

July-August 2024 Mass revolution and Political crisis in the country is considered a non-adjusting post balance sheet event for the Bank. While the overall effect on the Bank's business in the year subsequent to the balance sheet date relating to Political Crisis is still evolving at this point, there has been limited impact on the business since the outbreak. The directors and management are regularly monitoring the potential impact of the Supply chain on the Bank as the situation continues to deteriorate but are confident that any foreseeable negative impact can be reasonably managed and have various scenario plans in place.

All other material events after the reporting year have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 Events after the Reporting year. Board's recommendation for dividend distribution is a common item presented in the note 49.

2.27 Related party transaction

Related party transaction is a transfer of resources, services or obligation between related parties, regardless of whether a price is charged. Details disclosure shown in Annexure- I

2.28 Assets pledged as security

The bank has secured liability as mentioned in notes 13.3 and there was assets pledge as securities against liabilities.

2.29 Credit rating of the bank

Credit Rating Information & Services Limited (CRISL) has affirmed 'AA' (pronounced 'Double A') rating in the Long Term and 'ST-1' rating in the Short Term with stable Outlook to NCC Bank PLC based on audited financial of FY 2023 and other available information up to the date of rating declaration.

Last seven years' Credit Ratings of our Bank are given below:

Year	Date of Rating	Long term	Short Term	Rating conducted by
2024	24.06.2024	AA	ST-1	Credit Rating Information & Services Ltd.
2023	22.06.2023	AA	ST-1	Credit Rating Information & Services Ltd.
2022	23.06.2022	AA	ST-1	Credit Rating Information & Services Ltd.
2021	24.06.2021	AA	ST-1	Credit Rating Information & Services Ltd.
2020	22.06.2020	AA	ST-1	Emerging Credit Rating Limited
2019	21.06.2019	AA	ST-1	Emerging Credit Rating Limited
2018	21.06.2018	AA	ST-1	Emerging Credit Rating Limited

2.30 BASEL III implementation

The BASEL Committee on Banking Supervision has published a new framework for calculating minimum capital requirement, known as 'Basel III'. The new guideline is structured around three pillars: (i) minimum capital requirement (on credit risk, market risk and operation risk), (ii) supervisory review process and (iii) market discipline. Implementation of Basel II framework in Bangladesh will integrate the risk management process of the Bank and its capital adequacy requirement. Bangladesh Bank has formed a National Steering Committee and Coordination Committee for implementation of BASEL III in Bangladesh. As per the Committee decision BASEL II has been fully implemented in Bangladesh from January 2011. The National Steering Committee has indicated that the following methodology of BASEL III would be followed in Bangladesh:

I. Standardized method for credit and market risk.

II. Basic indicator approach for operational risk.

III. Internal Ratings Base for credit risk has been applied from 2012 where prior permission from Bangladesh Bank would be required.

2.31 The Bank's compliance with related pronouncements by Bangladesh Bank

a) Internal control

The objective of internal control is to ensure that management has reasonable assurance that (a) operations are effective, efficient and aligned with strategy, (b) financial reporting and management information is reliable, complete and timely accessible, (c) the entity is in compliance with applicable laws and regulations as well as its internal policies and ethical values including sustainability, and (d) assets of the company are safeguarded and frauds & errors are prevented or detected.

National Credit and Commerce Bank PLC. has established an effective internal control system whose primary aim is to ensure the overall control of risks and provide reasonable assurance that the objectives set by the bank will be met. It is designed to develop a high level risk prevention culture among the personnel of the bank, establish as efficient and qualified operating model of the bank, ensure reliability of internal and external information including accounting and financial information, secure the Bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The Board of Directors of NCC Bank PLC., through its Audit Committee, yearly reviews the effectiveness of Bank's internal control system covering all the material controls, including financial, operational and compliance controls, risk management systems, the adequacy of resources, qualifications and experience of staff of the accounting and financial reporting function, training programs, budget, etc. Board Audit Committee reviews the actions taken on internal control issues identified by the internal & external auditors and regulatory authorities. It has active oversight on the internal audit's independence, scope of work and resources and it also reviews the functions of Internal Control & Compliance Division of Head Office, particularly the scope of the annual audit plan and frequency of the internal audit activities.

b) Internal audit

Internal Audit is the continuous and systematic process of examining and reporting on the activities of an organization undertaken by the specially assigned staff(s). Internal Auditor works as the Eyes & Ears of the management. It may therefore be used to bridge the gap between management and shop floor. It can assure the management that the internal controls are adequate and in operations, the policies and systems laid down are being adhered to and accounting records provided by the lower level are correct.

Internal Audit Mechanism is used as an important element to ensure good governance of NCC Bank PLC. Internal Audit Activity of NCC Bank PLC is effective and it provides a number of important services to senior management. These include detecting and preventing fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/guidelines of regulatory authority etc.

During the year 2024, ICCD conducted inspection on many of the Branches/Divisions of Head Office of the Bank and submitted reports and presented the findings of the audits/inspections. Necessary control measures and corrective actions have been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the Committee for correct functioning of Internal Controls & Compliance.

c) Fraud & forgeries

The increasing wave of fraud and forgery cases in the banking sector in recent time calls for concerted steps in identifying ways for reducing or preventing frauds and forgeries by analyzing the causes and effect of frauds and forgeries, and prescribing effective control strategies for salvaging frauds in the banking sector. NCC Bank PLC does always pay due attention on anti-fraud internal controls for prevention of fraud and forgery. The Bank has already implemented some strategies like Financial Control Strategy, Personnel Control Strategy, Accounting Control Strategy, Credit Control Strategy, Cost Control Strategy, Administrative Control Strategy, Process Control Strategy etc. in order to strengthening the control system further. Although it is not possible to eliminate all frauds because of the inherent limitations of Internal Control System, the Board of Directors and management have taken all the measures to keep the operational risk in a very minimum level. Internal Control and Compliance Division (ICCD) assesses and evaluates the effectiveness of Bank's anti-fraud internal control measures, recommends for further improvement in implementation of aforesaid strategies and reports to the Bangladesh Bank of effectiveness of controls at the end of each quarter following their prescribed format.

3 Audit committee

The Audit Committee of the Board of Directors of the Bank formed in accordance with Bangladesh Bank's BRPD circular No. 11 dated 27 October 2013 and SEC Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 on corporate Governance, the current committee is constituted with the following members of the Board:

Sl. No.	Name	Status with the Bank	Status with the	Educational qualifications
1	Mr. Meer Sajed-Ul-Basher, FCA	Independent Director	Chairman	Chartered Accountant and fellow member of ICAB
2	Mr. Abdus Salam	Director	Member	Electrical Engineer graduated from BUET
3	Mr. Sayed Asif Nizamuddin	Director	Member	Chemical Engineering (Hons) from Curtin University of Technology, Australia
4	Mr. Mohammed Sazzad Un Newaz	Director	Member	MBA
5	Mr. Md. Amirul Islam, FCS, FCA*	Independent Director	Member	Chartered Accountant and Chartered Secretary and fellow member of ICAB and ICSB

*Mr. Islam has been appointed by the Board as Independent Director on November 07, 2024 and subsequently approved by Bangladesh Bank and BSEC.

During the year, the Audit Committee of the Board conducted 7 (Seven) meetings in which the important issues were discussed/reviewed. (Refer to the report of the Board Audit committee for details).

4 General

4.1 Number of employees

Number of employees at 31 December 2024 was 2,478 who were in receipt of remuneration for that year which in the aggregate was not less than Tk. 36,000 per annum.

4.2 Figures appearing in these financial statements have been rounded off to the nearest BDT.

Previous year's figures, whenever considered necessary, have been rearranged and restated in order to conform to current year's presentation.

Sanchay patras are not reflected as off-balance sheet items in the financial statements.

		2024 Taka	2023 Taka
5	**Cash**		
	Cash in hand (Including foreign currencies)		
	Conventional and Islamic banking		
	Local currency	3,368,151,447	2,509,382,693
	Foreign currencies	29,934,065	12,854,605
		3,398,085,511	2,522,237,298
	Off-shore banking unit	-	-
		3,398,085,511	2,522,237,298
	Balance with Bangladesh Bank and its agent bank (s)		
	Conventional and Islamic banking		
	Local currency	12,293,403,648	9,657,097,852
	Foreign currencies	1,115,251,010	719,343,264
		13,408,654,657	10,376,441,116
	Sonali Bank Ltd. as agent of Bangladesh Bank (Local currency)	536,688,166	338,287,170
		13,945,342,823	10,714,728,286
	Off-shore banking unit	-	-
		13,945,342,823	10,714,728,286
		17,343,428,334	**13,236,965,584**
	Average total demand and time liabilities of October 2024 for DBO	**248,835,371,324**	**220,267,210,245**
	Average total demand and time liabilities of October 2024 for OBO	**2,034,184,365**	**4,397,420,123**
	Average total demand and time liabilities for Islamic Banking of October 2024	**7,663,386,165**	**2,606,167,110**
	Total Average total demand and time liabilities of October 2024	**258,532,941,854**	**227,270,797,478**

5.1 Cash Reserve Requirement (CRR)

Cash Reserve Requirement (CRR) has been calculated and maintained in accordance with the Section 33 of the Banking Companies Act, 1991 (amended up to date), DOS circular no.01 dated 19 January 2014,DOS Circular Letter No.-23, dated 07 October 2018,DOS Circular Letter No. 26 dated 19 August 2019 and MPD circular no. 03 dated 09 April 2020, gadget no-BRPD(P-3)/744(27)/2020-4086 & BRPD Circular-31 dated 18-06-2020, FEID circular letter no-07 dated 28-12-2023 as well as FE circular-07 dated 29-02-2024 . The cash reserve requirement (CRR) of the Bank is based on time and demand liabilities which is two months back of reporting month (i.e. CRR of December 2024 is based on weekly average balance of October 2024) at the rate of 3.5% on daily basis and 4% on fortnightly average basis for its conventional (DBO) banking and islamic banking as well as at the rate of 0% on daily basis and 0% on fortnightly average basis for its offshore banking has been calculated and maintained with Bangladesh Bank- current account. Reserves maintained by the bank as at 31 December 2024 are as follows:

Conventional Banking		
i. Daily Bank's CRR Maintained		
Required reserve		
Domestic banking operation (3.5% on Demand and Time Liabilities)	8,709,237,996	7,709,352,359
Offshore banking operation (0% on Demand and Time Liabilities)	-	65,961,302
	8,709,237,996	7,775,313,660
Actual reserve maintained	11,431,467,371	9,187,946,318
Surplus/ (deficit)	**2,722,229,375**	**1,412,632,657**
ii. Fortnightly Bank's CRR Maintained		
Required reserve		
Domestic banking operation (4% on Demand and Time Liabilities)	9,953,414,853	8,810,688,410
Offshore banking operation (0% on Demand and Time Liabilities)	-	87,948,402
	9,953,414,853	8,898,636,812
Actual reserve maintained(average)	10,260,237,590	9,069,384,325
Surplus/ (deficit)	**306,822,737**	**170,747,513**
Islamic Banking		
i. Daily Bank's CRR Maintained		
Required reserve (3.5% on Demand and Time Liabilities)	268,218,516	91,215,849
Actual reserve maintained	722,584,545	255,409,910
Surplus/ (deficit)	**454,366,029**	**164,194,061**
ii. Fortnightly Bank's CRR Maintained		
Required reserve (4% on Demand and Time Liabilities)	306,535,447	104,246,684
Actual reserve maintained(average)	692,986,439	255,409,912
Surplus/ (deficit)	**386,450,992**	**151,163,227**

	2024 Taka	2023 Taka
Total Daily CRR Maintained		
Required reserve		
Conventional and Islamic Banking	8,977,456,512	7,800,568,207
Off-shore Banking Unit	-	65,961,302
	8,977,456,512	7,866,529,509
Actual reserve maintained	12,154,051,916	9,443,356,228
	3,176,595,404	**1,576,826,718**
Total Fortnightly CRR Maintained		
Required reserve		
Conventional and Islamic Banking	10,259,950,300	8,914,935,094
Off-shore Banking Unit	-	87,948,402
	10,259,950,300	9,002,883,497
Actual reserve maintained(average)	10,953,224,029	9,324,794,237
	693,273,729	**321,910,740**

5.2 Statutory Liquidity Ratio (SLR)

Statutory Liquidity Ratio (SLR) has been calculated and maintained in accordance with the Section 33 of the Banking Companies Act, 1991 (amended up to date), DOS circular no.01 dated 19 January 2014,DOS Circular no. 26 dated 19 August 2019 and MPD circular no. 02 dated 10 December 2013. The SLR of the Bank is also based on time and demand liabilities which is two months back of reporting month (i.e. SLR of December 2024 is based on weekly average balance of October 2024) at the rate of 13% for its conventional banking and 5.5% for its Islamic banking has been calculated and maintained in the form of treasury bills, treasury bonds and debenture including FC balance with Bangladesh Bank. Reserves maintained by the bank as at 31 December 2024 are as follows:

Conventional Banking		
Required reserve (13% of Average Demand and Time Liabilities)		
Domestic banking operation	32,348,598,272	28,634,737,332
Offshore banking operation	264,443,967	571,664,616
	32,613,042,240	29,206,401,948
Actual reserve maintained	66,351,487,144	44,261,865,682
Surplus/ (deficit)	**33,738,444,904**	**15,055,463,734**
Islamic Banking		
Required reserve (5.5% of Average Demand and Time Liabilities)		
Domestic banking operation	421,486,239	143,339,191
Offshore banking operation	-	-
	421,486,239	143,339,191
Actual reserve maintained	501,162,572	191,859,502
Surplus/ (deficit)	**79,676,333**	**48,520,311**
Total SLR Maintained		
Required reserve		
Conventional and Islamic Banking	32,770,084,511	28,778,076,523
Off-shore Banking Unit	264,443,967	571,664,616
	33,034,528,479	29,349,741,139
Actual reserve maintained	66,852,649,716	44,453,725,184
	33,818,121,237	**15,103,984,045**
Held for Statutory Liquidity Ratio		
Conventional Banking		
Cash in hand	3,353,712,008	2,481,541,047
Excess of CRR	1,478,052,525	288,957,757
Balance with Sonali Bank	555,831,406	338,287,170
Unencumbered approved securities	60,963,891,205	41,153,079,710
	66,351,487,144	**44,261,865,684**
Islamic Banking		
Cash in hand	41,373,478	40,696,251
Excess of CRR	416,049,094	151,163,250
Balance with Sonali Bank	-	-
Unencumbered approved securities	43,740,000	-
	501,162,572	**191,859,501**
	66,852,649,716	**44,453,725,184**

5(a) Consolidated cash

Cash in hand		
NCC Bank PLC. **(Note-5)**	3,398,085,511	2,522,237,298
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
	3,398,085,511	2,522,237,298
Balance with Bangladesh Bank and its agent bank(s)		
NCC Bank Limited **(Note-5)**	13,945,342,823	10,714,728,286
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
	13,945,342,823	10,714,728,286
	17,343,428,334	**13,236,965,584**

		2024 Taka	2023 Taka
6	**Balance with other banks and financial institutions**		
	In Bangladesh (Note -6.1)		
	Conventional and Islamic banking	1,235,862,524	8,296,961,853
	Off-shore banking unit	39,593,869	40,866,371
		1,275,456,393	8,337,828,224
	Less: inter transaction between OBU and Conventional and Islamic banking	(39,593,869)	(40,866,371)
		1,235,862,524	8,296,961,853
	Outside Bangladesh (Note-6.2)		
	Conventional and Islamic banking	484,993,425	2,057,421,801
	Off-shore banking unit	-	-
		484,993,425	2,057,421,801
		1,720,855,949	**10,354,383,653**
6.1	**In Bangladesh**		
	Conventional and Islamic banking		
	Current account		
	Sonali Bank PLC	17,080,179	111,744
	Agrani Bank PLC	19,500,000	-
	Islami Bank Bangladesh PLC	22,493	23,280
	Trust Bank PLC	2,356,947	31,448,357
	Standard Chartered Bank	41,139,630	29,805,212
	Dutch Bangla Bank PLC	158,749	139,435
	Rupali Bank PLC	68,313	45,680
	EXIM Bank PLC	1,151,546	2,578,482
	First Security Islami Bank PLC	697,664	607,783
	Shahjalal Islami Bank PLC	680,701	607,157
	Eastern Bank PLC	530,789	523,325
	Bangladesh Commerce Bank PLC	1,319,151	1,180,976
	Social Islami Bank PLC	601,439	589,699
	BRAC Bank PLC	14,727	14,727
		85,322,328	67,675,855
	Short Term & Special notice deposit account		
	Janata Bank PLC	32,394	35,998
	United Commercial Bank PLC	507,802	500,000
		540,196	535,998
	Fixed/Mudaraba term deposit account		
	Al-Arafah Islami Bank PLC	-	50,000,000
	EXIM Bank PLC	1,150,000,000	260,000,000
	One Bank PLC	-	1,500,000,000
	Investment Corporation of Bangladesh	-	350,000,000
	Industrial Promotion and Development Company of Bangladesh Limited	-	1,000,000,000
		1,150,000,000	3,160,000,000
	Placements		
	Foreign Currencies		
	Al-Arafah Islami Bank PLC	-	1,322,000,000
	AB Bank PLC	-	992,250,000
	Southeast Bank PLC	-	2,314,500,000
	Meghna Bank PLC	-	440,000,000
		-	5,068,750,000
		-	5,068,750,000
		1,235,862,524	8,296,961,853
	Off-shore banking unit	39,593,869	40,866,371
		1,275,456,393	**8,337,828,224**

		2024 Taka	2023 Taka
6.2	**Outside Bangladesh (NOSTRO Accounts)**		
	Conventional and Islamic banking		
	Current account (non-Interest/non profit bearing)		
	Standard Chartered Bank, Tokyo	253,271	759,714
	Nepal Bangladesh Bank Ltd., Nepal	10,664,563	9,775,850
	Sonali Bank Limited, Kalkata	6,108,938	300,864
	Bank of Bhutan, Phuentsholing	16,091,516	21,327,873
	Habib Metropolitan Bank, Pakistan	8,239,370	5,881,278
	Bank Al-Falah Limited, Karachi	36,108,402	10,459,982
	Indusind Bank Limited, Mumbai	1,409,696	2,625,220
	HDFC Bank Limited, Mumbai	68,593,742	-
	Standard Chartered Bank, Faranfurt	139,857,817	5,771,192
	ICICI Bank Limited, Hongkong	38,819,345	9,213,568
	Mashreq Bank Psc, Mumbai	37,312,017	727,945
	Mashreq Bank Psc, UAE	488,502	9,032,280
	Standard Chartered Bank, New York	-	863,673,883
	Standard Chartered Bank, Singapore	11,045,856	15,591,127
		374,993,036	955,140,777
	Current account (Interest/profit bearing)		
	Mashreq Bank Psc. New York	-	375,024,040
	Wells Fargo Bank, NA	-	703,554,338
	Standard Chartered Bank, London	47,100,113	-
	Zhejiang Chouzhou Commercial Bank, China	1,001,818	-
	Zhejiang Chouzhou Commercial Bank, China	61,898,458	23,702,647
		110,000,389	1,102,281,024
	(Annexure 'A' may kindly be seen for details)	**484,993,425**	**2,057,421,801**
6.3	**Balance with other banks and financial institutions (according to remaining maturity grouping) payable :**		
	Receivable on demand	570,315,753	1,022,816,631
	Up to one month	540,196	8,331,567,022
	Over one month but not more than three months	-	1,000,000,000
	Over three months but not more than six months	-	-
	Over six months but not more than one year	-	-
	Over one year but not more than five years	1,150,000,000	-
	Over five years	-	-
		1,720,855,949	**10,354,383,653**
6(a)	**Consolidated balance with other banks and financial institutions**		
	In Bangladesh		
	NCC Bank PLC. **(Note-6.1)**	1,235,862,524	8,296,961,853
	NCCB Securities and Financial Services Limited	802,329,503	953,449,947
	NCCB Capital Limited	257,908,904	257,909,192
		2,296,100,931	9,508,320,991
	Less: Inter company transactions	(930,364,415)	(1,154,730,581)
		1,365,736,516	8,353,590,410
	Outside Bangladesh		
	NCC Bank PLC. **(Note-6.2)**	484,993,425	2,057,421,801
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		484,993,425	2,057,421,801
		1,850,729,941	**10,411,012,211**
7	**Money at call and short notice**		
	Conventional and Islamic banking		
	Banking companies **(Note-7.1)**	480,000,000	1,500,000,000
	Non-banking financial institutions **(Note-7.2)**	285,700,000	317,300,000
		765,700,000	1,817,300,000
	Off-shore banking unit (Note-7.3)	-	-
		765,700,000	**1,817,300,000**

		2024 Taka	2023 Taka
7.1	**Banking companies**		
	The Premier Bank PLC	-	1,500,000,000
	Habib Bank Limited	120,000,000	
	South Bangla Agriculture & Commerce Bank PLC	120,000,000	
	NRB Bank PLC.	240,000,000	-
		480,000,000	**1,500,000,000**
7.2	**Non-banking financial institutions**		
	Meridian Finance and Investments Limited	-	10,000,000
	Bangladesh Finance & Investment Company Limited	4,500,000	18,000,000
	Phoenix Finance & Investments Limited	81,100,000	86,400,000
	Industrial and Infrastructure Development Finance Company Limited	200,100,000	202,900,000
		285,700,000	**317,300,000**
7.3	**Off-shore banking unit**		
	Banking companies		
	Eastern Bank PLC (OBU)	-	-
		-	**-**
8	**Investments**		
	Government securities **(Note-8.1)**	65,207,473,524	42,594,687,770
	Other investments **(Note-8.2)**	10,683,286,216	12,081,302,367
		75,890,759,740	**54,675,990,137**
8.1	**Government securities**		
	Conventional and Islamic banking		
	Treasury bills		
	91 days treasury bills	3,833,965,599	480,740,035
	182 days treasury bills	6,235,695,200	960,868,030
	364 days treasury bills	963,983,621	93,877,676
		11,033,644,420	1,535,485,741
	Bangladesh Bank bill	-	-
	Government Sukuk	488,900,000	445,160,000
	Treasury bonds		
	2 years treasury bonds	6,330,339,071	1,917,274,316
	3 years treasury bonds	109,870,090	-
	5 years treasury bonds	9,691,483,487	7,861,496,615
	10 years treasury bonds	16,826,014,257	11,919,848,216
	15 years treasury bonds	8,767,565,623	7,521,743,478
	20 years treasury bonds	11,947,483,776	11,384,665,304
		53,672,756,304	40,605,027,929
	Prize bonds	12,172,800	9,014,100
		65,207,473,524	42,594,687,770
	Off-shore banking unit	-	-
		65,207,473,524	**42,594,687,770**
8.2	**Other investments**		
	Conventional and Islamic banking		
	Subordinated Bonds		
	Jamuna Bank PLC	60,000,000	120,000,000
	AB Bank PLC	183,750,000	551,250,000
		243,750,000	671,250,000
	Perpetual Bonds		
	One Bank PLC	950,000,000	950,000,000
	Bank Asia PLC	1,300,000,000	1,300,000,000
	Dhaka Bank PLC	850,000,000	850,000,000
	AB Bank PLC	650,000,000	650,000,000
		3,750,000,000	3,750,000,000
	Corporate Bond		
	Best Holdings PLC	1,000,000,000	1,000,000,000
	BBML Sukuk Al Ijarah	300,000,000	300,000,000
	Strategic Finance Limited	700,000,000	700,000,000
	North-West Power Generation Company Limited	800,000,000	1,000,000,000
		2,800,000,000	3,000,000,000
	Less: Provision for Corporate Bond (BHL) **(Note-8.3.2)**	(250,000,000)	(250,000,000)
		2,550,000,000	2,750,000,000
		6,543,750,000	**7,171,250,000**

		2024 Taka	2023 Taka
	Investment in shares (Annexure 'B' may kindly be seen for details)		
	Quoted shares	4,991,741,790	4,036,813,346
	Unquoted shares	651,857,736	1,366,213,611
	Less: Provision for investment fluctuation in shares **(Note-8.3.1)**	(1,504,063,311)	(492,974,590)
		4,139,536,216	4,910,052,367
		10,683,286,216	12,081,302,367
	Off-shore banking unit	-	-
		10,683,286,216	**12,081,302,367**
8.3	**Provision for investment fluctuation in shares & Others**		
	Provision for investment fluctuation in shares **(Note-8.3.1)**	1,504,063,311	492,974,590
	Provision for corporate bond (BHL) **(Note-8.3.2)**	250,000,000	250,000,000
		1,754,063,311	**742,974,590**
8.3.1	**Provision for investment fluctuation in shares**		
	Opening balance	492,974,590	454,482,799
	Add: Provision made /(adjusted) in P/L during the year	1,011,088,721	38,491,791
	Less: Amount adjusted during the year	-	-
	Closing balance	**1,504,063,311**	**492,974,590**
8.3.2	**Provision for corporate bond (BHL)**		
	Opening balance	250,000,000	-
	Add: Provision made /(adjusted) in P/L during the year	-	250,000,000
	Less: Amount adjusted during the year	-	-
	Closing balance	**250,000,000**	**250,000,000**
8.3 (a)	**Consolidated provision for investment fluctuation in shares charged to profit and loss account**		
	NCC Bank PLC. - **(Note-8.3)**	1,011,088,721	288,491,791
	NCCB Securities and Financial Services Limited	30,993,180	-
	NCCB Capital Limited	-	-
		1,042,081,901	**288,491,791**
8.4	**Investment classified as per Bangladesh Bank circular**		
	Held for Trading (HFT)	20,876,890,634	5,488,377,055
	Held to Maturity (HTM)	44,318,410,090	37,397,296,615
	Other securities	10,695,459,016	12,090,316,467
		75,890,759,740	**54,975,990,137**
8.5	**Maturity grouping of investments**		
	On demand	3,598,595,257	3,543,838,756
	Up to one month	6,420,964,927	9,014,100
	Over one month but not more than three months	1,808,425,843	480,840,170
	Over three months but not more than six months	3,189,590,095	1,521,583,223
	Over six months but not more than one year	2,913,582,472	828,247,475
	Over one year but not more than five years	20,864,198,800	18,118,218,525
	Over five years	37,095,402,346	30,174,247,888
		75,890,759,740	**54,675,990,137**
8 (a)	**Consolidated investments**		
	Government securities		
	NCC Bank PLC. **(Note-8.1)**	65,207,473,524	42,594,687,770
	NCCB Securities and Financial Services Limited	709,273,550	-
	NCCB Capital Limited	-	-
		65,916,747,074	42,594,687,770
	Other investments		
	NCC Bank PLC. **(Note-8.2)**	10,683,286,216	12,081,302,367
	NCCB Securities and Financial Services Limited	415,316,990	586,908,612
	NCCB Capital Limited	-	-
		11,098,603,206	12,668,210,979
		77,015,350,280	**55,262,898,749**
9	**Loans and advances/Investments**		
	Loans, cash credits, overdrafts etc./investments **(Note-9.1)**	227,668,191,092	217,385,118,543
	Bills purchased and discounted **(Note-9.2)**	12,578,246,688	11,311,606,280
		240,246,437,780	**228,696,724,823**

		2024 Taka	2023 Taka
9.1	**Loans, cash credits, overdrafts etc./investments**		
	Inside Bangladesh		
	Conventional and Islamic banking		
	Loan - general	2,019,402	20,564,308
	Loan against trust receipt (LTR)	13,414,699,552	6,753,412,569
	Loan against packing credit	181,462,980	298,211,603
	Secured overdraft	38,504,398,068	37,354,451,839
	Cash credit	26,662,252,627	27,037,457,375
	Finance under Stimulus Package	4,743,387	358,751,060
	Forced and Demand loan	22,615,091,632	1,940,470,280
	Transport loan	884,147,138	997,879,237
	Lease finance	2,361,848,310	2,459,268,472
	NCC Bank Start-up Loan	1,078,318	1,412,052
	Payment against document	5,017,894,153	1,816,859,172
	House building loan	5,610,957,232	5,369,630,258
	Womens loan	36,423,206	-
	Personal loan	428,082,939	397,812,326
	Consumer loan	370,660,061	414,175,391
	Agricultural credit	3,559,796,864	4,638,680,408
	Small business loan	1,469,970,995	1,048,141,425
	Term loan	85,686,438,173	78,237,740,448
	Staff loan	1,434,845,453	1,232,401,806
	Credit card	594,716,253	459,366,452
	Car loan	115,390,902	118,289,620
	Short term loan	8,719,188,034	29,974,845,265
	Export loan	1,193,024,975	76,889,850
	Time loan	4,570,700,529	11,284,896,192
	Loan against financial inclusion	2,163,127	2,807,846
	Education loan	-	91,866
	EDF	4,226,196,782	5,090,611,425
		227,668,191,092	217,385,118,543
	Off-shore banking unit	-	-
		227,668,191,092	217,385,118,543
	Outside Bangladesh		
	Conventional and Islamic banking	-	-
	Off-shore banking unit	-	-
		-	-
		227,668,191,092	217,385,118,543
9.2	**Bills purchased and discounted**		
	Inside Bangladesh		
	Conventional and Islamic banking		
	Inland bills purchased	-	-
	Local documentary bills purchased	2,839,341,041	1,278,612,194
		2,839,341,041	1,278,612,194
	Off-shore banking unit	-	-
		2,839,341,041	1,278,612,194
	Outside Bangladesh		
	Conventional and Islamic banking		
	Foreign bills purchased	-	-
	Foreign documentary bills purchased	6,986,851,123	2,368,448,329
		6,986,851,123	2,368,448,329
	Off-shore banking unit	9,599,589,235	9,974,503,465
		16,586,440,358	12,342,951,794
	Less: inter transaction between OBU and Conventional and Islamic banking	(6,847,534,711)	(2,309,957,708)
		9,738,905,646	10,032,994,086
		12,578,246,688	11,311,606,280
		240,246,437,780	**228,696,724,823**
9.3	**Net loans and advances/investments**		
	Gross loans and advances	240,246,437,780	228,696,724,823
	Less: Provision for loans and advances	(16,690,234,930)	(13,519,450,334)
	Less: Interest/profit suspense	(10,331,384,652)	(8,920,294,393)
		(27,021,619,582)	(22,439,744,726)
		213,224,818,197	**206,256,980,096**

	2024 Taka	2023 Taka
9.4 Maturity grouping of loans and advances/investments including bills		
Repayable on demand	22,615,091,632	3,757,329,452
Up to one month	17,105,764,223	25,178,027,142
Over one month but not more than three months	34,650,575,162	36,446,792,194
Over three months but less than one year	48,022,507,626	62,002,832,052
Over one year but less than five years	62,908,091,441	58,909,533,144
Above five years	54,944,407,695	42,402,210,839
	240,246,437,780	**228,696,724,823**
9.5 Loans and advances/investments including bills classified into the following broad categories		
In Bangladesh:		
Loans	162,501,540,397	152,993,209,329
Cash credit	26,662,252,627	27,037,457,375
Overdraft	38,504,398,068	37,354,451,839
Bills purchased & discounted	2,839,341,041	1,278,612,194
	230,507,532,133	218,663,730,737
Outside Bangladesh		
Bills purchased & discounted	9,738,905,646	10,032,994,086
	240,246,437,780	**228,696,724,823**
9.6 Significant concentration wise classified into the following broad categories:		
I) Advances to allied concerns of Directors of the Bank	1,413,622	49,441,000
II) Advances to chief executive and other senior executives of the Bank	182,785,433	143,180,000
III) Advances to customers' group-wise clients		
a) Agricultural loans	3,559,796,864	4,638,680,408
b) Export financing	3,970,814,587	6,766,752,485
c) Import financing	17,955,615,254	8,827,125,695
d) Transport and communication	3,857,515,487	2,295,325,486
e) Commercial lending	32,691,265,987	32,423,158,485
f) House building loan	7,696,645,159	6,881,857,486
g) Staff loans other than chief executive and other senior executives	1,434,815,486	1,089,221,806
h) Others including bills purchased and discount	37,303,242,886	42,187,133,516
	108,469,711,710	105,109,255,367
IV) Industrial loans (including working capital) **(Note 9.6 (a))**	131,592,527,015	123,394,848,455
	240,246,437,780	**228,696,724,823**
9.6 (a) Industrial loans (including working capital)		
Agro based industries	11,796,540,384	8,889,490,339
Textile industries	18,417,952,694	19,378,625,486
Food and allied industries	4,316,008,194	4,106,133,114
Pharmaceutical industries	7,267,352,487	5,610,925,696
Leather, chemical, cosmetics, etc.	2,225,165,487	3,398,325,696
Cement and ceramic industries	3,650,965,849	3,562,245,285
Service industries	16,969,965,984	8,090,525,486
Transport and communication industries	3,857,515,487	2,295,325,486
Other industries	63,091,060,449	68,063,251,869
	131,592,527,015	**123,394,848,455**

9.7 Number of clients with outstanding (funded and non-funded) amount and classified loans and advances/investments exceeding 10% of total capital of

Number of clients with amount outstanding and classification status to whom loans and advances/investments sanctioned exceeds 10% of the total capital of the Bank. Total capital of the Bank was Taka 3,263.75 Crore on Consolidated basis and Taka 3,221.62 Crore on Solo basis as at 31 December 2024 (Taka 3,342.80 Crore and 3,305.98 Crore as at 31 December 2023 respectively). (Details are shown in Annex - C)

Number of the clients	18	14
Amount of outstanding advances	88,980,600,000	72,148,600,000
Amount of classified advances	-	-
Measures taken for recovery	-	-

9.7a Disclosure of Document Verification System (DVS)

As per Financial Reporting Council (FRC) letter no. 178/FRC/APR/2021/27(16) dated December 07, 2021 regarding compliance of BRPD Circular No. 04 and 35, dated January 04, 2021 and July 06, 2021 respectively.

Particular	Compliance of BRPD Circular No. 04 *		Compliance of BRPD Circular No. 35 **	
	Number	%	Number	%
Complied File	236	100%	236	100%
Total File	236	100%	236	100%

*BRPD Circular No. 04: Regarding collection of Audited financial statement & Statutory Audit Report for Loan Sanction/Renewal.

**BRPD Circular No. 35: Regarding financial statement verified with the Document Verification System (DVS) of ICAB.

		2024 Taka	2023 Taka
9.8	**Geographical location wise grouping**		
	Urban		
	Dhaka Division	176,919,225,563	167,378,383,651
	Chattogram Division	41,986,030,183	40,353,016,635
	Rajshahi Division	2,746,863,287	2,680,618,117
	Rangpur Division	1,457,546,795	1,360,006,353
	Sylhet Division	4,012,324,030	4,283,842,308
	Khulna Division	5,921,068,507	5,720,673,561
	Barisal Division	242,717,518	292,514,098
	Mymensingh Division	539,859,797	492,393,706
		233,825,635,680	222,561,448,429
	Rural		
	Dhaka Division	2,418,755,881	2,086,064,815
	Chattogram Division	2,643,551,848	2,675,401,559
	Rajshahi Division	234,775,712	235,520,677
	Rangpur Division	96,623,823	82,577,278
	Sylhet Division	318,116,140	464,873,324
	Khulna Division	472,779,606	349,650,650
	Mymensingh Division	236,199,091	241,188,090
		6,420,802,100	6,135,276,393
		240,246,437,780	**228,696,724,823**
9.9	**Classification of loans and advances/investments**		
	Unclassified standard (including staff loans)	216,052,219,310	210,811,492,174
	Unclassified special mention account	6,605,239,531	4,930,059,120
	Sub-standard	328,986,003	627,731,154
	Doubtful	147,977,895	224,989,365
	Bad/Loss	17,112,015,041	12,102,453,010
		240,246,437,780	**228,696,724,823**

9.10 Particulars of required provision for loans and advances/investments

Status	Base for provision	Rate (%)		
A. General provision				
Conventional and Islamic banking				
Un-classified loans and advances	206,452,630,075	* Various	1,785,736,815	1,714,109,642
Special mention account	6,605,239,531	do	59,676,719	46,187,324
	213,057,869,606		1,845,413,534	1,760,296,966
50% of required provision of Tk. 43,12,43,377/- for 2% Reschedule loans & advances/investments treated as general provision as per B.B Circular			215,621,689	261,147,000
Off-shore banking unit	9,599,589,235	1%	95,995,892	99,745,035
	222,657,458,841		**2,157,031,115**	**2,121,189,001**

* General provision is kept @ 1% on general loans and advances as well as 1% on HF, Short term Agri and 0.25% on small and medium enterprise financing, 2% on certain other types of lending and 2% on consumer financing.

B. Special general provision COVID-19			-	**534,696,334**
C. Specific provision				
Conventional and Islamic banking				
Sub-standard - general	13,235,836	20	2,647,167	18,976,336
Sub-standard - agricultural & SMEF	99,775,064	5	4,988,753	3,474,551
Doubtful	7,061,400	50	3,530,700	19,928,673
Doubtful - Agricultural	957,727	5	47,886	310,756
Doubtful - SMEF	33,046,955	20	6,609,391	6,375,638
Bad/ Loss	8,097,801,402	100	8,097,801,402	5,186,582,460
	8,251,878,384		8,115,625,300	5,235,648,415
*Provision on bad/loss applied @ 100% except loan to NBFIs.				
50% of required provision of Tk. 43,12,43,377/- for 2% Reschedule loans & advances/investments treated as specific provision as per B.B Circular.			215,621,689	261,147,000
Other Specific provision maintained against loans as per B.B direction			4,611,429,925	2,457,159,585
Specific provision for loans & advances against which writ petition pending & NOC from Bangladesh Bank			1,590,526,902	2,909,610,000
			14,533,203,815	**10,863,565,000**

			2024 Taka	2023 Taka
Off-shore banking unit				
Specific provision				
Sub-standard	-	20	-	-
Doubtful	-	50	-	-
Bad/ Loss	-	100	-	-
	-		-	-
	8,251,878,384		**14,533,203,815**	**10,863,565,000**
Required provision for loans and advances (A+B+C)			**16,690,234,930**	**13,519,450,334**
Total provision maintained for loans and advances/investments			**16,690,234,930**	**13,519,450,334**
Excess /(short) provision (See below)			**-**	**-**

Particulars of required provision on off -balance sheet exposure

Conventional and Islamic banking

	Base for provision	Rate		
Acceptance and endorsements	34,694,658,193	1.0%	346,946,582	311,482,491
Letter of guarantee	42,749,954,274	1.0%	427,499,543	443,219,405
Letter of credit	35,073,266,061	0.5%	175,366,330	303,176,995
* Bills for collection	13,521,078,572	0.0%	-	-
Overdue Non-Funded Items	-		15,829,437	-
Export development fund (EDF)	-	0.0%	-	175,247
	126,038,957,100		965,641,892	1,058,054,138
Off-shore banking unit			-	-
Required provision on off -balance sheet exposure			**965,641,892**	**1,058,054,138**
Total provision maintained (note-15.5)			**965,641,892**	**1,058,054,138**
Excess/ (short) provision			**-**	**-**

*** No Provision is required against bills for collection as per BRPD circular no- 07 dated 21 June 2018.**

9.11 Particulars of loans and advances/investments

i)	Loans/investments considered good in respect of which the bank is fully secured	101,010,282,458	104,159,564,381
ii)	Loans/investments considered good against which the bank holds no other security other than the debtor's personal guarantee	61,583,157,616	57,035,174,018
iii)	Loans/investments considered good and secured by the personal security of one or more parties in addition to the personal guarantee of the debtors	77,652,997,706	67,501,986,424
iv)	Loans/investments adversely classified; provision not maintained thereagainst	-	-
		240,246,437,780	**228,696,724,823**
* v)	Loans/investments due by directors or officers of the bank or any of them either severally or jointly with any other persons	**1,617,600,919**	**1,232,401,806**
vi)	Loans/investments due by companies or firms in which the directors of the Bank are interested as directors, partners or managing agent or in case of private companies as members	**1,413,622**	**49,441,000**
vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the bank or any of them either severally or jointly with any other persons.	**1,617,600,919**	**1,232,401,806**
viii)	Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies as members.	**1,413,622**	**49,441,000**
ix)	Due from banking companies	-	-
x)	Amount of classified Loans/investments for which interest/profit not credited to income	**17,588,978,939**	**12,955,173,529**
	a) Increase/(decrease) of provision (specific) during the year	3,669,638,815	1,795,000,426
	b) Amount of provision kept against the amount classified as bad/loss at the Balance Sheet preparing date.	8,097,801,402	5,186,582,460
	c) Amount of Interest/profit charged in Interest/profit suspense account	10,331,384,652	8,920,294,393
xi)	Cumulative amount of written off debt		
	Opening balance	11,140,005,307	10,013,723,869
	Add: Amount of loans/investments written off during the year	2,400,059,356	1,126,281,438
	Closing balance	**13,540,064,663**	**11,140,005,307**

	2024 Taka	2023 Taka
Cumulative amount of recoveries against written off loans/investments		
Opening balance	1,245,419,069	926,691,896
Recoveries of amount previously written off Loans/investments during the year	283,371,292	327,928,737
Closing balance	**1,528,790,361**	**1,254,620,633**
Cumulative net amount of written off loans/investments	**12,011,274,302**	**9,885,384,674**
xii) Amount of written off loans/investments against which law suit has been filed for its recovery during the year	**2,395,719,777**	**1,126,281,438**

*** Amount represents loans to employees of the Bank only.**

9.12 Debt written off

Bangladesh Bank issued a BRPD circular no.01 dated 06 February 2019 instructing all banks in the country to write off bad & loss loans/investments which have passed Three years after its classification and legal actions have been taken against all those default borrowers with an immediate effect. In compliance with the circular, the Bank formed a Special Asset Management Department in its Head Office from where monitoring has been made accordingly. During the year, the Bank allowed Taka 240,00,59,356/- write off amount. In this connection, branches have been maintained a separate ledger for all individual cases. The Special Asset Management Department will follow-up the realization of such debts in future also and time to time a progress report to be given to the management by the branches.

9.13 Bills purchased and discounted

a) Payable		
In Bangladesh	2,839,341,041	1,278,612,194
Outside Bangladesh	9,738,905,646	10,032,994,086
	12,578,246,688	**11,311,606,280**
b) Bills purchased & discounted on the basis of the residual maturity grouping		
Payable		
Within one month	3,972,246,951	2,772,504,534
Over one month but less than three months	5,748,019,128	5,513,695,023
Over three months but less than six months	2,651,170,780	1,559,772,495
Over six months	206,809,829	1,465,634,228
	12,578,246,688	**11,311,606,280**

9 (a) Consolidated loans and advances/investments

Loans, cash credits, overdrafts etc.		
NCC Bank PLC. **(Note-9.1)**	227,668,191,092	217,385,118,543
NCCB Securities and Financial Services Limited.	1,836,230,355	2,287,952,179
NCCB Capital Limited	-	-
	229,504,421,447	219,673,070,722
Less : Inter company transactions	-	-
	229,504,421,447	219,673,070,722
Bills purchased and discounted		
NCC Bank PLC. **(Note-9.2)**	12,578,246,688	11,311,606,280
NCCB Securities and Financial Services Limited.	-	-
NCCB Capital Limited	-	-
	12,578,246,688	11,311,606,280
Less : Inter company transactions	-	-
	12,578,246,688	11,311,606,280
	242,082,668,135	**230,984,677,002**

10 Fixed assets including premises, furniture and fixtures

Conventional and Islamic banking **(Note-10.1)**	3,462,535,251	3,023,980,182
Off-shore banking unit **(Note-10.2)**	-	-
	3,462,535,251	**3,023,980,182**

		2024 Taka	2023 Taka
10.1	**Fixed assets including premises, furniture and fixtures**		
	Conventional and Islamic banking		
	Cost/Revaluation		
	Land	451,906,672	451,906,672
	Buildings & office premises	1,371,059,903	1,371,059,903
	Furniture and fixtures	1,273,410,080	1,233,604,608
	Machinery and equipment	1,191,599,888	1,166,115,969
	Computer equipment	1,031,948,076	932,338,401
	Vehicles	212,436,533	212,436,533
	Right of use assets	1,071,582,585	458,710,765
	Software	355,198,645	335,308,013
	Total Cost / valuation	**6,959,142,382**	**6,161,480,864**
	Less: Accumulated depreciation & amortization	(3,496,607,131)	(3,137,500,682)
	Net book value at the end of the year (Annexure 'D' may kindly be seen for details)	**3,462,535,251**	**3,023,980,182**

The cost of the right of use assets comprises present value of lease payments less incentive, plus initial direct payment and dismantling cost etc. The bank, as lessee, on lease-by-lease basis. The Bank newly recognized 79 branches as right of use assets as on 31 December 2024. Hence, any payment made by the bank under contract for use of any rental premises or assets for a year not exceeding twelve months, and or, falls as low value asset, and substantially risks and benefits of ownership of those rental premises/assets do not transfer to the bank, are recognized as expense as per IFRS 15 'Revenue from contracts with customers' instead of recognizing as ROU assets.

10.2	**Off-shore banking unit**	-	-
10(a)	**Consolidated fixed assets including premises, furniture and fixture**		
	NCC Bank PLC. **(Note-10)**	3,462,535,251	3,023,980,182
	NCCB Securities and Financial Services Limited	37,827,534	15,530,306
	NCCB Capital Limited	-	-
		3,500,362,785	**3,039,510,488**
11	**Other assets**		
	Conventional and Islamic banking **(Note-11.1)**	7,524,505,672	7,021,567,417
	Off-shore banking unit	99,745,035	-
		7,624,250,707	7,021,567,417
	Less: inter transaction between OBU and Conventional and Islamic banking	(99,745,035)	-
		7,524,505,672	**7,021,567,417**
11.1	**Conventional and Islamic banking**		
	Income generating other assets		
	Investment in subsidiaries		
	In Bangladesh		
	NCCB Securities and Financial Services Limited	1,999,999,900	1,999,999,900
	NCCB Capital Limited	249,999,900	249,999,900
		2,249,999,800	2,249,999,800
	Outside Bangladesh	-	-
		2,249,999,800	**2,249,999,800**
	Non-income generating other assets		
	Stationery in hand	52,843,295	71,324,400
	Stamps in hand	7,631,187	6,808,608
	Security deposits	18,404,990	18,276,265
	Advance against rent	40,970,240	106,744,665
	Balance with GSP Finance Limited	140,000,000	140,000,000
	Prepaid expenses	23,750	-
	Commission receivable	8,656,875	2,554,261
	Other receivable	-	1,617,658
	Receivable against sale proceed of shares	455,235,278	386,340,149
	Sanchaypatra & cash remittance **(Note-11.2)**	253,817,824	182,509,286
	Interest/profit receivable **(Note-11.3)**	2,767,373,526	1,874,250,713
	Dividend receivable **(Note-11.4)**	56,801,621	86,479,119
	Advance, deposit & prepayments **(Note-11.5)**	1,472,747,285	1,894,662,494
		5,274,505,872	4,771,567,617
		7,524,505,672	**7,021,567,417**
11.2	**Sanchaypatra & cash remittance**		
	Encashment sanchaypatra awaiting realization	8,797,824	58,159,053
	Cash remittance	245,020,000	124,350,233
	Clearing adjustment	-	-
		253,817,824	**182,509,286**

		2024 Taka	2023 Taka
11.3	**Interest/profit receivable**		
	On loans and advances/investments	91,667,200	455,894
	On treasury bills/bonds	1,463,185,933	871,112,501
	On Sukuk	44,734,541	13,447,012
	On corporate bonds & shares	1,020,445,940	850,237,607
	On perpetual bonds	74,095,889	75,178,082
	On subordinate bonds	3,152,644	7,154,024
	On bank balances/financial institutions/Others	70,091,379	56,665,593
		2,767,373,526	**1,874,250,713**
11.4	**Dividend receivable**		
	Dividend receivable from listed companies	56,801,621	86,479,119
		56,801,621	**86,479,119**
11.5	**Advance, deposit & prepayments**		
	Advance remittance against MTO	91,738,465	429,827,181
	Protested bill	82,566,926	82,566,926
	Adjustment/Settlement Accounts	975,959,110	1,036,680,989
	*Sundry debtor/Prepayments	322,482,784	345,587,397
	Receivable from Islamic Banking	-	-
		1,472,747,285	**1,894,662,494**
11(a)	**Consolidated other Assets**		
	NCC Bank PLC. **(Note-11)**	7,524,505,672	7,021,567,417
	Less: Investment in NCCB Securities and Financial Services Limited **(Note-11.1)**	(1,999,999,900)	(1,999,999,900)
	Less: Investment in NCCB Capital Limited **(Note-11.1)**	(249,999,900)	(249,999,900)
		5,274,505,872	4,771,567,617
	NCCB Securities and Financial Services Limited	86,652,475	54,880,639
	NCCB Capital Limited	-	-
		86,652,475	54,880,639
		5,361,158,347	4,826,448,256
	Less: Inter company transactions	(455,235,278)	(386,340,149)
		4,905,923,069	**4,440,108,107**
12	**Non-banking assets**		
	Non-income generating		
	Building	-	42,510,000
	Land	2,750,514	85,263,014
		2,750,514	**127,773,014**

The Bank was awarded absolute ownership on some mortgaged properties through the verdict of Honorable Court under Section 33(7) of the Artharin Adalat Act, 2003. These were recorded as non-banking assets as per valuation report of professional surveyor. Value of these assets were recorded in the equivalent to the client's adjustable outstanding. Following are the details:

Sl. No.	Name of Parties	Assets Details	Entitlement Date	Value as on 31-12-2024	Value as on 31-12-2023
1	Fartex Fashion Wear Ltd.	a). 71.75 decimal land along with 3 storied industrial building at Dist-Gazipur, P.S-Joydevpur, SRO-Gazipur Sadar, Mouza-mogorkhal, Khatian No: C.S-131 & 111,S.A-77 & 145, R.S-159 & 128 and dagh No: C.S & S.A-433, 491,494,495, R.S-740,741,742,743,744,745,746,747.	7/28/2022	-	125,022,500
2	DN Enterprise	2 decimal vacant land situated at Dist.-Sylhet, P.S- Kotowali, SRO- Sylhet Sadar, Mouza-Gutatikor, Khatian No: S.A-614, Mutation No-4509, Dagh No: S.A-585.	1/16/2017	600,000	600,000
3	Biva Enterprise	5 decimal of vacant land at Dist.-Nilphamari, P.S-Syedpur, Mouza-Niamotpur, plot No-547 (old) 2311, 2312, Khatian No:C.S-101, S.A-106, Kharij No- 106/2.	8/17/2017	1,440,000	1,440,000
4	Munni Traders	9.75 decimal land at Dist.-Kustia, P.S- Mirpur, SRO-Mirpur, Mouza-Kamirhat, Khatian No: R.S-139, R.S- Kharij-1155, Dagh No- R.S-1224. 34.25 decimal vacant at Dist.-kustia, P.S- Mirpur, SRO- Mirpur, Mouza-Kamirhat, Khatian No: S.A-1665, R.S-139 & 379, R.S Kharij-445, Mutation No-1155, dagh No: S.A-1063, R.S-1224 & 1609.	3/12/2023	710,514	710,514
				2,750,514	**127,773,014**

During the year 71.75 decimal land along with 3 storied building has been sold and recorded as per B.B guidelines.

		2024 Taka	2023 Taka
13	**Borrowing from other banks, financial institutions and agents**		
	In Bangladesh	15,725,370,221	30,066,223,678
	Outside Bangladesh	4,441,997,456	5,081,252,910
		20,167,367,676	**35,147,476,587**
13.1	**Borrowing from other banks, financial institutions and agents**		
	Conventional and Islamic banking **(Note-13.2.1)**	17,615,604,756	27,667,476,587
	Off-shore banking unit **(Note-13.2.2)**	9,399,297,631	9,789,957,708
		27,014,902,387	37,457,434,296
	Less: inter transaction between OBU and Conventional and Islamic banking	(6,847,534,711)	(2,309,957,708)
		20,167,367,676	**35,147,476,587**
13.2.1	**Conventional and Islamic banking**		
	In Bangladesh		
	Bangladesh Bank		
	Bangladesh Bank - EDF	4,205,690,408	5,057,816,737
	Bangladesh Bank - IPFF	914,190,288	1,055,863,241
	Bangladesh Bank - LTFF	782,567,474	945,945,256
	Bangladesh Bank - PSCF	288,890,000	381,006,000
	Bangladesh Bank - ALS	3,697,500,000	1,278,315,000
	Bangladesh Bank - EFPF	956,495,341	79,293,960
	Bangladesh Bank Housing, Women Ent. Etc.	318,084,277	412,474,135
	BB refinance on FSF EOI	26,334,089	26,816,897
	BB Refinance on Agri Loan	427,047,800	335,180,000
	BB Refinance on Working Capital under stimulus package-BRPD-08	31,190,367	31,190,367
	BB Refinance Under Green Transformation fund (GTF)	940,560,176	843,232,223
	BB prefinance under 25000 crore	582,920,000	1,300,360,000
	BB Refinance under 25000 crore	33,900,000	33,900,000
		13,205,370,221	11,781,393,816
	Other Banks		
	Call Borrowing		
	Habib Bank Limited	-	110,000,000
	Bangladesh Development Bank PLC.	-	270,000,000
	Bank Asia PLC.	-	300,000,000
	Rupali Bank PLC.	-	800,000,000
	Eastern Bank PLC.	-	700,000,000
	State Bank of India	-	370,000,000
	Uttara Bank PLC.	-	310,000,000
		-	2,860,000,000
	Short term		
	Local Currency		
	One Bank PLC.	-	2,000,000,000
	State Bank of India	-	1,000,000,000
	Industrial and Infrastructure Development Finance Company Limited	-	350,000,000
	Citizen Bank PLC.	-	700,000,000
	The Premier Bank PLC.	-	1,500,000,000
	Mutual Trust Bank PLC.	-	780,000,000
	NRB Commercial Bank PLC.	-	350,000,000
		-	6,680,000,000
	Foreign Currency		
	Agrani Bank PLC.	-	880,000,000
	First Security Islami Bank PLC.	-	329,829,861
	Southeast Bank PLC.	960,000,000	-
	Jamuna Bank PLC.	1,560,000,000	3,190,000,000
	Mercantile Bank PLC.	-	495,000,000
	One Bank PLC.	-	440,000,000
	The Premier Bank PLC.	-	220,000,000
	The City Bank PLC.	-	330,000,000
		2,520,000,000	5,884,829,861
		2,520,000,000	12,564,829,861

		2024 Taka	2023 Taka
	Outside Bangladesh		
	Standard Chartered Bank, London	-	54,512,716
	Standard Chartered Bank, Kalkata	103,437,093	129,064,973
	Standard Chartered Bank, New York	912,663,658	-
	Wells Fargo Bank , N.A., New York	169,245,340	-
	Habib American Bank, New York	206,276,916	173,693,097
	Axix Bank Limited, Mumbai	16,871,296	11,489,261
	HDFC Bank Limited	-	6,706,646
	Zhejiang Chouzhou Commercial Bank	-	534,786
	ICICI Bank Limited, Mumbai	21,401,424	1,232,033
	Citi Bank NA, New York	117,680,309	66,513,919
	Mashreqbank Psc, NY	244,436,327	-
	Commerzbank AG, Frankfurt Am Main	98,222,172	17,505,479
		1,890,234,536	461,252,910
	(Annexure 'E' may kindly be seen for details)	**17,615,604,756**	**27,667,476,587**
13.2.2	**Off-shore banking unit**		
	In Bangladesh		
	NCC Bank PLC (Head Office)	6,847,534,711	2,309,957,708
	Prime Bank PLC. (OBU)	-	1,100,000,000
	Eastern Bank PLC. (OBU)	-	1,760,000,000
		6,847,534,711	5,169,957,708
	Outside Bangladesh		
	CAIXA Bank S.A	241,948,920	770,000,000
	National Bank of RAS Al-Khaimah PJSC	-	1,540,000,000
	HDFC Bank Ltd.	-	550,000,000
	Ajman Bank PJSC	492,336,000	-
	United Bank Ltd.	1,451,919,600	-
	Abu Dhabi Commercial Bank	-	1,100,000,000
	ICICI Bank Ltd.	-	330,000,000
	Wells Fargo Bank	365,558,400	330,000,000
		2,551,762,920	4,620,000,000
		9,399,297,631	**9,789,957,708**
13.3	**Security against borrowings from other banks, financial institutions and agents**		
	Conventional and Islamic banking		
	Secured	-	-
	Unsecured	17,615,604,756	27,667,476,587
		17,615,604,756	27,667,476,587
	Off-shore banking unit		
	Secured	-	-
	Unsecured	2,551,762,920	7,480,000,000
		2,551,762,920	7,480,000,000
		20,167,367,676	**35,147,476,587**
13.4	**Borrowings from other banks, financial institutions and agents (according to remaining maturity grouping) payable**		
	On demand	1,890,234,536	2,860,000,000
	Up to one month	8,469,107,702	13,935,057,017
	Over one month but not more than three months	2,099,851,028	5,582,669,297
	Over three months but less than six months	3,756,261,590	3,179,195,553
	In more than six months but not more than one year	822,411,481	1,066,543,245
	In more than one year but not more than five years	2,825,711,313	4,193,485,072
	Above five Years	303,790,026	4,330,526,403
		20,167,367,676	**35,147,476,587**
13 (a)	**Consolidated borrowing from other banks, financial institutions and agents**		
	NCC Bank PLC. **(Note-13)**	20,167,367,676	35,147,476,587
	NCCB Securities and Financial Services Limited	149,447,984	230,287,803
	NCCB Capital Limited	-	-
		20,316,815,660	35,377,764,390
	Less: inter company transactions	-	-
		20,316,815,660	**35,377,764,390**

		2024 Taka	2023 Taka
14	**Conventional and Islamic banking**		
	Deposits and other accounts		
	Current/Al-wadiah current deposits	17,887,397,781	14,138,240,296
	Sundry deposits **(Note 14.5)**	18,698,601,344	22,066,157,325
		36,585,999,125	36,204,397,621
	Savings bank/Mudaraba savings bank deposits	34,177,530,659	31,926,820,849
	Fixed deposits/Mudaraba term deposits	128,146,321,299	101,135,847,318
	Other Time deposits:		
	Special notice deposits/Mudaraba special notice deposits	25,016,810,401	19,292,815,581
	Special savings scheme/Mudaraba deposit pension scheme	16,338,866,314	19,772,230,035
	Special deposit scheme/Mudaraba Special deposit scheme	4,875,795,800	1,302,183,418
	Money double program	3,044,199,204	2,251,848,337
	Money triple program	15,183,591	25,852,843
	Foreign currency deposits	3,058,899,737	3,494,681,647
		52,349,755,046	46,139,611,861
	Bills Payable:		
	Payment order	6,090,476,359	6,425,544,765
	Demand draft	2,660,878	2,891,957
		6,093,137,237	6,428,436,722
		257,352,743,366	**221,835,114,370**
14.1	**(a) Demand deposits**		
	Deposit from banks	75,908,887	46,559,767
	Deposit from customers	45,679,205,235	45,459,688,452
		45,755,114,122	45,506,248,219
	(b) Time deposits		
	Deposit from banks		
	In fixed deposits, Short term/Mudaraba term deposits	1,000,000,000	650,000,000
	In other accounts	3,652,360,303	1,040,158,363
		4,652,360,303	1,690,158,363
	Deposit from customers	206,945,268,942	174,638,707,788
		257,352,743,366	**221,835,114,370**
14.2	**Deposits and other accounts**		
	Conventional and Islamic banking	257,336,675,021	221,835,114,370
	Off-shore banking unit	16,068,346	-
		257,352,743,366	**221,835,114,370**
14.3	**Unclaimed block account balances for 10 years & above**		
	Savings deposits		-
	Pay order	3,218,834	1,983,511
		3,218,834	**1,983,511**
14.4	**(a) Residual maturity grouping of deposits**		
	From other banks		
	On demand	75,908,887	46,559,767
	Within one month	3,652,360,303	690,158,363
	In more than one month but less than three months	1,000,000,000	1,000,000,000
	In more than three month but less than six months	-	-
	In more than six months but less than one year	-	-
	In more than one year but within five years	-	-
	In more than five years but within ten years	-	-
		4,728,269,190	1,736,718,130
	(b) From other than banks		
	On demand	23,904,626,132	20,520,117,251
	Within one month	24,443,435,699	11,569,100,291
	In more than one month but less than three months	58,212,377,747	31,080,950,479
	In more than three month but less than six months	28,301,037,832	30,393,525,105
	In more than six months but less than one year	28,659,454,332	26,501,847,009
	In more than one year but within five years	55,099,171,306	67,479,199,451
	In more than five years but within ten years	34,004,371,129	32,553,656,655
		252,624,474,176	220,098,396,240
		257,352,743,366	**221,835,114,370**

		2024 Taka	2023 Taka
14.5	**Sundry deposits**		
	Sundry creditors	969,267,482	1,078,591,653
	Clearing adjustment	668,810	2,158,384
	Margin on letters of guarantee	1,879,816,056	1,934,111,284
	Margin on letters of credit	6,643,054,788	10,787,422,710
	Margin on DBP, export bill/ proceeds	19,230,040	10,011,840
	Margin on SOD(EM)	125,469,827	135,735,071
	Security deposits against locker	7,028,976	7,877,871
	Credit balance in CC, SOD, loan etc.	340,507,868	499,691,350
	Collection account	5,483	4,468
	Security deposit receipts	14,417,282	17,611,826
	FC, FCY retention quota	703,999	703,999
	Risk fund	212,488,139	298,134,828
	Cards & others Payable	117,850,547	129,229,269
	Deposits from MTO against Remittance	107,825,537	275,295,785
	Adjustment & settlement account	53,783,910	18,904,578
	Provident fund	27,147,089	38,595,823
	SMS and internet banking charge	8,665,457	1,839,109
	Benevolent fund	592,000	395,100
	Enquiry charge of CIB	1,136,984	798,743
	Export Proceed	6,894,243,895	6,242,514,794
	Foreign FDD & FTT Payable	-	10,415,016
	Others Payable -Foreign	25,765,504	92,069,431
	Unclaimed block account balances for 10 years & above	3,218,834	1,983,511
	Bangladesh Bank Bach & Clearing Charge	889,470	923,575
	Vostro Account	1,244,823,367	481,137,305
		18,698,601,344	**22,066,157,325**
14 (a)	**Consolidated deposits and other accounts**		
	NCC Bank PLC. **(Note-14)**	36,585,999,125	36,204,397,621
	NCCB Securities and Financial Services Limited	683,935,450	655,081,299
	NCCB Capital Limited	-	-
		37,269,934,575	36,859,478,920
	Less: Inter company transactions	(1,385,599,693)	(1,541,070,730)
		35,884,334,882	35,318,408,190
	Bills payable		
	NCC Bank PLC. **(Note-14)**	6,093,137,237	6,428,436,722
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		6,093,137,237	6,428,436,722
	Savings bank deposits		
	NCC Bank PLC. **(Note-14)**	34,177,530,659	31,926,820,849
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		34,177,530,659	31,926,820,849
	Fixed deposits		
	NCC Bank PLC. **(Note-14)**	128,146,321,299	101,135,847,318
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		128,146,321,299	101,135,847,318
	Time deposits		
	NCC Bank PLC. **(Note-14)**	52,349,755,046	46,139,611,861
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		52,349,755,046	46,139,611,861
		256,651,079,123	**220,949,124,939**
15	**Other liabilities**		
	Conventional and Islamic banking **(Note-15.1)**	38,840,407,027	31,112,826,846
	Provision for Off-shore banking unit **(Note-15.5 (e))**	95,995,892	99,745,034
	Off-shore banking unit	99,748,994	61,912,510
		39,036,151,913	31,274,484,390
	Less: inter transaction between OBU and Conventional and Islamic banking	(99,745,035)	-
		38,936,406,878	**31,274,484,390**

		2024 Taka	2023 Taka
15.1	**Conventional and Islamic banking**		
	Interest/profit payable on deposit	3,436,870,488	1,873,717,062
	Interest/profit payable on borrowing	74,491,445	128,981,389
	Excise duty	297,168,460	266,418,224
	Card & others settlement account	59,843,565	101,112,499
	Liability for expenses	248,116,598	147,956,169
	Performance bonus payable	650,000,000	513,050,051
	Proceed against automated challan	33,633	1,179,433
	Payable to conventional banking	-	12,402,625
	Audit fee payable including VAT	632,500	632,500
	Markup (profit) on Bia-Murabahah	512,942,884	99,089,295
	Withholding tax payable	231,389,157	159,444,657
	Inter branch transaction account	447,514,073	310,376,896
	Unclaimed Dividend Account*	125,425,975	118,448,414
	Withholding VAT Payable	22,061,624	52,908,195
	Interest suspense on corporate bond & Others	572,620,996	448,347,329
	Unearned revenue	74,005	-
	Gratuity Fund	-	2,014,593
	Provision for other assets **(Note-15.2)**	579,183,033	462,601,765
	Net current tax liability **(Note-15.3)**	1,574,736,064	1,638,406,819
	Deferred tax liabilities **(Note-15.4.1)**	800,385,308	670,542,764
	Provision for loans and advances **(Note-15.5)**	16,594,239,038	12,885,008,966
	Special general provision COVID-19 **(Note-15.5)**	-	534,696,334
	Provision on off balance sheet items **(Note-15.5)**	965,641,892	1,058,054,138
	Interest/profit suspense account **(Note-15.6)**	10,331,384,652	8,920,294,393
	Contribution to NCC Bank Foundation **(Note-15.7)**	39,967,289	30,000,001
	Net defined benefit obligation **(Note-15.8)**	166,868,512	-
	Provision for nostro accounts **(Note-15.9)**	-	-
	Lease liabilities (present value of lease payments) **(Note-15.10)**	868,429,822	393,256,743
	Provision for start-up fund (**Note-15.11**)	121,046,611	97,810,922
	Specific provision against non banking assets **(Note-15.12)**	218,000	6,055,863
	Provision against non banking assets **(Note-15.13)**	2,150,514	67,449,364
	Interest/profit Suspense on non banking assets **(Note-15.14)**	1,352,871	22,649,464
	CSR Fund (including compensation of IBU) **(Note-15.15)**	115,618,020	89,919,978
		38,840,407,027	**31,112,826,846**

*As per BSEC directive no-BSEC/CMRRCD/2021-386/03 dated 14 January 2021, Unclaimed dividend account has been shown separately in other liability head.

15.2	**Provision for other assets**		
	Opening balance	462,601,765	388,701,765
	Add: Provisions made during the year	121,252,602	73,900,000
	Less: Adjustment made during the year	(4,671,334)	-
	Closing balance	**579,183,033**	**462,601,765**
15.3	**Net current tax liability**		
	Provision for income tax		
	Opening balance	5,242,962,569	2,786,765,448
	Add: Provision made for current tax during the year	2,601,819,943	2,456,197,121
	Add: Prior years' tax	-	-
	Less: Adjustment during the year	-	-
	Closing balance	7,844,782,512	5,242,962,569
	Advance corporate tax		
	Advance tax at source on treasury bills/ bonds	607,215,391	341,249,343
	Advance tax at source on dividend	105,933,661	66,902,064
	Advance tax at source on bank Interest/profit	255,124,195	163,701,699
	Advance income tax deposited by Bank	5,233,025,897	2,994,454,081
	Advance income tax on LC commission	68,747,304	38,248,564
		6,270,046,448	3,604,555,750
	Less: Adjustment during the year	-	-
		6,270,046,448	3,604,555,750
		1,574,736,064	**1,638,406,819**
15.4	**Consolidated provision for income tax charged in P/L**		
	Add : Provision made for NCC Bank PLC.	2,601,819,943	2,456,197,121
	Add: Prior years' tax	-	-
	Add : Provision made for NCCB Securities and Financial Services Limited	20,094,583	14,951,849
	Add : Provision made for NCCB Capital Limited	-	-
		2,621,914,526	2,471,148,970

15.4.1 Deferred tax

Deferred tax liabilities 2024

Particulars of liabilities	As per carrying value	As per tax base	Taxable temporary difference
Revaluation portion of land	320,083,348	-	320,083,348
Revaluation portion of building	106,419,474	-	106,419,474
Building/Office premises	904,562,243	362,861,824	541,700,419
Machinery & equipment	197,976,381	174,050,679	23,925,702
Computer equipment	223,121,697	150,938,636	72,183,061
Local software	88,523,593	79,586,152	8,937,441
Right use of Assets	969,030,415	-	969,030,415
Accrued Interest/profit on Govt. securities	1,507,920,474	-	1,507,920,474
Total	**4,317,637,625**	**767,437,291**	**3,550,200,334**
Rate			**Applicable Rate**
Deferred tax liabilities			**1,272,392,417**

Deferred tax liabilities 2023

Particulars of liabilities	As per carrying value	As per tax base	Taxable temporary difference
Revaluation portion of land	320,083,348	-	320,083,348
Revaluation portion of building	109,148,179	-	109,148,179
Building/Office premises	927,756,144	381,959,815	545,796,329
Machinery & equipment	227,082,602	197,832,796	29,249,806
Computer equipment	202,585,251	134,785,065	67,800,186
Local software	99,736,144	79,549,709	20,186,435
Vehicle	57,972,370	55,127,252	2,845,118
Right use of Assets	426,761,663	-	426,761,663
Lease liability on right use of asset	(393,256,743)	-	(393,256,743)
Accrued Interest/profit on Govt. securities	884,559,513	-	884,559,513
Total	**2,862,428,471**	**849,254,636**	**2,013,173,834**
Rate			**Applicable Rate**
Deferred tax liabilities			**696,007,479**

	2024 Taka	2023 Taka
Opening balance	696,007,479	641,939,884
Add: Provision for revaluation reserve on land & building	-	-
	696,007,479	641,939,884
Less: Reverse provision for revaluation on land & building	-	-
	696,007,479	641,939,884
Addition during the year	576,384,937	54,067,595
	1,272,392,417	696,007,479
Adjustment made during the year	-	-
Closing balance	**1,272,392,417**	**696,007,479**

Deferred tax assets 2024

Particulars of assets	As per carrying value	As per tax base	Deductible temporary difference
Furniture and fixtures	480,993,443	566,270,718	(85,277,274)
Vehicle	40,001,333	44,101,801	(4,100,469)
Advance rent	40,970,240	174,979,788	(134,009,548)
Net defined benefit obligation	(166,868,512)	-	(166,868,512)
Lease liability on right use of asset	(868,429,822)	-	(868,429,822)
Total	**(473,333,317)**	**785,352,308**	**(1,258,685,625)**
Rate			**Applicable Rate**
Deferred tax assets			**472,007,109**

* Determination of carrying value of vehicles considered as value mentioned in Third Schedule of ITA 2023.

Deferred tax assets 2023

Particulars of assets	As per carrying value	As per tax base	Deductible temporary difference
Furniture and fixtures	521,031,158	586,922,472	(65,891,314)
Provision for investment fluctuation in shares	(742,974,590)	(742,974,590)	-
Provision for gratuity	(2,014,593)	-	(2,014,593)
Provision for other assets & provision for nostro accounts	(462,601,765)	(462,601,765)	-
Total	**(686,559,790)**	**(618,653,883)**	**(67,905,907)**
Rate			**Applicable Rate**
Deferred tax assets			**25,464,715**

	2024 Taka	2023 Taka
Opening balance	25,464,715	30,457,516
Addition during the year	446,542,394	-
	472,007,109	30,457,516
Adjustment made during the year	-	(4,992,801)
Closing balance	**472,007,109**	**25,464,715**
Net deferred tax (assets)/liabilities	**800,385,308**	**670,542,764**
Net deferred tax (income)/ expense charged to P/L during the year	**129,842,543**	**59,060,396**
Consolidated Net deferred tax (income)/ expense charged to P/L during the year	**130,523,232**	**59,060,396**

15.5 Provision for loans and advances

a) Movement in specific provision on classified loans and advances		
Opening balance	10,863,565,000	8,475,142,107
Add: Provision made against Charges as loan loss	71,249,196	-
Less: Fully provided debt written off	(1,407,901,450)	(701,228,336)
Less: Waiver during the year	(458,748,488)	(86,556,982)
Net charged to profit and loss account during the year	5,465,039,558	3,176,208,211
Closing balance	14,533,203,815	10,863,565,000
b) Movement in general provision on unclassified loans and advances		
Opening balance	2,021,443,966	1,994,200,000
Add: Provision made/(adjust) for the year	39,591,257	27,243,966
	2,061,035,223	2,021,443,966
c) Movement in special general provision COVID-19		
Opening balance	534,696,334	805,814,297
Add: Provision/(adjustment) made for the year	(534,696,334)	(271,117,963)
Closing balance	-	534,696,334
d) Provision on off-balance sheet items		
Opening balance	1,058,054,138	980,818,791
Add: Provision made during the year	(92,412,246)	77,235,347
Closing balance	965,641,892	1,058,054,138
e) Provision for off-shore banking unit		
Opening balance	99,745,034	74,579,946
Add: Provision made for the year/net charge in profit and loss account	-	25,165,088
Less: Adjustment during the year	(3,749,142)	-
Closing balance	95,995,892	99,745,034
Total (a+b+c+d+e)	**17,655,876,822**	**14,577,504,472**

15.5.1 Consolidated provision for loans and advances charged to profit and loss account

a) Specific provision on classified loans and advances		
NCC Bank PLC.	5,465,039,558	3,176,208,211
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
	5,465,039,558	3,176,208,211
b) Movement in general provision on unclassified loans and advances		
NCC Bank PLC.	39,591,257	27,243,966
NCCB Securities and Financial Services Limited	99,728,847	84,879,522
NCCB Capital Limited	-	-
	139,320,104	112,123,488

		2024 Taka	2023 Taka
	c) Movement in special general provision COVID-19		
	NCC Bank PLC.	(534,696,334)	(271,117,963)
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		(534,696,334)	(271,117,963)
	Total (a+b+c)	**5,069,663,327**	**3,017,213,736**
15.6	**Interest/profit suspense account**		
	Opening balance	8,920,294,393	7,762,488,634
	Add: Amount transferred during the year	3,826,966,740	3,159,595,097
	Less: Amount adjustment during the year	(1,272,366,207)	(1,822,824,836)
	Less: Amount written off during the year	(986,384,273)	(126,599,577)
	Less: Amount waived during the year	(157,126,000)	(52,364,926)
	Closing balance	**10,331,384,652**	**8,920,294,393**
15.7	**Contribution to NCC Bank's CSR Fund**		
	Opening balance	30,000,001	32,081,868
	Add: Contribution during the year	30,000,000	30,000,000
	Less: Adjustment during the year	(20,032,712)	(32,081,867)
	Closing balance	**39,967,289**	**30,000,001**
15.8	**Net defined benefit obligation**		
	Defined benefit obligation (Gratuity Fund)	2,480,267,108	-
	Less: Fair value of plan asset (Gratuity Fund)	(2,313,398,596)	-
		166,868,512	**-**

Net defined benefit obligation is the net result of post employment benefit plan which is measured as per actuarial valuation under IAS 19 "Employee Benefits". The methodology used to assess the financial position of the scheme is "projected unit credit method" in consistent with IAS 19. Under this method, the valuation is done considering 'Future service cost' 'which an employee shall obtain in normal course of service as well as 'past service cost 'which is the difference between assets built up from past contributions and accrued liabilities (i.e. benefits earned by members as a result of service as of investigation date)

	Defined benefit obligation (Gratuity Fund)		
	Opening balance	-	-
	Interest cost	179,588,564	-
	Current service cost	235,410,060	-
	Actual net benefit payments	(108,898,375)	-
	Opening balance adjustment	2,244,857,047	-
	Experience/Remeasurement (gain)/loss	(70,690,189)	-
	Closing balance	**2,480,267,108**	**-**

The amount of obligation for gratuity fund is determined considering present value of last basic salary multiplied by applicable rate as per service length which is discounted on actuarial financial assumptions such as interest rate, expected salary growth etc. There are currently 2,478 participants of the benefits as on 31 December 2024.

	Fair value of plan assets (Gratuity Fund)		
	Opening balance	-	-
	Interest income	168,084,642	-
	Contributions to the fund by employer	192,339,378	-
	Actual net benefit payments	(108,898,375)	-
	Opening balance adjustment	2,101,058,031	-
	Actuarial gain/(loss)	(39,185,080)	-
	Closing balance	**2,313,398,596**	**-**

Fair value of plan assets is not readily available, hence historical book value (Draft FS) of fund assets is considered as fair value of plan assets of the fund. Plan assets comprises of Investment in Treasury Bonds & FDR, Cash & cash equivalents, Interest receivable & Premium treasury bond.

15.9	**Provision for nostro accounts**		
	Opening balance	-	-
	Add: Provision made/charged during the year	-	-
	Less: Adjustment made during the year	-	-
	Closing balance	**-**	**-**
15.10	**Lease liabilities**		
	Opening balance	393,256,743	110,857,301
	Add: Interest charged during the year	41,924,490	9,092,719
	Add: Made during the year	503,980,366	284,117,990
	Less: Payment/Adjustment made during the year	(70,731,777)	(10,811,267)
	Closing balance	**868,429,822**	**393,256,743**

The bank recognized lease liabilities which is present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. The lease payment has been discounted using Treasury bill/bond rate supporting lease tenor 5 -10 years as implicit borrowing rate.

	2024 Taka	2023 Taka
15.11 Start-up fund		
Opening balance	97,810,922	74,862,558
Add: Made during the year	23,235,689	22,948,364
Closing balance	**121,046,611**	**97,810,922**

As per SMESPD Circular No. 4, dated 29 March 2021 and Circular No. 5, dated 26 April 2021, 1% on Net profit after taxation has been transferred to the fund:

	Year		Start-up fund	Start-up fund
Net profit after tax and Start-up fund	2020	2,231,746,724	22,317,467	22,317,467
Net profit after tax and Start-up fund	2021	2,613,725,378	26,137,254	26,137,254
Net profit after tax and Start-up fund	2022	2,640,783,675	26,407,837	26,407,837
Net profit after tax and Start-up fund	2023	2,294,836,430	22,948,364	22,948,364
Net profit after tax and Start-up fund	2024	2,323,568,924	23,235,689	-
Required start-up fund			121,046,611	97,810,922
Maintained start-up fund			121,046,611	97,810,922
Excess/(shortage)			-	-
15.12 Specific Provision against non banking assets			**218,000**	**6,055,863**
15.13 Provision against non banking assets			**2,150,514**	**67,449,364**
15.14 Interest/profit Suspense on non banking assets				
Opening balance			22,649,464	25,203,573
Add: Transfer from general Interest/profit suspense account			-	-
Less: Adjustment of Interest/profit suspense account			(21,296,593)	**(2,554,109)**
Closing balance			**1,352,871**	**22,649,464**
15.15 CSR Fund				
Opening balance			89,919,978	119,457,357
Addition during the year for compensation of IBU			45,600,000	-
Less: Adjustment /Expenses during the year			(19,901,958)	(29,537,379)
Closing balance			**115,618,020**	**89,919,978**
15(a) Consolidated other liabilities				
NCC Bank PLC. **(Note-15)**			38,936,406,878	31,274,484,390
NCCB Securities and Financial Services Limited			927,051,209	889,392,545
NCCB Capital Limited			69,000	46,000
			39,863,527,087	32,163,922,936
Less: Inter company transactions			-	-
			39,863,527,087	**32,163,922,936**
16 NCC Bank Subordinated and Perpetual Bonds				
Conventional and Islamic banking				
NCC Bank Non-Convertible Subordinated Bonds **(Note- 16.1)**			800,000,000	1,600,000,000
NCC Bank Perpetual Bonds **(Note- 16.2)**			5,000,000,000	5,000,000,000
			5,800,000,000	**6,600,000,000**
16.1 NCC Bank Non-Convertible Subordinated Bonds				
Agrani Bank PLC			100,000,000	200,000,000
Rupali Bank PLC			200,000,000	400,000,000
Sonali Bank PLC			100,000,000	200,000,000
United Commercial Bank PLC			400,000,000	800,000,000
			800,000,000	**1,600,000,000**

	2024 Taka	2023 Taka

NCC Bank Non-Convertible Subordinated Bonds (Tier-II capital)

Bangladesh Securities and Exchange Commission (BSEC) upon application kindly accorded their consent on January 23,2018 and NOC from Bangladesh Dank dated May 08,2018 in favor of National Credit and Commerce Bank PLC. (NCCBPLC) under the provisions of the "Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012 for issuing Unsecured, Non-convertible Subordinated Bond of Taka 400 crore to raise Tier-II Capital for strengthening the capital base of the Bank. Basic features of the bonds are;

Coupon Rate : Base rate plus coupon margin.

Here Base rate means average fixed deposit rates of 6 months of Private Commercial Schedule Banks published by Bangladesh Bank in its website at the beginning of any coupon period and coupon margin is 2%.

Coupon floor rate : 7% p.a.
Coupon range : 7% to 10.50% p.a.

16.2 NCC Bank Perpetual Bonds

Mercantile Bank PLC	500,000,000	500,000,000
Jamuna Bank PLC	400,000,000	400,000,000
Trust Bank PLC	500,000,000	500,000,000
Midland Bank PLC	250,000,000	250,000,000
Community Bank Bangladesh PLC	200,000,000	200,000,000
Eastern Bank PLC	800,000,000	800,000,000
Mutual Trust Bank PLC	400,000,000	400,000,000
The Premier Bank PLC	950,000,000	950,000,000
United Commercial Bank PLC	350,000,000	350,000,000
Pubali Bank PLC	650,000,000	650,000,000
	5,000,000,000	**5,000,000,000**

NCC Bank Perpetual Bonds (Additional tier-I capital)

Bangladesh Securities and Exchange Commission (BSEC) upon application dated March 02,2021 has kindly accorded their consent on May 23,2021 and NOC from Bangladesh Dank dated October 01,2020 in favor of National Credit and Commerce Bank PLC. (NCCBPLC) under the provisions of the "Securities and Exchange Commission (Private Placement of Debt Securities) Rules, 2012 for issuing Unsecured, Conditional-convertible Perpetual Bond of Taka 500 crore to raise Additional Tier-I Capital for strengthening the capital base of the Bank. The Bank has already completed subscription of Taka 500 crore out of the total issue size of Taka 500 crore. Basic features of the bonds are;

Coupon Rate : Base rate plus coupon margin.

Here Base rate is the 20-year Treasury-Bond rate (Latest available rate of 20-year Treasury Bond rate as published by Debt Management Department of Bangladesh Bank on the quotation day and coupon margin is 2%.

Coupon range: 6% to 10% p.a.

Conditional conversion feature: This bonds are conditional convertible and this conversion will only be executed if the bank's consolidated CET-1 falls below Bangladesh Bank requirement (Currently 4.50%) and below for 03 successive quarters; then the 3rd quarter-end date of consecutive below minimum CET-1 ratio would be the trigger point(date) as well as conversion strike price would be average of daily market price of the immediate previous 6 months average market price of NCC Bank shares in the DSE from the trigger point date or face value of the share whichever is higher.

16 (a) NCC Bank Subordinated and Perpetual Bonds

Subordinated bonds

NCC Bank PLC. **(Note-16)**	800,000,000	1,600,000,000
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
	800,000,000	1,600,000,000

Perpetual bonds

NCC Bank PLC. **(Note-16)**	5,000,000,000	5,000,000,000
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
	5,000,000,000	5,000,000,000
	5,800,000,000	**6,600,000,000**

17 Share capital

17.1 Authorized share capital

2,000,000,000 ordinary shares @ of Tk. 10 each	**20,000,000,000**	**20,000,000,000**

17.2 Issued, subscribed and fully paid-up capital

39,000,000 Ordinary shares of Tk 10 each issued for cash	390,000,000	390,000,000
926,939,525 Ordinary shares of Tk 10 each issued as bonus	9,269,395,250	9,269,395,250
144,483,570 Ordinary shares of Tk 10 each issued as right share in Cash	1,444,835,700	1,444,835,700
1,110,423,095 Ordinary shares of Tk 10 each	**11,104,230,950**	**11,104,230,950**

	2024 Taka	2023 Taka

17.3 History of paid-up capital of NCC Bank PLC.

Accounting Year	Declaration	No. of Share	Value of capital	Cumulative
1993	Opening capital	19,500,000	195,000,000	195,000,000
1999	Initial public offer (IPO)	19,500,000	195,000,000	390,000,000
2000	10% Bonus Share	3,900,000	39,000,000	429,000,000
2001	12% Bonus Share	5,148,000	51,480,000	480,480,000
2002	15% Bonus Share	7,207,200	72,072,000	552,552,000
2003	10% Bonus Share	5,525,520	55,255,200	607,807,200
2004	30% Bonus Share	18,234,210	182,342,100	790,149,300
2005	50% Right Share	30,238,570	302,385,700	1,092,535,000
2005	10% Bonus Share	10,925,350	109,253,500	1,201,788,500
2006	12.50% Bonus Share	15,022,350	150,223,500	1,352,012,000
2007	30% Bonus Share	40,560,360	405,603,600	1,757,615,600
2008	30% Bonus Share	52,728,460	527,284,600	2,284,900,200
2009	47% Bonus Share	107,390,300	1,073,903,000	3,358,803,200
2010	50% Right Share	114,245,010	1,142,450,100	4,501,253,300
2010	32% Bonus Share	144,040,105	1,440,401,050	5,941,654,350
2011	17% Bonus Share	101,008,123	1,010,081,230	6,951,735,580
2012	10% Bonus Share	69,517,355	695,173,550	7,646,909,130
2013	5% Bonus Share	38,234,545	382,345,450	8,029,254,580
2014	10% Bonus Share	80,292,545	802,925,450	8,832,180,030
2018	5% Bonus Share	44,160,900	441,609,000	9,273,789,030
2019	2% Bonus Share	18,547,578	185,475,780	9,459,264,810
2020	7.5% Bonus Share	70,944,486	709,444,860	10,168,709,670
2021	4% Bonus Share	40,674,838	406,748,380	10,575,458,050
2022	5% Bonus Share	52,877,290	528,772,900	11,104,230,950
		1,110,423,095	**11,104,230,950**	

17.4 % of shareholdings as at 31 December 2024

Particulars	No of share	% of holdings		
Directors & Sponsors	412,907,592	37.18	4,129,075,920	4,097,535,020
Institutions	260,767,484	23.49	2,607,674,840	2,627,512,270
Non Residence Bangladeshi	594,152	0.05	5,941,520	6,824,310
General shareholder	436,153,867	39.28	4,361,538,670	4,372,359,350
	1,110,423,095	**100.00**	**11,104,230,950**	**11,104,230,950**

17.5 Range wise shareholdings as at 31 December 2024

Range of holding of shares	No. of share holders	% of shares holding	No. of shares
Equal and Less than 5,000	29432	3.20	35,536,598
5,001 to 10,000	2450	1.57	17,438,785
10,001 to 20,000	1463	1.82	20,181,037
20,001 to 30,000	511	1.12	12,483,053
30,001 to 40,000	227	0.70	7,828,217
40,001 to 50,000	140	0.57	6,342,946
50,001 to 100,000	275	1.70	18,833,054
100,001 to 200,000	165	2.00	22,155,929
200,001 to 300,000	75	1.62	17,976,986
300,001 to 400,000	28	0.87	9,664,435
400,001 to 500,000	23	0.94	10,404,084
500,001 to 1,000,000	64	3.94	43,712,882
1,000,001 to 10,000,000	102	25.62	284,526,242
10,000,001 to 100,000,000	26	54.33	603,338,847
Total	**34981**	**100.00**	**1,110,423,095**

	2024 Taka	2023 Taka
17.6 Capital to Risk-Weighted Asset Ratio (CRAR) (Solo Basis)		
i) Core capital (Tier- I)		
a) Common Equity Tier I		
Paid-up capital	11,104,230,950	11,104,230,950
Statutory reserve - **(Note-18)**	11,104,230,950	11,104,230,950
General reserve **- (Note-19)**	10,162,348	10,162,348
Surplus in profit & loss account **- (Note-21)**	2,051,264,700	1,513,808,724
	24,269,888,948	**23,732,432,972**
Less: Regulatory adjustment		
Goodwill and other intangible assets	88,523,593	99,736,144
Reciprocal crossholdings in the CET-1 capital banking, NBFI & insurance entities	87,772,598	86,881,505
	176,296,191	**186,617,650**
	24,093,592,757	**23,545,815,322**
b) Additional Tier I Capital	**5,000,000,000**	**5,000,000,000**
	29,093,592,757	**28,545,815,322**
ii) Supplementary capital (Tier- II)		
General provision on unclassified loan **(Note-15.5(b))**	2,061,035,223	2,021,443,966
Special general provision COVID-19 **(Note-15.5(c))**	-	534,696,334
General provision for off-balance sheet exposures **(Note-15.5(d))**	965,641,892	1,058,054,138
General Provision for off-shore banking unit **(Note-15.5(e))**	95,995,892	99,745,034
Non-convertible subordinated bond	-	800,000,000
	3,122,673,007	**4,513,939,472**
Less: Regulatory adjustment		
Reciprocal crossholdings in the T-2 Capital of Banking, NBFI & insurance Entities	-	-
	3,122,673,007	**4,513,939,472**
A) Total capital (Tier-I + Tier-II)	**32,216,265,763**	**33,059,754,794**
Total assets including off-balance sheet items	482,884,123,426	435,312,106,186
B) Total risk weighted assets **(Details computation of RWA shown in Annexure-G)**	212,837,611,918	207,762,222,116
C) Required capital except conservation buffer (10% of total risk weighted assets)	21,283,761,192	20,776,222,212
D) Required capital plus conservation buffer (12.50% of total risk weighted assets)	26,604,701,490	25,970,277,765
E) Surplus (A-D)	**5,611,564,273**	**7,089,477,030**
Capital to Risk-Weighted Asset Ratio (CRAR)	**15.14%**	**15.91%**

Capital to Risk-Weighted Asset Ratio (CRAR)

Capital requirement	2024		2023	
	Required	Held	Required	Held
Tier-I (Minimum required)	6.00%	13.67%	6.00%	13.74%
Tier-II (Maximum required)	4.00%	1.47%	4.00%	2.17%
Total Capital	**10.00%**	**15.14%**	**10.00%**	**15.91%**
Total Capital Plus Capital Conservation Buffer	**12.50%**	**15.14%**	**12.50%**	**15.91%**

17.7 Capital to Risk-Weighted Asset Ratio (CRAR) (Consolidated Basis)		
i) Core capital (Tier- I)		
a) Common Equity Tier I		
Paid-up capital	11,104,230,950	11,104,230,950
Statutory reserve **(Note-18)**	11,104,230,950	11,104,230,950
General reserve **(Note-19(a))**	10,993,285	10,669,712
Non-controlling (Minority) Interest/profit **(Note-17.8)**	209	209
Surplus in profit & loss account **(Note-21(a))**	2,185,469,422	1,645,124,578
	24,404,924,816	**23,864,256,399**
Less: Regulatory adjustment for:		
Goodwill and other intangible assets	88,844,210	100,161,825
Reciprocal crossholdings in the CET-1 capital banking, NBFI & insurance entities	87,772,598	86,881,505
	176,616,808	**187,043,331**
	24,228,308,008	**23,677,213,068**
b) Additional Tier I Capital	5,000,000,000	5,000,000,000
	29,228,308,008	**28,677,213,068**

	2024 Taka	2023 Taka
ii) Supplementary capital (Tier- II)		
General provision on unclassified loan **(Note-15.5(b))** plus provision of NCCBSFSL	2,347,594,181	2,258,215,492
Special general provision COVID-19 **(Note-15.5(c))**	-	534,696,334
General provision for off-balance sheet exposures **(Note-15.5(d))**	965,641,892	1,058,054,138
General provision for off-shore banking unit **(Note-15.5(e))**	95,995,892	99,745,034
Non-convertible subordinated bond	-	800,000,000
	3,409,231,965	**4,750,710,998**
Less: Regulatory adjustment for:		
Reciprocal crossholdings in the T-2 Capital of Banking, NBFI & insurance Entities	-	-
	-	-
	3,409,231,965	**4,750,710,998**
A) Total capital (Tier-I + Tier-II)	**32,637,539,973**	**33,427,924,067**
Total assets including off-balance sheet items	483,394,063,244	435,677,666,531
B) Total risk weighted assets **(Details computation of RWA shown in Annexure-G)**	212,588,944,124	209,040,422,252
C) Required capital except conservation buffer (10% of total risk weighted assets)	21,258,894,412	20,904,042,225
D) Required capital plus conservation buffer (12.50% of total risk weighted assets)	26,573,618,015	26,130,052,782
E) Surplus/(deficit) (A-D)	**6,063,921,957**	**7,297,871,285**
Capital to Risk-Weighted Asset Ratio (CRAR)	**15.35%**	**15.99%**

Capital to Risk-Weighted Asset Ratio (CRAR)

Capital requirement	2024		2023	
	Required	Held	Required	Held
Tier-I (Minimum required)	6.00%	13.75%	6.00%	13.72%
Tier-II (Maximum required)	4.00%	1.60%	4.00%	2.27%
Total Capital	**10.00%**	**15.35%**	**10.00%**	**15.99%**
Total Capital Plus Capital Conservation Buffer	**12.50%**	**15.35%**	**12.50%**	**15.99%**

17.8 Non-controlling (Minority) Interest/profit

Opening balance	209	209
Add: Profit attributable during the year	-	-
Less: Adjustment during the year	-	-
Closing balance	**209**	**209**

17.9 Name of the directors and their shareholdings:

SL. No.	Name of directors	Status with Bank	As at 31.12.2024	As at 31.12.2023
1	Alhaj Md. Nurun Newaz	Chairman	26,207,336	26,207,336
2	Mr. A S M Mainuddin Monem	Vice Chairman	44,430,168	44,430,168
3	Mrs. Sohela Hossain	Director	35,743,635	35,743,635
4	Mr. Syed Asif Nizamuddin	Director	22,351,345	-
5	Mr. Abdus Salam	Director	32,737,306	32,737,306
6	Mr. Amjadul Ferdous Chowdhury	Director	22,228,681	22,228,681
7	Mr. Khairul Alam Chaklader	Director	34,705,464	34,705,464
8	Mr. Md. Moinuddin	Director	28,926,336	28,926,336
9	Ms. Tanzina Ali	Director	22,211,164	22,211,164
10	Mr. Md. Sazzad Un Newaz	Director	22,518,128	22,518,128
11	Mr. Meer Sajed-Ul-Bashar FCA	Independent Director	-	-
			221,422,059	**199,070,714**

17.10 Composition of shareholders' equity

Paid up capital	11,104,230,950	11,104,230,950
Statutory reserve	11,104,230,950	11,104,230,950
General reserve	10,162,348	10,162,348
Other reserve including assets revaluation reserve	533,717,079	361,879,410
Foreign currency translation gain/(loss) reserve	7,128,607	3,297,082
Surplus in profit and loss account	2,051,264,700	1,513,808,724
	24,810,734,633	**24,097,609,463**

17.11 Consolidated Composition of shareholders' equity

Paid up capital	11,104,230,950	11,104,230,950
Statutory reserve	11,104,230,950	11,104,230,950
General reserve	10,993,285	10,669,712
Non-controlling (Minority) Interest/profit	209	209
Other reserve including assets revaluation reserve	533,717,079	361,879,410
Foreign currency translation gain/(loss) reserve	7,128,607	3,297,082
Surplus in profit and loss account	2,185,469,422	1,645,124,578
	24,945,770,501	**24,229,432,890**

		2024 Taka	2023 Taka
18	**Statutory reserve**		
	Opening balance	11,104,230,950	10,575,458,050
	Addition during the year	-	528,772,900
	Closing balance	**11,104,230,950**	**11,104,230,950**
19	**General reserve**		
	Opening balance	10,162,348	10,162,348
	Addition during the year	-	-
	Closing balance	**10,162,348**	**10,162,348**
19. (a)	**Consolidated general reserve**		
	NCC Bank PLC. **(Note-19)**	10,162,348	10,162,348
	NCCB Securities and Financial Services Limited	830,937	507,364
		10,993,285	**10,669,712**
20	**Other reserve including assets revaluation reserve**		
	Assets revaluation reserve on land and building **(Note - 20.(a))**	325,496,973	327,202,413
	Revaluation reserve on Govt. securities **((Note - 20.(b))**	208,220,105	34,676,996
		533,717,079	**361,879,410**
20.(a)	**Assets revaluation reserve on land and building**		
	Opening balance	327,202,413	328,951,583
	Less : Adjustment for Provision for deferred tax	-	-
		327,202,413	328,951,583
	Less: Depreciation on revalued amount transferred to retained earnings	1,705,440	1,749,169
		325,496,973	327,202,413
	Add: Reverse deferred tax on revaluation on land & building	-	-
		325,496,973	327,202,413
	Add: Addition during the year	-	-
		325,496,973	**327,202,413**
20.(b)	**Revaluation reserve on Govt. securities**		
	Opening balance	34,676,996	212,514,020
	Add: Addition during the year	1,599,031,819	194,324,177
	Held to maturity (HTM)	22,611,620	4,226,913
	Held for trading (HFT)	1,576,420,199	190,097,264
	Less: Adjusted during the year	(1,425,488,710)	(372,161,200)
	Held to maturity (HTM)	(16,033,600)	(32,704,708)
	Held for trading (HFT)	(1,409,455,110)	(339,456,492)
	Closing balance	**208,220,105**	**34,676,996**
20.1	**Foreign currency translation gain/(loss) reserve**		
	Opening balance	3,297,082	12,779,089
	Add: Transfer during the year	3,831,525	-
	Less: Adjustment during the year	-	(9,482,007)
	Closing balance	**7,128,607**	**3,297,082**
20.2	**Actuarial gain/(loss) on defined benefit plans**		
	Opening balance	**-**	**-**
	Remeasurement adjustment of gain/(loss)	31,505,109	-
	Opening balance adjustment	(141,784,422)	-
	Closing balance	**(110,279,313)**	**-**

Actuarial gain/(loss) results from increase in the present value of the defined benefit obligation (Gratuity Fund) due to changes in actuarial assumptions and experience adjustment which has been shown as equity component as element of OCI as per IAS 19.

21	**Surplus in profit and loss account**		
	Retained earnings brought forward from previous year **(Note-21.1)**	181,301,010	259,742,824
	Net profit after tax	2,323,568,924	2,294,836,430
	Interest on perpetual bonds as distributable items	(500,000,000)	(500,000,000)
	Transfer to start-up fund	(23,235,689)	(22,948,364)
	Gain on sale of Non-banking assets	67,925,016	9,201,564
	Transfer to statutory reserve for the year	-	(528,772,900)
		2,049,559,260	1,512,059,554
	Depreciation on revalued amount of building transferred to retained earnings	1,705,440	1,749,169
		2,051,264,700	**1,513,808,724**

		2024 Taka	2023 Taka
21(a)	**Consolidated surplus in profit and loss account**		
	Retained earning brought forward from previous year	312,616,864	388,493,331
	Net profit after tax	2,326,781,365	2,297,689,427
	Interest on perpetual bonds as distributable items	(500,000,000)	(500,000,000)
	Transfer to start-up fund	(23,235,689)	(22,948,364)
	Gain on sale of Non-banking assets	67,925,016	9,201,564
	Transfer to statutory reserve for the year	-	(528,772,900)
	Transfer to general reserve for the year	(323,573)	(287,649)
		2,183,763,982	1,643,375,408
	Depreciation on revalued amount of building Transferred to retained earnings	1,705,440	1,749,169
		2,185,469,422	**1,645,124,578**
21.1	**Retained earnings**		
	Conventional and Islamic banking	181,301,010	259,742,824
	Off-shore banking unit	-	-
		181,301,010	**259,742,824**
	Conventional and Islamic banking		
	Opening balance	1,338,077,790	1,149,127,674
	Transferred from Offshore banking unit	175,730,934	168,160,954
	Bonus share	-	(528,772,900)
	Cash dividend paid	(1,332,507,714)	(528,772,904)
	Closing balance	181,301,010	259,742,824
	Off-shore banking unit		
	Opening balance	175,730,934	168,160,954
	Transferred to Conventional and Islamic banking unit	(175,730,934)	(168,160,954)
	Closing balance	-	-
21.2	**Consolidated retained earnings**		
	Opening balance	1,645,124,578	1,446,039,135
	Bonus share	-	(528,772,900)
	Cash dividend paid	(1,332,507,714)	(528,772,904)
	Closing balance	**312,616,864**	**388,493,331**
21.3	**Consolidated foreign currency translation gain/(loss) reserve**		
	NCC Bank PLC. **(Note-20.1)**	7,128,607	3,297,082
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		7,128,607	3,297,082
	Less: Inter company transactions	-	-
		7,128,607	**3,297,082**
22	**Contingent liabilities**		
22.1	**Acceptances and endorsement**	**34,694,658,193**	**31,148,249,078**
22.2	**Letter of guarantee**		
	Money for which the Bank is contingently liable in respect of guarantees issued:		
	Directors	771,600	883,000
	Government	-	-
	Banks and other financial institutions	3,630,545,803	4,535,165,084
	Others	39,407,240,721	39,785,892,418
	Total	43,038,558,124	44,321,940,502
	Less: Margin **(Note 14.5)**	(1,879,816,056)	(1,934,111,284)
		41,158,742,068	**42,387,829,218**
22.3	**Letter of credit issued**		
	Documentary credit and short-term trade-related transactions	44,672,855,296	30,317,699,504
	Forward assets purchased and forward deposits placed	-	-
	Undrawn formal standby facilities, credit facilities and	-	-
	Spot and forward foreign exchange rate contract	-	-
	Other exchange contract	-	-
	Total	44,672,855,296	30,317,699,504
	Less: Margin **(Note 14.5)**	(6,643,054,788)	(10,787,422,710)
		38,029,800,509	**19,530,276,795**
22.4	**Bills for collection**	**13,521,078,572**	**10,552,007,552**

		2024 Taka	2023 Taka
23	**Income statement**		
	Income		
	Interest/profit, discount and similar income **(Note-23.1)**	30,342,388,526	22,242,017,032
	Dividend income **(Note-23.2)**	214,572,082	155,929,381
	Fee, commission and brokerage **(Note-23.3)**	1,887,078,927	1,650,617,686
	Gains less losses arising from dealing in foreign currencies	976,443,064	1,016,210,277
	Other operating income **(Note-28)**	1,167,359,820	1,229,185,327
		34,587,842,419	26,293,959,703
	Expenses		
	Interest/profit, fee and commission **(Note-25)**	17,015,308,621	11,792,671,463
	Charges on loan losses	81,998,970	298,668,323
	Administrative expenses **(Note-23.4)**	4,860,660,013	4,499,886,783
	Other operating expenses **(Note-38)**	1,174,632,783	1,172,031,988
	Depreciation on banking assets **(Note-37)**	363,896,208	293,480,759
		23,496,496,594	18,056,739,316
		11,091,345,825	**8,237,220,387**
23.1	**Interest/profit, discount and similar income**		
	Interest/profit income on loans and advances/investments	22,541,790,513	16,416,264,946
	Interest/profit on balances with other banks and financial institutions	578,149,612	877,012,564
	Interest/profit on treasury bill	1,154,926,450	118,031,606
	Interest/profit on reverse repo (Treasury bills)	7,460,843	12,264,141
	Interest/profit on treasury bonds (Net Off after amortization)	2,920,647,640	3,347,481,856
	Gain on sale of shares	23,757,552	11,274,382
	Capital gain on sale of Govt. securities	2,478,776,517	780,207,701
	Interest/profit on Bangladesh Bank bills	-	-
	Prize money on prize bond	8,000	34,088
	Interest/profit on sukuk bond	54,446,013	34,151,033
	Interest/profit on perpetual bonds	374,630,136	407,698,630
	Interest/profit on corporate bond	161,250,000	161,787,367
	Interest/profit on subordinated bond	46,545,249	75,808,719
	Interest/profit on commercial paper	-	-
		30,342,388,526	**22,242,017,032**
23.2	**Dividend income**		
	Dividend on shares	214,572,082	155,929,381
	Dividend from subsidiaries	-	-
		214,572,082	**155,929,381**
23.3	**Commission and brokerage**		
	Commission	1,887,078,927	1,650,617,686
		1,887,078,927	**1,650,617,686**
23.4	**Administrative expenses**		
	Salary and allowances	3,869,259,918	3,507,328,442
	Rent, taxes, insurance, electricity etc. **(Note-30)**	559,203,917	600,970,859
	Legal expenses **(Note-31)**	22,818,550	22,197,567
	Postage, stamp and telecommunication **(Note-32)**	74,057,060	55,349,286
	Stationery, printing, advertisement etc. **(Note-33)**	113,051,178	88,459,822
	Managing Director's salary & allowances **(Note-34)**	10,858,579	23,753,875
	Director's fees & other meeting related expenses **(Note-35)**	5,225,955	3,508,179
	Auditors' fees **(Note-36)**	632,500	632,500
	Repairs & maintenance of bank's assets **(Note-37)**	205,552,356	197,686,253
		4,860,660,013	**4,499,886,783**
24	**Interest income/profit on investment**		
	Conventional and Islamic banking **(Note-24.1)**	22,625,276,900	16,705,914,587
	Off-shore banking unit **(Note-24.2)**	915,289,414	798,110,953
		23,540,566,314	17,504,025,540
	Less: Inter transaction between OBU and Conventional banking	(420,626,189)	(210,748,029)
		23,119,940,125	**17,293,277,510**

		2024 Taka	2023 Taka
24.1	**Conventional and Islamic banking**		
	Interest on loans and advances/profit on investments		
	Loan (General)	165,158	199,374
	Loan against trust receipts	1,416,533,650	583,199,326
	Loan against packing & pre-shipment credit	14,909,631	17,192,660
	Secured overdraft	4,533,983,129	3,284,179,596
	Cash credit/Bai-Murabaha	2,965,531,846	2,157,401,656
	Stimulus Package	19,802,494	103,365,515
	Forced loan	414,504,965	325,490,705
	Demand Loan	1,967,288,272	88,648
	Transport loan	117,585,950	100,519,664
	Lease finance	267,059,952	212,796,571
	Start-up Loan	45,266	55,396
	Womens Loan	1,324,080	-
	Payment against documents	200,794,405	37,345,440
	House building loan/HPSM	643,619,736	459,164,879
	Personal loans	50,741,712	31,317,118
	Consumer loan	1,648,744	2,602,954
	Agricultural credit	425,366,797	345,963,373
	Small business loan	143,755,057	76,015,290
	Term loan	6,030,733,818	4,624,706,307
	Staff loan	62,003,071	56,056,970
	Credit card	50,403,678	41,447,441
	Car loan	15,004,949	9,966,270
	Short term loan	1,773,838,443	2,307,300,530
	Export loan	33,064,609	190,872
	Off-Shore Banking Unit (OBU)	339,774,683	183,886,525
	Time loan	218,084,006	538,695,018
	Education loan	618	-
	Documentary bills purchased	278,457,183	141,485,993
	Export Development Fund (EDF)	61,101,385	188,267,932
		22,047,127,288	15,828,902,023
	Interest/profit on balances with other banks and financial institutions		
	Time deposits with other banks & institutions	203,836,116	326,563,296
	Bangladesh Bank foreign currency account	23,466,288	13,047,020
	Financial institutions	75,861,822	136,286,294
	Money at call & short notice	8,402,568	18,990,588
	Foreign banks	266,582,818	382,125,366
		578,149,612	877,012,564
		22,625,276,900	**16,705,914,587**
24.2	**Off-shore banking unit**	**915,289,414**	**798,110,953**
24(a)	**Consolidated interest income/profit on investments**		
	NCC Bank PLC. **(Note-24)**	23,119,940,125	17,293,277,510
	NCCB Securities and Financial Services Limited	79,250,716	88,520,188
	NCCB Capital Limited	-	-
		23,199,190,841	17,381,797,698
	Less: Inter company transactions	(1,778,312)	(856,442)
		23,197,412,529	**17,380,941,256**
25	**Interest paid/profit shared on deposits and borrowings etc.**		
	Conventional and Islamic banking **(Note-25.1)**	16,736,079,162	11,370,859,220
	Off-shore banking unit **(Note-25.2)**	699,855,648	632,560,272
		17,435,934,810	12,003,419,492
	Less: Inter transaction between OBU and Conventional and Islamic banking	(420,626,189)	(210,748,029)
		17,015,308,621	**11,792,671,463**
25.1	**Conventional and Islamic banking**		
25.1a	**Interest paid/profit shared on deposits**		
	Savings/Mudaraba savings deposits	494,361,996	478,216,603
	Current deposits	248,010	-
	Short notice deposits	1,309,965,681	843,479,811
	Fixed/Mudaraba term deposits	11,061,615,257	6,633,343,985
	Special savings scheme	1,198,330,945	1,709,685,284
	Special deposit scheme	241,478,194	71,452,918
	Money double program	218,254,094	179,656,093
	Money triple program	1,273,952	68,189,154
	Foreign currency deposits	27,763,322	30,739,249
		14,553,291,451	10,014,763,098

		2024 Taka	2023 Taka
25.1b	**Interest/profit paid on borrowings & others**		
	Borrowing/Deposits from other banks	1,782,203,444	955,881,160
	Subordinated bond	100,866,668	152,100,000
	OBU	80,851,505	26,861,505
	Interest on lease liability	41,924,490	9,092,719
	Net interest cost (on Gratuity Fund) (**Note 25.1c**)	11,503,922	-
	Bangladesh Bank refinance	165,437,682	212,160,738
		2,182,787,711	1,356,096,122
		16,736,079,162	**11,370,859,220**
25.1c	**Net interest cost (on Gratuity Fund)**		
	Interest cost on defined benefit obligation (For Gratuity Fund)	179,588,564	-
	Less: interest income on plan assets (For Gratuity Fund)	(168,084,642)	-
		11,503,922	**-**
25.2	**Off-shore banking unit**	**699,855,648**	**632,560,272**
25(a)	**Consolidated interest paid/profit shared on deposits, borrowings, etc.**		
	NCC Bank PLC. **(Note-25)**	17,015,308,621	11,792,671,463
	NCCB Securities and Financial Services Limited	10,690,592	3,356,442
	NCCB Capital Limited	-	-
		17,025,999,213	11,796,027,905
	Less: Inter company transactions	(1,778,312)	(856,442)
		17,024,220,901	**11,795,171,463**
26	**Income from investments in shares & securities etc.**		
	Conventional and Islamic banking **(Note-26.1)**	7,437,020,482	5,104,668,903
	Off-shore banking unit	-	-
		7,437,020,482	**5,104,668,903**
26.1	**Conventional and Islamic banking**		
	Interest/profit on treasury bills	1,154,926,450	118,031,606
	Interest/profit on Reverse Repo	7,460,843	12,264,141
	Interest/profit on treasury bonds	4,771,778,431	4,497,125,357
	Interest/profit on sukuk	54,446,013	34,151,033
	Interest/profit on subordinated bonds	46,545,249	75,808,719
	Interest/dividend on perpetual bonds	374,630,136	407,698,630
	Interest/profit on corporate bond	161,250,000	161,787,367
	Dividend on shares	214,572,082	155,929,381
	Gain on sale of shares	23,757,552	11,274,382
	Prize money on prize bond	8,000	34,088
	Capital gain on sale of Govt. securities	2,478,776,517	780,207,701
		9,288,151,273	6,254,312,405
	Less: Revaluation and amortization of securities as per B.B. Circular	(1,851,130,791)	(1,149,643,502)
		7,437,020,482	**5,104,668,903**
26(a)	**Consolidated income from investments in shares & securities etc.**		
	NCC Bank PLC. **(Note-26)**	7,437,020,482	5,104,668,903
	NCCB securities and Financial Services Limited	90,338,929	20,135,023
	NCCB Capital Limited	-	-
		7,527,359,411	5,124,803,926
	Less: Inter company transactions	-	-
		7,527,359,411	**5,124,803,926**
27	**Commission and exchange and brokerage**		
	Conventional and Islamic banking **(Note-27.1)**	2,863,521,991	2,666,827,963
	Off-shore banking unit	-	-
		2,863,521,991	**2,666,827,963**

		2024 Taka	2023 Taka
27.1	**Conventional and Islamic banking**		
	Commission		
	Commission on bill purchased	32,686,815	23,139,284
	Commission on remittances	24,120,739	43,969,335
	Commission on letter of guarantee	343,284,612	385,973,330
	Commission on letter of credit	795,291,681	618,828,663
	Commission on acceptance	625,756,062	521,410,630
	Others commission	65,939,018	57,296,444
		1,887,078,927	1,650,617,686
	Exchange gain		
	Exchange gain	3,657,092,890	4,672,714,816
	Less: Exchange loss	(2,680,649,826)	(3,656,504,539)
		976,443,064	1,016,210,277
		2,863,521,991	**2,666,827,963**
27(a)	**Consolidated commission, exchange & brokerage**		
	NCC Bank PLC. **(Note-27)**	2,863,521,991	2,666,827,963
	NCCB Securities and Financial Services Limited	77,047,611	77,461,297
	NCCB Capital Limited	-	-
		2,940,569,602	2,744,289,260
	Less: Inter company transactions	-	-
		2,940,569,602	**2,744,289,260**
28	**Other operating income**		
	Conventional and Islamic banking **(Note-28.1)**	1,161,759,934	1,229,185,327
	Off-shore banking unit (**Note-28.2**)	5,599,886	-
		1,167,359,820	**1,229,185,327**
28.1	**Conventional and Islamic banking**		
	Other operating income		
	Rent locker	6,626,527	5,890,413
	Rent godown	1,563,227	608,000
	Postage, fax, swift etc. recoveries	92,210,915	81,728,751
	Legal charge recoveries	1,224,116	1,015,364
	Service charges	130,977,798	114,781,126
	ATM service fees	36,929	42,545
	Account maintenance fees	74,484,987	72,026,962
	Card fees & others	129,865,576	87,381,172
	Profit on sale of fixed assets	-	3,053,614
	Forfeited income from PF	1,515,492	-
	SMS, Internet Banking & clearing charge	97,199,640	111,746,746
	Miscellaneous earnings	275,308,198	265,460,596
	Written - off loans recovery	215,446,276	318,727,173
	Application and processing fees	135,300,253	166,722,864
		1,161,759,934	**1,229,185,327**
28.2	**Off-shore banking unit**	**5,599,886**	**-**
28(a)	**Consolidated other operating income**		
	NCC Bank PLC. **(Note-28)**	1,167,359,820	1,229,185,327
	NCCB Securities and Financial Services Limited	1,291,409	1,377,244
	NCCB Capital Limited	-	-
		1,168,651,229	**1,230,562,571**
29	**Salary & allowances**		
	Conventional and Islamic banking **(Note-29.1)**	3,864,987,538	3,502,016,302
	Off-shore banking unit **(Note-29.2)**	4,272,380	5,312,140
		3,869,259,918	**3,507,328,442**
29.1	**Conventional and Islamic banking**		
	Basic salary	1,472,068,211	1,402,148,065
	House rent allowance	652,623,956	599,535,323
	Bank's contribution to provident fund	144,388,426	132,570,915
	Performance Bonus	648,500,000	499,000,000
	Festival Bonus	284,161,456	250,379,615
	Other salary & allowances	663,245,489	618,382,384
		3,864,987,538	**3,502,016,302**
29.2	**Off-shore banking unit**		
	Basic salary	2,192,400	2,953,100
	House rent allowance	986,580	1,168,695
	Bonus	-	464,415
	Other allowances	1,093,400	725,930
		4,272,380	**5,312,140**

		2024 Taka	2023 Taka
29(a)	**Consolidated salary & allowances**		
	NCC Bank PLC. **(Note-29)**	3,869,259,918	3,507,328,442
	NCCB Securities and Financial Services Limited	48,943,340	46,617,206
	NCCB Capital Limited	-	-
		3,918,203,258	**3,553,945,648**
30	**Rent, taxes, insurance, electricity etc.**		
	Conventional and Islamic banking **(Note-30.1)**	559,203,917	600,970,859
	Off-shore banking unit	-	-
		559,203,917	**600,970,859**
30.1	**Conventional and Islamic banking**		
	Rent, taxes, insurance, electricity etc.		
	Office Rent*	302,783,538	360,821,958
	Rates and taxes		
	Rates	2,614,656	1,249,656
	Taxes	9,210,853	8,219,145
		11,825,508	9,468,801
	Insurance		
	Cash	15,011,709	13,575,110
	Fixed Assets	2,450,934	2,952,620
	Deposits	118,880,078	115,479,629
		136,342,721	132,007,359
	Electricity	108,252,150	98,672,742
		559,203,917	**600,970,859**

* While implementing IFRS 16 (leases), the bank recorded interest expense on lease liabilities (note 25.1b) and depreciation on ROU assets (note- 37) instead of charging rental expense of BDT 8,97,47,629/- during the year in 2024 against those rental premises that have been treated as lease assets (ROU) and shown in the Balance Sheet as per IFRS 16.

30(a)	**Consolidated rent, taxes, insurance, electricity etc.**		
	NCC Bank PLC. **(Note-30)**	559,203,917	600,970,859
	NCCB Securities and Financial Services Limited	5,385,965	14,689,333
	NCCB Capital Limited	-	-
		564,589,882	615,660,192
	Less: Inter company transactions	-	-
		564,589,882	**615,660,192**
31	**Legal expenses**		
	Conventional and Islamic banking **(Note-31.1)**	22,818,550	22,197,567
	Off-shore banking unit	-	-
		22,818,550	**22,197,567**
31.1	**Conventional and Islamic banking**		
	Legal charge	16,389,071	10,494,529
	Stamp charge	862,897	452,985
	Consultancy fee	4,684,445	9,247,803
	Credit Rating fee	882,137	2,002,250
		22,818,550	**22,197,567**
31 (a)	**Consolidated legal expenses**		
	NCC Bank PLC. **(Note-31)**	22,818,550	22,197,567
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
		22,818,550	**22,197,567**
32	**Postage, stamp and telecommunication**		
	Conventional and Islamic banking **(Note-32.1)**	74,057,060	55,349,286
	Off-shore banking unit **(Note-32.2)**	-	-
		74,057,060	**55,349,286**
32.1	**Conventional and Islamic banking**		
	Postage	14,931,847	14,424,933
	Swift/internet/connectivity	53,385,605	35,437,035
	Telephone	5,739,608	5,487,318
		74,057,060	55,349,286
32.2	**Off-shore banking unit**	-	-

		2024 Taka	2023 Taka
32(a)	**Consolidated postage, stamp and telecommunication**		
	NCC Bank PLC. **(Note-32)**	74,057,060	55,349,286
	NCCB Securities and Financial Services Limited	572,604	590,924
	NCCB Capital Limited	-	-
		74,629,664	**55,940,210**
33	**Stationery, printing, advertisement etc.**		
	Conventional and Islamic banking **(Note-33.1)**	113,051,178	88,459,822
	Off-shore banking unit	-	-
		113,051,178	**88,459,822**
33.1	**Conventional and Islamic banking**		
	Stationery, printing, advertisement etc.		
	Printed stationery	26,772,516	16,971,294
	Security stationery	26,913,851	17,585,538
	Paper & petty stationery	23,228,456	22,050,839
		76,914,822	**56,607,671**
	Publicity and advertisement	36,136,356	31,852,151
		113,051,178	**88,459,822**
33(a)	**Consolidated stationery, printing, advertisement etc.**		
	NCC Bank PLC. **(Note-33)**	113,051,178	88,459,822
	NCCB Securities and Financial Services Limited	572,731	861,310
	NCCB Capital Limited	-	-
		113,623,909	**89,321,132**
34	**Managing Director's salary & fees**		
	Basic salary	4,664,516	9,496,774
	House rent allowance	1,554,839	2,374,194
	Eid & football festival bonus	1,200,000	1,680,000
	Performance bonus	1,500,000	1,000,000
	Bank's contribution to provident fund	-	949,677
	Other allowances	1,939,224	8,253,230
		10,858,579	**23,753,875**
35	**Director's fees & other meeting related expenses**		
	Meeting fees	3,514,501	2,660,800
	Other meeting related expense	1,711,454	847,379
		5,225,955	**3,508,179**
35(a)	**Consolidated Director's fees & other meeting related expenses**		
	NCC Bank PLC. **(Note-35)**	5,225,955	3,508,179
	NCCB Securities and Financial Services Limited	266,800	401,600
	NCCB Capital Limited	-	-
		5,492,755	**3,909,779**
36	**Auditor's fees (including VAT)**	**632,500**	**632,500**
36(a)	**Consolidated auditors' fees**		
	NCC Bank PLC. **(Note-36)**	632,500	632,500
	NCCB Securities and Financial Services Limited	126,500	40,250
	NCCB Capital Limited	23,000	23,000
		782,000	**695,750**
37	**Repairs, maintenance, amortization and depreciation**		
	Conventional and Islamic banking **(Note-37.1)**	569,448,563	491,167,012
	Off-shore banking unit	-	-
		569,448,563	**491,167,012**
37.1	**Conventional and Islamic banking**		
	Repairs, maintenance, amortization and depreciation		
	Repairs, maintenance & spare parts		
	Machineries & equipments repairing (Including spare Parts)	76,546,013	69,967,523
	Furnitures & fixtures repairing	5,023,142	5,831,002
	Computer repairing (Including parts & accessories)	21,464,318	19,361,630
	Vehicles repairing	8,509,009	7,926,427
	Software annual maintenance charges	47,333,426	55,709,636
	Repair & maintenance of premises	46,676,448	38,890,035
		205,552,356	**197,686,253**

		2024 Taka	2023 Taka
	Depreciation & amortization (Annexure 'D')		
	Furniture and fixtures	81,385,778	74,109,305
	Machinery and equipment	57,753,184	57,261,401
	Computer Equipment	79,157,352	71,498,501
	Vehicles	17,971,037	21,469,623
	Right of use assets	70,603,068	15,974,551
	Amortization of software	31,103,184	26,580,088
	Buildings & office premises	25,922,605	26,587,290
		363,896,208	**293,480,759**
		569,448,563	**491,167,012**
37(a)	**Consolidated repairs, maintenance, amortization and depreciation**		
	NCC Bank PLC. **(Note-37)**	569,448,563	491,167,012
	NCCB Securities and Financial Services Limited	10,120,696	2,484,458
	NCCB Capital Limited	-	-
		579,569,259	**493,651,470**
38	**Other expenses**		
	Conventional and Islamic banking **(Note-38.1)**	1,174,556,072	1,171,995,983
	Off-shore banking unit **(Note-38.2)**	76,711	36,005
		1,174,632,783	**1,172,031,988**
38.1	**Conventional and Islamic banking**		
	Other expenses		
	Entertainment (Office contingency)	21,955,318	17,865,794
	Entertainment (Business & internal events)	29,786,297	30,427,297
	Car expenses	134,918,911	126,720,365
	Paper and periodicals	1,272,058	1,547,538
	Trade subscription	18,045,752	29,832,679
	Traveling & conveyance	64,176,238	56,949,098
	Labor & other charges	3,501,636	4,584,503
	Liveries and uniform	3,760,746	3,373,564
	Water sewerage and gas	12,768,269	11,330,342
	Laundry and cleaning	3,875,272	3,401,029
	Training expenses	7,077,967	9,013,935
	Business promotion	28,162,467	19,596,806
	Donation/Grants (Including CSR)	85,024,339	283,524,240
	Medical Expenses	3,728,680	6,706,533
	Welfare and recreation	588,164	1,216,540
	Subordinated bond related expense	395,000	380,000
	Perpetual bond related expense	316,250	316,250
	Other bank charge	69,353,673	27,507,474
	CSR expenses	1,648,610	1,556,960
	CSR expenses (Compensation of IBU)	45,600,000	-
	CDBL charge	431,749	250,750
	Casual wages	278,956,545	276,234,904
	Miscellaneous expenses	4,120,462	3,818,421
	Gratuity	-	181,299,593
	*Current service cost (Gratuity Fund)-**(Note-15.8)**	235,410,060	-
	Card related charges	82,243,728	46,924,859
	ATM Expenses	16,955,780	7,616,510
	Loss on sale of fixed assets	482,100	-
	Superannuation fund	20,000,000	20,000,000
		1,174,556,072	1,171,995,983

* The current service cost of defined benefit plan is determined as per actuarial valuation report made by Z. Halim & Associates which involves making assumptions about discount rates, expected rate of return on assets, future salary enhancement, mortality rate etc. The last valuation is carried out on 31 December 2024 by Z.Halim & Associates and as per their recommendation the Bank charged Taka .. crore to the profit & loss account in 2024 as current service cost. The Bank also continued to contribute 11.3% of basic salary to the gratuity fund in next year as per actuarial recommendation.

38.2	**Off-shore banking unit**	76,711	36,005
38(a)	**Consolidated other expenses**		
	NCC Bank PLC. **(Note-38)**	1,174,632,783	1,172,031,988
	NCCB Securities and Financial Services Limited	16,516,409	15,744,373
	NCCB Capital Limited	288	489
		1,191,149,480	1,187,776,849
	Less: Inter company transactions	-	-
		1,191,149,480	**1,187,776,849**

		2024 Taka	2023 Taka
39	**Cash received from other operating activities**		
	Conventional and Islamic banking		
	Other operating income	951,921,544	907,438,627
	Exchange earning	976,443,064	1,016,210,277
		1,928,364,607	1,923,648,904
	Off-shore banking unit	-	-
		1,928,364,607	**1,923,648,904**
39(a)	**Consolidated cash received from other operating activities**		
	NCC Bank PLC. **(Note-39)**	1,928,364,607	1,923,648,904
	NCCB Securities and Financial Services Limited	1,291,409	1,377,244
	NCCB Capital Limited	-	-
		1,929,656,016	**1,925,026,148**
40	**Cash paid for other operating activities**		
	Conventional and Islamic banking		
	Expenses for the period	1,515,236,853	1,603,827,362
	Add: Opening accrued expenses	148,588,669	329,201,760
	Less: Closing accrued expenses	(248,749,098)	(148,588,669)
		1,415,076,425	1,784,440,453
	Off-shore banking unit	-	-
		1,415,076,425	**1,784,440,453**
40(a)	**Consolidated cash paid for other operating activities**		
	NCC Bank PLC. **(Note-40)**	1,415,076,425	1,784,440,453
	NCCB Securities and Financial Services Limited	11,659,599	27,739,114
	NCCB Capital Limited	288	489
		1,426,736,312	**1,812,180,056**
41	**Increase/(decrease) of other assets**		
	Conventional and Islamic banking		
	Closing other assets		
	Stationery in hand	52,843,295	71,324,400
	Stamps and stamped forms in hand	7,631,187	6,808,608
	Advance deposit	18,404,990	18,276,265
	Advance against rent	40,970,240	106,744,665
	Suspense account	253,817,824	182,509,286
	Others	5,879,214,683	6,249,959,716
		6,252,882,219	6,635,622,940
	Opening other assets		
	Stationery in hand	71,324,400	25,249,272
	Stamps and stamped forms in hand	6,808,608	5,654,670
	Advance deposit	18,276,265	24,634,349
	Advance against rent	106,744,665	183,010,136
	Suspense account	182,509,286	91,507,470
	Others	6,249,959,716	4,112,837,973
		6,635,622,940	4,442,893,870
	Increase/(decrease) for the year	**382,740,721**	**(2,192,729,071)**
41(a)	**Increase/(decrease) of consolidated other assets**		
	Closing other assets		
	Stationery in hand	52,843,295	71,324,400
	Stamps and stamped forms in hand	7,631,187	6,808,608
	Advance deposit	18,404,990	18,276,265
	Advance against rent	40,970,240	106,744,665
	Suspense account	253,817,824	182,509,286
	Others	3,214,162,444	3,628,340,806
		3,587,829,980	4,014,004,030
	Opening other assets		
	Stationery in hand	71,324,400	25,249,272
	Stamps and stamped forms in hand	6,808,608	5,654,670
	Advance deposit	18,276,265	24,634,349
	Advance against rent	106,744,665	183,010,136
	Suspense account	182,509,286	91,507,470
	Others	3,628,340,806	1,470,520,256
		4,014,004,030	1,800,576,153
	Increase/(decrease) for the year	**426,174,050**	**(2,213,427,877)**

		2024 Taka	2023 Taka
42	**Increase/(decrease) of other liabilities**		
	Conventional and Islamic banking		
	Closing other liabilities		
	Interest/profit suspense	10,331,384,652	8,920,294,393
	Others settlement account	610,462,806	579,883,575
	Inter branch transaction account	447,514,073	310,376,896
		11,389,361,531	9,810,554,864
	Opening other liabilities		
	Interest/profit suspense	8,920,294,393	7,762,488,634
	Others settlement account	579,883,575	414,068,771
	Inter branch transaction account	310,376,896	455,640,878
		9,810,554,864	8,632,198,283
	Increase/(decrease) for the period	**1,578,806,667**	**1,178,356,582**
42(a)	**Increase/(decrease) of consolidated other liabilities**		
	NCC Bank PLC. **(Note-42)**	1,578,806,667	1,178,356,582
	NCCB Securities and Financial Services Limited	(68,681,984)	(50,601,952)
	NCCB Capital Limited	-	-
		1,510,124,683	**1,127,754,630**
43	**Cash and cash equivalents**		
	Conventional and Islamic banking		
	Cash in hand	3,398,085,511	2,522,237,298
	Balance with Bangladesh Bank and Sonali Bank Limited	13,945,342,823	10,714,728,286
	Balance with other bank and financial institutions	1,720,855,949	10,354,383,653
	Money at call and short notice	765,700,000	1,817,300,000
	Prize bonds	12,172,800	9,014,100
		19,842,157,084	25,417,663,338
	Off-shore banking unit	-	-
		19,842,157,084	**25,417,663,338**
43(a)	**Consolidated cash and cash equivalents**		
	NCC Bank PLC. **(Note-43)**	19,842,157,084	25,417,663,338
	NCCB Securities and Financial Services Limited	129,873,993	56,628,558
	NCCB Capital Limited	-	-
		19,972,031,077	**25,474,291,896**
44	**Earnings per share (EPS)**		
	Net profit after tax(a)	2,323,568,924	2,294,836,430
	Weighted average number of ordinary share outstanding (b)	1,110,423,095	1,110,423,095
	Earnings per share (EPS) (a÷b)	**2.09**	**2.07**

Earnings per share have been calculated in accordance with IAS-33 "Earnings per share". Previous year's weighted average number of ordinary shares have been adjusted for the issue of bonus shares during the year.

44 (a)	**Consolidated earnings per share**		
	Net profit after tax (a)	2,326,781,365	2,297,689,427
	Weighted average number of ordinary share outstanding (b)	1,110,423,095	1,110,423,095
	Consolidated earnings per share (EPS) (a÷b)	**2.10**	**2.07**

Earnings per share have been calculated in accordance with IAS-33 "Earnings per share". Previous year's weighted average number of ordinary shares have been adjusted for the issue of bonus shares during the year.

EPS has been increased compared to same period in previous year mainly for interest income increase due to rate enhancement during the year.

45	**Net asset value per share (NAV)**		
	Total assets	346,956,973,240	318,954,684,811
	Less: Total liabilities	(322,256,517,921)	(294,857,075,348)
	Net asset value (a)	**24,700,455,320**	**24,097,609,463**
	Weighted average number of ordinary share outstanding (b)	1,110,423,095	1,110,423,095
	Net asset value per share (NAV) (a÷b)	**22.24**	**21.70**
45 (a)	**Consolidated net asset value per share (NAV)**		
	Total assets	347,466,913,058	319,320,245,155
	Less: Total liabilities	(322,631,421,871)	(295,090,812,265)
	Net asset value (a)	**24,835,491,188**	**24,229,432,890**
	Weighted average number of ordinary share outstanding (b)	1,110,423,095	1,110,423,095
	Net asset value per share (NAV) (a÷b)	**22.37**	**21.82**

		2024 Taka		2023 Taka
46	**Net operating cash flows per share (NOCFPS)**			
	Net cash received/(used) from operating activities during the period (a)	2,511,767,986		9,393,523,305
	Weighted average number of ordinary share outstanding (b)	1,110,423,095		1,110,423,095
	Net operating cash flows per share (NOCFPS) (a÷b)	**2.26**		**8.46**
46 (a)	**Consolidated net operating cash flows per share (NOCFPS)**			
	Net cash received/(used) from operating activities during the period (a)	3,144,111,826		9,707,362,573
	Weighted average number of ordinary share outstanding (b)	1,110,423,095		1,110,423,095
	Consolidated net operating cash flows per share (NOCFPS) (a÷b)	**2.83**		**8.74**

Net operating cash flow per share has been decreased compared to same period in previous year mainly due to purchase trading securities for the year 2024.

47 Tax reconciliation or relationship between tax expense and tax on accounting profit

	Rate	Taka	Rate	Taka
Profit before tax		**5,055,231,410**		**4,810,093,947**
Corporate as per applicable tax rate	**37.5%**	**1,895,711,779**	**37.5%**	**1,803,785,230**
Factor affecting the tax charge for current year				
Tax exempted income	0.0%	-	0.0%	-
Non deductible expenses	54.3%	2,744,437,815	34.9%	1,677,790,938
Deductible expenses in the current year	-19.1%	(966,189,487)	-13.4%	(646,326,112)
Admissible income during the year	0.0%	-	0.0%	1,145,105
Non admissible income during the year	-9.3%	(470,332,007)	-3.7%	(176,032,655)
Tax savings from reduced tax rates for dividend income	-0.7%	(37,550,114)	-0.6%	(27,287,642)
Tax savings from reduced tax rates for gain on sale of Govt. sec.	-11.0%	(557,724,717)	-3.6%	(175,546,733)
Tax savings from reduced tax rates for gain on sale of shares	-0.1%	(6,533,327)	-0.1%	(3,100,455)
Prior years adjustment	0.0%	-	0.0%	1,769,444
Current tax	**51.5%**	**2,601,819,943**	**51.1%**	**2,456,197,121**
Effect of deferred tax	2.6%	129,842,543	1.2%	59,060,396
Total income tax expense	**54.0%**	**2,731,662,486**	**52.3%**	**2,515,257,517**

47 (a) Consolidated Tax reconciliation or relationship between tax expense and tax on accounting profit

	Rate	Taka	Rate	Taka
Profit before tax		**5,079,219,123**		**4,827,898,793**
Corporate as per applicable tax rate	**37.5% & 25%**	**1,902,915,079**	**37.5% & 27.5%**	**1,809,133,730**
Factor affecting the tax charge for current year				
Tax exempted income	0.0%	-	0.0%	-
Non deductible expenses	54.0%	2,744,437,815	34.8%	1,677,790,938
Deductible expenses in the current year	-19.0%	(966,189,487)	-13.4%	(646,326,112)
Admissible income during the year	0.3%	15,736,053	0.3%	13,367,765
Non admissible income during the year	-9.3%	(470,332,007)	-3.6%	(176,032,655)
Tax savings from reduced tax rates for dividend income	-0.8%	(38,771,205)	-0.6%	(28,695,335)
Tax savings from reduced tax rates for gain on sale of Govt. sec.	-11.0%	(557,724,717)	-3.6%	(175,546,733)
Tax savings from reduced tax rates for gain on sale of shares	-0.2%	(8,157,006)	-0.1%	(4,312,073)
Prior years adjustment	0.0%	-	0.0%	1,769,444
Current tax	**51.6%**	**2,621,914,526**	**51.2%**	**2,471,148,970**
Effect of deferred tax	2.6%	130,523,232	1.2%	59,060,396
Total income tax expense	**54.2%**	**2,752,437,758**	**52.4%**	**2,530,209,366**

48 Reconciliation of statement of cash flows from operating activities

Profit before provision	**11,091,345,825**	**8,237,220,387**
Adjustment for non cash items		
Depreciation on fixed asset & amortization on software	363,896,208	293,480,759
Exchange gain	(976,443,064)	(1,016,210,277)
Effects of exchange rate changes on cash and cash-equivalents	(3,831,525)	9,482,007
Charges on loan losses	81,998,970	298,668,323
	(534,379,411)	**(414,579,188)**

	2024 Taka	2023 Taka
Adjustment with operating activities		
Gain on sale of shares	(23,757,552)	(11,274,382)
Interest/profit on perpetual bonds	(500,000,000)	(500,000,000)
Capital gain on sale of treasury bonds	(2,478,776,517)	(780,207,701)
Recoveries on loans previously written off	215,446,276	318,727,173
Profit on sale of fixed assets	-	(3,053,614)
Loss on sale of fixed assets	482,100	-
	(2,786,605,693)	**(975,808,523)**
Changes in operating asset and liabilities		
Changes in loans & advances	(11,631,711,927)	(19,257,874,486)
Changes in deposits and other accounts	35,517,628,996	18,085,506,695
Changes in investments	(14,428,348,607)	3,041,067,681
Changes in borrowings	(16,375,278,029)	2,195,759,518
Changes in other assets	(377,915,755)	(1,621,394,193)
Changes in other liabilities	4,702,523,285	2,506,450,820
	(2,593,102,036)	**4,949,516,035**
Income Tax Paid	**(2,665,490,698)**	**(2,402,825,406)**
Net cash flows from operating activities	**2,511,767,986**	**9,393,523,305**

48 (a) Consolidated reconciliation of statement of cash flows from operating

Profit before provision	**11,246,055,565**	**8,339,904,754**
Adjustment for non cash items		
Depreciation on fixed asset & amortization on software	374,016,904	295,965,218
Exchange gain	(976,443,064)	(1,016,210,277)
Effects of exchange rate changes on cash and cash-equivalents	(3,831,525)	9,482,007
Charges on loan losses	81,998,970	298,668,323
	(524,258,715)	**(412,094,730)**
Adjustment with operating activities		
Gain on sale of shares	(34,582,083)	(17,332,471)
Interest/profit on perpetual bonds	(500,000,000)	(500,000,000)
Capital gain on sale of treasury bonds	(2,478,776,517)	(780,207,701)
Recoveries on loans previously written off	215,446,276	318,727,173
Profit on sale of fixed assets	-	(3,053,614)
Loss on sale of fixed assets	575,616	64,923
	(2,797,336,708)	**(981,801,690)**
Changes in operating asset and liabilities		
Changes in loans & advances	(11,179,990,103)	(18,970,704,047)
Changes in deposits and other accounts	35,701,954,184	17,901,281,048
Changes in investments	(14,504,984,754)	2,670,014,023
Changes in borrowings	(16,456,117,848)	2,426,047,321
Changes in other assets	(340,792,462)	(1,639,949,335)
Changes in other liabilities	4,699,114,208	2,792,442,482
	(2,080,816,774)	**5,179,131,493**
Income Tax Paid	**(2,699,531,541)**	**(2,417,777,255)**
Net cash flows from operating activities	**3,144,111,826**	**9,707,362,573**

49 Events after the reporting period

The Board of Directors in its 536th meeting (adjourned) held on 30th April 2025 approved the financial statements and also authorized the same for public issue. The Board also recommended payment of 13 % (Thirteen percent) cash dividend for the year 2024 for approval by the shareholders in the next ensuing Annual General Meeting (AGM). There are no other material events for disclosure.

Chairman **Director** **Director** **Managing Director & CEO (C.C)**

National Credit and Commerce Bank PLC.

Balance with other Banks and Financial Institutions Outside Bangladesh - Note 6.2

As at 31 December 2024

In demand deposit accounts (non interest bearing) with:

Name of the Bank	Currency Name	31-12-2024			31-12-2023		
		Amount in Foreign Currency	Conversion rate per unit F.C	Amounts in BDT	Amount in Foreign Currency	Conversion rate per unit F.C	Amount in BDT
Bank of Bhutan Limited	ACUD	134,096	120.0	16,091,516	193,890	110.0	21,327,873
Habib Metropolitan Bank Limited, Karachi	ACUD	68,661	120.0	8,239,370	53,466	110.0	5,881,278
HDFC Bank Limited, Mumbai	ACUD	571,615	120.0	68,593,742	-	-	-
ICICI Bank Limited, Hongkong	ACUD	323,495	120.0	38,819,345	83,760	110.0	9,213,568
Indusind Bank Ltd., Mumbai	ACUD	11,747	120.0	1,409,696	23,866	110.0	2,625,220
Mashreqbank Psc, UAE	AED	14,950	32.7	488,502	301,530	30.0	9,032,280
Mashreqbank Psc, Mumbai	ACUD	310,933	120.0	37,312,017	6,618	110.0	727,945
Nepal Bangladesh Bank Ltd., Kathmandu	ACUD	88,871	120.0	10,664,563	88,871	110.0	9,775,850
Standard Chartered Bank, Singapore	SGD	125,021	88.4	11,045,856	187,079	83.3	15,591,127
Standard Chartered Bank, Tokyo	J.YEN	333,076	0.8	253,271	979,518	0.8	759,714
Standard Chartered Bank, Frankfurt	EUR	1,117,754	125.1	139,857,817	-	-	-
Standard Chartered Bank, New York	USD	-	-	-	7,851,581	110.0	863,673,883
Sonali Bank Limited, Kolkata	ACUD	50,908	120.0	6,108,938	2,735	110.0	300,864
Bank Al-Falah Limited, Karachi	ACUD	300,903	120.0	36,108,402	95,091	110.0	10,459,982
				374,993,036			**949,369,584**

In demand deposit account (interest bearing) with :

Zhejiang Chouzhou Commercial Bank	CNY	60,927	16.4	1,001,818	1,538,623	15.4	23,702,647
Zhejiang Chouzhou Commercial Bank	USD	515,820	120.0	61,898,458	-	-	-
Standard Chartered Bank, London	GBP	312,029	150.9	47,100,113	41,008	140.7	5,771,192
Wells Fargo Bank, NA	USD	-	-	-	6,395,949	110.0	703,554,338
Mashreqbank Psc	USD	-	-	-	3,409,309	110.0	375,024,040
				110,000,389			**1,108,052,217**
				484,993,425			**2,057,421,800**

National Credit and Commerce Bank PLC.

Investment in Shares

As at 31 December 2024

SL No.	Name of Company	Face Value	No. of Shares	Cost value Taka	Market Value per share as at 31 December 2024 Taka	Total Market Value as at 31 December 2024 Taka
	Quoted					
1	Advance Chemical Industries Limited	10	126,494	30,425,083	139.60	17,658,562
2	Agron Denims Limited	10	771,458	18,582,546	16.80	12,960,494
3	Bangladesh General Insurance Co. PLC	10	547,233	31,798,500	33.50	18,332,306
4	Bata Shoe Co. (BD) Limited	10	19,000	20,175,984	905.40	17,202,600
5	Berger Paints Bangladesh Limited	10	8,127	14,433,471	1,822.90	14,814,708
6	Best Holdings PLC	10	15,384,615	999,999,975	18.20	279,999,993
7	Bank Asia PLC	10	542,891	9,832,957	17.00	9,229,147
8	Baraka Power Limited	10	1,750,000	58,211,114	9.80	17,150,000
9	Baraka Patenga Power Limited	10	70,000	3,362,020	10.00	700,000
10	British American Tobacco Bangladesh Company Ltd.	10	578,408	282,921,722	367.60	212,622,781
11	BRAC Bank PLC	10	900,000	29,377,904	49.00	44,100,000
12	Bangladesh Building Systems PLC	10	554,136	11,744,978	10.40	5,763,014
13	BBS Cables PLC	10	1,877,516	116,775,218	17.50	32,856,530
14	Bangladesh Shipping Corporation	10	182,157	10,617,912	94.70	17,250,268
15	BSRM Steel Limited	10	500,001	28,706,984	50.80	25,400,051
16	Confidence Cement PLC	10	581,141	71,888,451	56.70	32,950,695
17	Dhaka Electric Supply Company Limited	10	1,292,504	82,424,885	23.10	29,856,842
18	DBH Finance PLC	10	1,055,254	80,827,569	38.90	41,049,381
19	Doreen Power Generations and Systems Limited	10	195,983	13,636,114	23.90	4,683,994
20	Eagle Star Textile Mills Limited	10	254,700	4,227,951	9.90	2,521,530
21	Eastern Bank PLC	10	3,381,549	73,418,027	24.70	83,524,260
22	First Finance Limited	10	2,406	-	3.20	7,699
23	GBB Power Limited	10	1,047,772	38,446,368	6.90	7,229,627
24	Grameenphone Limited	10	374,553	127,550,256	323.10	121,018,074
25	Genex Infosys PLC	10	53,770	3,687,505	29.10	1,564,707
26	Islami Bank Bangladesh PLC	10	200,000	7,711,593	48.40	9,680,000
27	IDLC Finance PLC	10	1,449,899	74,649,664	32.70	47,411,697
28	Jamuna Bank PLC	10	1,621,720	28,865,167	19.60	31,785,712
29	Jamuna Oil Company Limited	10	222,800	43,948,342	171.40	38,187,920
30	Khulna Power Company Ltd.	10	256,030	10,730,300	13.10	3,353,993
31	Lanka Bangla Finance PLC	10	135,000	3,524,040	18.60	2,511,000
32	Linde Bangladesh Limited	10	11,095	14,626,808	1,019.50	11,311,353
33	Marico Bangladesh Limited	10	79,849	184,097,100	2,282.80	182,279,297
34	MJL Bangladesh PLC	10	2,091,462	200,928,677	94.10	196,806,574
35	National Bank PLC	10	3,493,189	32,805,738	4.90	17,116,626
36	Olympic Industries Limited	10	265,165	61,341,797	158.00	41,896,070
37	One Bank PLC	10	2,221,796	33,116,612	8.50	18,885,266
38	Padma Oil Company Limited	10	55,620	13,137,985	188.70	10,495,494
39	Peoples Leasing & Financial Services Limited	10	668,896	36,134,880	2.20	1,471,571
40	Powergrid Company Limited	10	391,794	19,455,462	41.80	16,376,989
41	Prime Bank PLC	10	541,880	9,252,537	23.40	12,679,992
42	Quasem Industries Limited	10	481,680	29,494,970	27.50	13,246,200
43	Reneta PLC	10	26,766	29,526,811	635.10	16,999,087
44	Reliance Insurance Company Limited	10	153,068	10,037,899	57.20	8,755,490
45	Reckitt Benckiser(BD) PLC	10	2,200	9,737,947	4,350.00	9,570,000
46	Summit Alliance Port Limited	10	1,659,112	62,481,029	21.70	36,002,730
47	Singer BD Limited	10	306,810	53,947,994	113.20	34,730,892
48	South East Bank PLC	10	3,675,669	54,354,172	9.00	33,081,021
49	Square Pharmaceuticals PLC	10	962,435	196,294,080	217.70	209,522,100
50	Summit Power Limited	10	65,000	2,569,966	14.80	962,000
51	The City Bank PLC	10	11,761,480	254,815,011	22.40	263,457,152
52	Titas Gas	10	182,000	7,493,161	20.90	3,803,800
53	Union Capital Limited	10	111,406	3,005,733	6.20	690,717
54	Unique Hotel & Resorts PLC	10	786,672	60,438,100	44.20	34,770,902
55	Uttara Finance and Invesments Limited	10	462,799	31,577,568	15.90	7,358,504
56	Uttara Bank PLC	10	5,105,648	81,611,894	22.40	114,366,515
57	United Power Generation & Distribution Company Ltd.	10	367,650	101,377,021	123.60	45,441,540
58	Gemini Sea Food PLC	10	3,347	-	164.40	550,247

SL No.	Name of Company	Face Value	No. of Shares	Cost value Taka	Market Value per share as at 31 December 2024 Taka	Total Market Value as at 31 December 2024 Taka
59	Fourth icb	10	143,475	-	8.54	1,225,277
60	Fifth icb	10	82,242	-	9.03	742,645
61	Sixthcbuf	10	18,912	-	8.53	161,319
62	Tallu Spinning Mills Limited	10	400	-	4.90	1,960
63	Usmania Glass Sheet Factory Limited	10	21,847	-	38.10	832,371
64	Atlas Bangladesh Limited	10	1	-	52.00	52
			Total Quoted Share :	**3,926,163,549**		**2,528,969,339**
	Quoted (Special Fund)					
1	Baraka Power Limited	10				-
2	Bank Asia PLC	10	268,814	4,996,984	17.00	4,569,838
3	DBH Finance PLC	10	1,820,188	133,580,176	38.90	70,805,313
4	The City Bank PLC	10	1,148,094	25,354,470	22.40	25,717,306
5	Bangladesh General Insurance Co. Ltd.	10	515,381	34,041,565	33.50	17,265,264
6	Eastern Bank PLC	10	4,471,977	93,033,509	24.70	110,457,832
7	IDLC Finance PLC	10	2,734,566	173,262,394	32.70	89,420,308
8	Linde Bangladesh Limited	10	11,528	14,404,479	1,019.50	11,752,796
9	MJL Bangladesh PLC	10	375,695	33,432,699	94.10	35,352,900
10	Mutual Trust Bank PLC	10	1,674,187	30,460,372	12.30	20,592,500
11	Prime Bank PLC	10	1,534,314	26,449,563	23.40	35,902,948
12	Pubali Bank PLC	10	955,571	21,197,609	29.30	27,998,230
13	Renata PLC	10	12,935	15,187,598	635.10	8,215,019
14	Singer BD Limited	10	60,000	10,121,324	113.20	6,792,000
15	Unilever Consumer Care Limited	10	37,739	70,781,113	2,549.70	96,223,128
16	United Power Generation & Distribution Company Ltd.	10	147,258	38,964,927	123.60	18,201,089
17	Walton Hi-Tech Industries PLC	10	10,000	10,461,680	487.50	4,875,000
			Total Quoted Share(Special Fund) :	**735,730,463**		**584,141,470**
	Mutual Fund (Quoted)					
	Un-block					**Surrender Price**
1	Green Delta Mutual Fund	10	2,540,000	24,097,776	3.50	8,890,000
2	Reliance1	10	3,700,460	51,806,898	19.70	72,899,062
3	ICBAGRANI1	10	187,549	1,455,627	7.20	1,350,353
4	ICBAMCL2ND	10	617,738	6,014,231	6.10	3,768,202
5	ICBEPMF1S1	10	4,438,436	37,268,314	5.10	22,636,024
	Block					
6	MBL 1st Mutual Fund	10	1,000,000	10,000,000	3.90	3,900,000
7	NCCBL Mutual Fund-1	10	21,700,680	197,979,044	5.20	112,843,536
			Total Mutual Fund :	**328,621,889**		**226,287,176**
	Mutual Fund (Special Fund)					
1	ICBAGRANI1	10	158,572	1,225,888	7.20	1,141,718
			Total Mutual Fund :	**1,225,888**		**1,141,718**
	Un-Quoted					
						NAV
1	Bangladesh Rating Agency Limited		48,100	4,810,000	-	275,613
2	Central Depository Bangladesh Limited (CDBL)		1,142,361	3,138,890	-	46,048,572
3	Central Counter Party Bangladesh Limited		3,750,000	37,500,000	-	41,587,500
4	Kushiara Power Company Limited		1,500,000	15,000,000	-	21,075,000
5	Ananta Apparels Ltd		50,000,000	500,000,000		1,108,000,000
6	SWIFT		20	5,727,290	-	5,727,290
7	GDDEBCGF		2,000,000	20,000,000		21,500,000
8	Grameen Bank AIMS 1st Fund		1,000,000	10,000,000	-	10,200,000
9	UCB AML 1st MF		3,168,163	31,685,000	-	32,537,034
10	VIPB SEBL1STMF		1,432,000	9,746,556	-	15,250,800
11	Venture Investment Partner Bangladesh Limited		160,056	14,250,000	-	34,591,303
			Total Unquoted Share :	**651,857,736**		**1,336,793,112**
			Grand Total :	**5,643,599,526**		**4,677,332,815**

Calculation of required provision against investment in shares:

SL No.	Particulars		Cost Value	Value Considered for maintaining provision	Required Provision	Remarks
1	Quoted		3,926,163,549	2,528,969,339	(1,397,194,210)	Considered Market Value
2	Quoted (Special Fund)		735,730,463	735,730,463	-	No provision required as per B.B Guideline.
3	Quoted (Mutual Fund)		328,621,889	226,287,176	(102,334,713)	Considered surrender price as per B.B DOS Circular No-01 dated 24 May 2023
4	Quoted Mutual Fund (Special Fund)		1,225,888	1,225,888	-	No provision required as per B.B Guideline.
5	Un-Quoted		651,857,736	647,323,349	(4,534,387)	Considerd NAV for making Provision.
	Grand Total		**5,643,599,526**	**4,139,536,216**	**(1,504,063,311)**	

Total provision of BDT. 150,31,46,525 /- (which 149,95,28,924 /- on quoted shares and 45,34.387/- on unquoted shares) is appearing in these financial statements. Provision measured in line with DOS Circular No-01 dated 24 May 2023 as well as DOS Circular No-01 dated 10 February 2020. Special fund investment in shares also not considered for calculating required provision as B.B guidelines.

National Credit and Commerce Bank PLC.

Statement of Large Loan Exposure more than 10% of Total Capital of the Bank (Note-9.7)

As at 31 December 2024

(Amount in Taka Crore)

Sl. No	Name of Clients	2024			2023		
		BDT			BDT		
		Outstanding		Total Amount	Outstanding		Total Amount
		Funded	Non-Funded		Funded	Non-Funded	
1	Doreen Power Generation & Systems Ltd.	-	-	-	-	-	-
2	Max Pre-Stress & Max Automobiles Ltd.	233.30	476.01	709.31	203.93	455.44	659.37
3	Abul Khair Group	305.83	278.53	584.36	323.37	100.88	424.25
4	BSRM Steel Ltd.	-	-	-	300.15	247.27	547.42
5	Pran RFL Group	117.47	522.95	640.42	207.90	491.43	699.33
6	Summit Group	493.88	22.37	516.25	-	-	-
7	GPH Ispat	233.55	121.62	355.17	310.32	400.11	710.43
8	Florence Group	155.80	224.79	380.59			
9	Khaled Group	359.99	124.14	484.13			
10	Meghna Group	-	479.38	479.38			-
11	Kabir Group	149.13	244.44	393.57			-
12	T.K. Group	248.05	122.24	370.29	-	-	-
13	Noman Group	248.80	236.86	485.66	253.85	173.01	426.86
14	Radiant Group	259.71	86.06	345.77	-	-	-
15	City Group	151.39	279.01	430.40	-	-	-
16	Big Boss Group	-	-	-	98.59	246.49	345.08
17	BRB Cable Industries Ltd.	343.94	451.81	795.75	295.23	304.47	599.70
18	Radiant Group	259.71	86.06	345.77	274.14	83.00	357.14
19	SBS Textile Mills Ltd.	-	-	-	167.69	169.96	337.65
20	Spectra Group	65.76	602.13	667.89	90.88	646.47	737.35
21	NDE Group	139.37	410.09	549.46	172.82	305.61	478.43
22	Akij Group	245.65	118.24	363.89	147.10	350.62	497.72
23	Renata (Sajida Foundation)	-	-	-	303.77	90.36	394.13
	Grand -Total	**4,011.33**	**4,886.73**	**8,898.06**	**3,149.74**	**4,065.12**	**7,214.86**

Annexure -D

National Credit and Commerce Bank PLC.

Schedule of Fixed Assets and Intangible Assets

As at 31 December 2024

Amount in Taka

	Cost/Revaluation				Depreciation/Amortization				Carrying Value as at 31 Dec 2024
	Balance as at 01 Jan 2024	Addition during the year	(Disposals) / adjustments during the year	Balance as at 31 Dec 2024	Balance as at 01 Jan 2024	Charge for the year	(Disposals)/ adjustments during the year	Balance as at 31 Dec 2024	
Fixed assets: i) Cost									
Land	131,823,324	-	-	131,823,324	-	-	-	-	131,823,324
Buildings and Office Premises:									
Building (Head Office premise on Land - 1)	632,627,496	-	-	632,627,496	126,715,396	12,703,142	-	139,418,537	493,208,959
Building (Structure on Land -2)	2,287,522	-	-	2,287,522	723,839	39,092	-	762,931	1,524,591
Dhanmondi Branch	26,027,970	-	-	26,027,970	8,976,449	426,288	-	9,402,737	16,625,233
Islampur Branch	49,528,776	-	-	49,528,776	14,530,103	819,625	-	15,349,728	34,179,048
Savar Branch	23,701,458	-	-	23,701,458	7,499,832	405,041	-	7,904,873	15,796,585
Bijoynagar Branch	52,285,456	-	-	52,285,456	16,544,638	893,520	-	17,438,158	34,847,298
Pragoti Sarani Branch	62,115,010	-	-	62,115,010	18,047,814	1,101,680	-	19,149,494	42,965,516
Uttara Branch	70,347,200	-	-	70,347,200	19,867,826	1,261,984	-	21,129,810	49,217,390
Agrabad Branch	60,682,473	-	-	60,682,473	17,066,303	1,090,404	-	18,156,707	42,525,766
Elephant Road Branch	85,401,266	-	-	85,401,266	23,959,341	1,536,048	-	25,495,390	59,905,876
Mitford Branch	23,264,107	-	-	23,264,107	6,399,805	421,608	-	6,821,413	16,442,694
O. R. Nizam Road Branch	135,711,537	-	-	135,711,537	35,892,782	2,495,469	-	38,388,251	97,323,286
Total Land, Buildings & Office Premises	**1,355,803,595**	**-**	-	**1,355,803,595**	**296,224,127**	**23,193,901**	-	**319,418,028**	**1,036,385,567**
Furniture & fixture	1,233,604,608	42,267,214	(2,461,742)	1,273,410,080	712,573,449	81,385,778	(1,542,590)	792,416,637	480,993,443
Machinery & equipment	1,166,115,969	28,698,986	(3,215,067)	1,191,599,888	939,033,367	57,753,184	(3,163,044)	993,623,507	197,976,381
Computer equipment	932,338,401	99,699,674	(90,000)	1,031,948,076	729,753,150	79,157,352	(84,124)	808,826,378	223,121,697
Vehicles	212,436,533	-		212,436,533	154,464,163	17,971,037		172,435,200	40,001,333
Total (i)	**4,900,299,106**	**170,665,875**	**(5,766,809)**	**5,065,198,172**	**2,832,048,258**	**259,461,251**	**(4,789,758)**	**3,086,719,750**	**1,978,478,422**
Fixed assets: ii) Revaluation									
Land	320,083,348	-		320,083,348	-	-	-	-	320,083,348
Buildings and Office Premises:									
Dhanmondi Branch	76,152,845	-	-	76,152,845	20,690,664	1,386,555	-	22,077,218	54,075,627
Islampur Branch	9,472,401	-	-	9,472,401	2,302,540	179,247	-	2,481,786	6,990,615
Savar Branch	11,895,874	-	-	11,895,874	2,891,632	225,106	-	3,116,738	8,779,136
Bijoynagar Branch	46,893,792	-	-	46,893,792	11,398,877	887,373	-	12,286,250	34,607,542
Pragoti Sarani Branch	2,664,720	-	-	2,664,720	647,741	50,424	-	698,165	1,966,555
Total (ii)	**467,162,980**	**-**	**-**	**467,162,980**	**37,931,453**	**2,728,704**	**-**	**40,660,158**	**426,502,822**
Right of use assets (Lease assets)									
Leased office buildings	458,710,765	612,871,820	-	1,071,582,585	31,949,102	70,603,068	-	102,552,170	969,030,415
Total (iii)	**458,710,765**	**612,871,820**	**-**	**1,071,582,585**	**31,949,102**	**70,603,068**	**-**	**102,552,170**	**969,030,415**
Intangible Assets									
Computer Software	335,308,013	19,890,632	-	355,198,645	235,571,869	31,103,184	-	266,675,053	88,523,593
Total (iv)	**335,308,013**	19,890,632	-	**355,198,645**	**235,571,869**	31,103,184	-	**266,675,053**	**88,523,593**
Total (i+ii+iii+iv)-2024	**6,161,480,864**	**803,428,327**	**(5,766,809)**	**6,959,142,382**	**3,137,500,682**	**363,896,208**	**(4,789,758)**	**3,496,607,131**	**3,462,535,251**
Total (i+ii+iii+iv)-2023	**5,637,166,915**	**546,178,879**	**(21,864,930)**	**6,161,480,864**	**2,863,525,790**	**293,480,759**	**(19,505,867)**	**3,137,500,682**	**3,023,980,182**

National Credit and Commerce Bank PLC.

Borrowings from other Banks, Financial Institutions and Agents. (Outside Bangladesh) - Note -13.2.1

As at 31 December 2024

Name of the Bank	Currency Name	31-12-2024			31-12-2023		
		Amount in Foreign Currency	Conversion rate per unit F.C	Amounts in Taka	Amount in Foreign Currency	Conversion rate per unit F.C	Amounts in Taka
Conventional and Islamic banking							
ICICI Bank Limited, Hongkong	USD	-	-	-	11,200	110.0	1,232,033
Standard Chartered Bank, Kolkata	ACUD	861,976	120.0	103,437,093	1,173,318	110.0	129,064,973
Commerzbank AG, Frankfurt	EUR	784,999	125.1	98,222,172	143,331	122.1	17,505,479
ICICI Bank Limited, Mumbai	ACUD	178,345	120.0	21,401,424	-	-	-
Habib American Bank, New York	USD	1,718,974	120.0	206,276,916	1,579,028	110.0	173,693,097
HDFC BANK LTD.	ACUD	-	-	-	60,970	110.0	6,706,646
AXIS Bank Ltd. Mumbai	ACUD	140,594	120.0	16,871,296	104,448	110.0	11,489,261
Standard Chartered Bank, London	EUR	-	-	-	446,339	122.1	54,512,716
Zhejiang Chouzhou Commercial Bank	USD	-	-	-	4,862	110.0	534,786
Citi Bank NA	USD	980,669	120.0	117,680,309	604,672	110.0	66,513,919
Standard Chartered Bank, New york	USD	7,605,530	120.0	912,663,658	-	-	-
Mashreq Bank Psc N.Y	USD	2,036,969	120.0	244,436,327	-	-	-
Wells Fargo Bank, N.A, New York	USD	1,410,378	120.0	169,245,340	-	-	-
	Sub-Total	**15,718,435**		**1,890,234,535**	**4,128,168**		**461,252,910**
Off-shore banking unit							
CAIXA Bank S.A	USD	2,016,241	120.0	241,948,920	7,000,000	110.0	770,000,000
National Bank of RAS Al-Khaimah PJSC	USD	-	-	-	14,000,000	110.0	1,540,000,000
HDFC Bank Ltd.	USD	-	-	-	5,000,000	110.0	550,000,000
United Bank Ltd.	USD	4,102,800	120.0	492,336,000	-	-	-
Bank Muscat	USD	12,099,330	120.0	1,451,919,600	-	-	-
Abu Dhabi Commercial Bank	USD	-	-	-	10,000,000	110.0	1,100,000,000
ICICI Bank Ltd.	USD	-	-	-	3,000,000	110.0	330,000,000.2
Wells Fargo Bank	USD	3,046,320	120.0	365,558,400	3,000,000	110.0	330,000,000.2
	Sub-Total	**21,264,691**		**2,551,762,920**	**42,000,000**		**4,620,000,000**
			Total	**4,441,997,455**			**5,081,252,910**

Annexure - F

National Credit and Commerce Bank PLC.

Corporate Tax Position

As on 31 December 2024

Accounting Year	Assessment Year	Current Tax Provision as per accounts	Tax Liability as per latest Assessment Order/Return	Excess/ (Shortage) provision as per latest assessment order/income tax return	Advance Income Tax paid	Dues/ (Refund)	Remarks
1	2	3	4	5=(3-4)	6	7=(6-4)	8
Up to 2000	-	142,334,958	213,676,031	(71,341,073)	215,471,134	(1,795,103)	Assessment Completed
2001	2002-2003	119,081,542	146,692,885	(27,611,343)	139,829,928	6,862,957	Judgment received from High Court Division but revised assessment order yet to receive.
2002	2003-2004	171,702,723	177,842,495	(6,139,772)	177,842,495	-	Assessment Completed
2003	2004-2005	255,478,335	86,888,016	168,590,319	159,999,990	(73,111,974)	Judgment received from High Court Division but revised assessment order yet to receive.
2004	2005-2006	160,339,772	222,971,622	(62,631,850)	226,708,126	(3,736,504)	Assessment Completed
2005	2006-2007	328,285,074	322,779,734	5,505,340	322,779,734	-	Assessment Completed
2006	2007-2008	574,346,619	571,482,876	2,863,743	550,272,141	21,210,735	Reference to High Court Division
2007	2008-2009	658,972,487	765,003,803	(106,031,316)	742,488,534	22,515,269	Reference to High Court Division
2008	2009-2010	886,681,988	842,159,000	44,522,988	830,142,419	12,016,581	Reference to High Court Division
2009	2010-2011	780,131,543	815,826,019	(35,694,476)	796,981,982	18,844,037	Reference to High Court Division
2010	2011-2012	1,143,573,425	1,284,101,260	(140,527,835)	1,207,891,851	76,209,409	Reference to High Court Division
2011	2012-2013	1,423,823,445	1,404,448,365	19,375,080	1,409,879,461	(5,431,096)	Assessment Completed
2012	2013-2014	1,311,459,496	1,410,150,911	(98,691,415)	1,379,145,648	31,005,263	Reference to High Court Division
2013	2014-2015	1,204,981,256	1,142,987,562	61,993,694	1,088,757,734	54,229,828	Reference to High Court Division
2014	2015-2016	869,355,654	736,199,521	133,156,133	689,342,256	46,857,265	Reference to High Court Division
2015	2016-2017	893,261,811	1,066,187,616	(172,925,805)	1,017,944,572	48,243,044	Reference to High Court Division
2016	2017-2018	1,464,160,915	1,466,360,221	(2,199,306)	1,466,360,221	-	Assessment Completed
2017	2018-2019	1,340,996,482	1,307,776,749	33,219,733	1,309,998,052	(2,221,303)	Assessment Completed
2018	2019-2020	1,714,783,896	1,653,925,300	60,858,596	1,653,925,300	-	Assessment Completed
2019	2020-2021	1,963,182,090	2,025,784,336	(62,602,246)	2,025,784,336	-	Assessment Completed
2020	2021-2022	1,639,013,161	1,655,567,205	(16,554,044)	1,554,333,194	101,234,011	Assessment Completed by DCT, but application submitted for correction under section 330 of Income Tax Act-2023 as well as process for filing first appeal before the Commissioner of taxes (Appeal).
2021	2022-2023	1,769,282,362	1,979,299,676	(210,017,314)	1,979,299,676	-	Return filed u/s-82BB but assessment order yet to receive.
2022	2023-2024	2,347,508,685	2,211,515,272	135,993,413	2,211,515,272	-	Return filed u/s-180 of ITA-2023 but assessment order yet to receive.
2023	2024-2025	2,456,197,121	2,411,364,327	44,832,794	2,411,364,327	-	Return filed u/s-180 of ITA-2023 but assessment order yet to receive.
2024	2025-2026	2,601,819,943	2,601,802,736	17,207	1,544,198,439	1,057,604,297	Return will be filed on or before 15 September 2025 (payment of 4th installment of advance tax u/s-154 of ITA-2023 and payment of income tax at the time of filing of income tax return u/s-173 of ITA-2023 due on or before 15 June 2025 and 15 September 2025 respectively).
Total		**28,220,754,783**	**28,522,793,538**	**(302,038,755)**	**27,112,256,822**	**1,410,536,716**	

National Credit and Commerce Bank PLC.

Figure in Taka Crore where applicable

Measurement of Risk Weighted Assets (RWA)-Solo Basis
Total Risk Weighted Assets (RWA)

Particulars	31 December 2024	31 December 2023
A. Credit Risk:		
On-Balance Sheet	15,255.98	14,959.43
Off-Balance Sheet	2,982.36	2,844.05
B. Market Risk	1,039.34	1,037.34
C. Operational Risk	2,006.08	1,935.40
Total Risk Weighted Assets (A+B+C)	**21,283.76**	**20,776.22**

a. i) Risk Weighted Assets for Credit Risk On Balance Sheet Exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a)	Cash		0%	339.81	-	252.22	-
b)	Claims on Bangladesh Government and Bangladesh Bank		0%	5,773.92	-	4,778.28	-
	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c)	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
d)	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-
	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f)	Claims on Banks and NBFIs						
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	6.58	6.58	7.43	7.43
	ii) Original maturity up to 3 months		20%	917.77	183.55	1,286.65	257.33
g)	Claims on Corporate	1	20%	4,787.18	957.44	5,629.72	1,125.94
		2	50%	5,547.44	2,773.72	5,070.20	2,535.10
		3,4	100%	4,485.30	4,485.30	3,429.53	3,429.53
		5,6	150%	-	-	-	-
		Unrated	125%	23.48	29.34	6.43	8.03
h)	Claims on SME	1	20%	173.44	34.69	15.41	3.08
		2	40%	484.66	193.86	463.32	185.33
		3	60%	2,829.58	1,697.75	3,428.77	2,057.26
		4	80%	277.62	222.09	101.81	81.45
		5	120%	-	-	-	-
		6	150%		-		-
		Unrated (Small enterprise & <BDT 3.00M)	75%	32.64	24.48	38.22	28.66
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	26.99	26.99	23.90	23.90

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
i)	Claims under Credit Risk Mitigation	PSE	N/A	-	-	-	-
		Banks & NBFIs	N/A	-	-	-	-
		Corporate	N/A	141.18	23.79	241.95	42.56
		Retail	N/A	361.13	0.18	340.83	0.67
		Small	N/A	132.12	23.58	42.45	9.45
		Cons.Finance	N/A	-	-	-	-
		Res. Property	N/A	-	-	-	-
		Comm. Real estate	N/A	-	-	-	-
j)	Claims categorized as retail portfolio (excluding SME Consumer Finance & Staff loan) up to 1 crore		75%	68.08	51.06	74.20	55.65
k)	Consumer Loan		100%	424.03	424.03	196.36	196.36
l)	Claims fully secured by residential property		50%	53.55	26.77	108.31	54.15
m)	Claims fully secured by commercial real estate		100%	50.24	50.24	141.09	141.09
n)	1. Past due claims (Risk weights are to be assigned net of specific provision)						
	Where specific provisions are less than 20 percent of the outstanding amount of the past due claim		150%	911.11	1,366.67	1,269.82	1,904.73
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.		100%	583.54	583.54	685.53	685.53
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.		50%	385.20	192.60	283.35	141.67
	2. Claims fully secured against residential property that are past due for more than 90 days and /or impaired and specific provision held there-against is less than 20% of outstanding amount.		100%	23.69	23.69	24.69	24.69
	3. Loans and Claims fully secured against residential property that are past due for more than 90 days and or impaired and specific provision held there-against is more than 20% of outstanding amount.		75%	3.63	2.72	1.13	0.84
o)	Capital Market Exposures		125%	-	-	-	-
p)	Unlisted equity investments and regulatory Capital instruments issued by other banks (Other than those deducted from capital) held in the banking book		125%	943.14	1,178.92	1,047.32	1,309.15
q)	Investments in venture capital		100%	1.43	1.43	1.43	1.43
r)	Investments in premises, plant and equipment		100%	250.56	250.56	263.07	263.07
s)	Claims on all fixed assets under operating lease		100%	-	-	-	-
t)	All other assets:						
	i) Claims on GoB & BB		0%	0.88	-	5.82	-
	ii) Staff Loans		20%	143.48	28.70	123.24	24.65
	iii) Cash items in Process of Collection		20%	24.50	4.90	12.44	2.49
	iv) Claims on offshore Banking Unit		100%	-	-	-	-
	iv) Other assets (not specified above) [net of specific provision if any		100%	386.81	386.81	358.20	358.20
	Total			**30,594.69**	**15,255.98**	**29,753.08**	**14,959.43**

a ii). Risk Weighted Assets for Off-balance sheet exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a.	Claims on Bangladesh Government and Bangladesh Bank		0%	-	-	-	-
b.	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c.	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
d.	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
d.	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e.	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		1,2	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f.	Claims on Banks and NBFIs			-	-	-	-
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	-	-	-	-
	ii) Original maturity less than 3 months		20%	-	-	-	-
g)	Claims on Corporate	1	20%	1,834.99	367.00	1,692.97	338.59
		2	50%	1,372.71	686.35	2,015.61	1,007.80
		3,4	100%	646.51	646.51	279.60	279.60
		5,6	150%	-	-	-	-
		Unrated	125%	41.28	51.59	13.69	17.11
h)	Claims on SME	1	20%	18.89	3.78	8.55	1.71
		2	40%	161.25	64.50	280.78	112.31
		3	60%	327.97	196.78	458.13	274.88
		4	80%	26.57	21.26	3.35	2.68
		5	120%	-	-	-	-
		6	150%	-	-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	526.41	394.81	612.59	459.44
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	549.77	549.77	349.92	349.92
i)	Claims against retail portfolio and small & medium enterprise (excluding consumer loan)		75%	-	-	-	-
j)	Consumer Loan		100%	-	-	-	-
k)	Claims fully secured by residential property		50%	-	-	-	-
l)	Claims fully secured by commercial real estate		100%	-	-	-	-
m	Investments in venture capital		150%	-	-	-	-
n	All other assets		100%	-	-	-	-
	Total			**5,506.36**	**2,982.36**	**5,715.18**	**2,844.05**

b. Risk Weighted Assets for Market Risk Balance Sheet Exposure

Sl. No	Particulars	Capital Charge for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk	Risk Weighted Assets against Market Risk	
					31 December 2024	31 December 2023
A.	Interest Rate Related Instruments	-	21.63	21.63	**216.27**	**136.08**
B.	Equities	33.41	33.41	66.81	**668.11**	**725.75**
C.	Foreign Exchange Position	-	15.50	15.50	**154.96**	**175.51**
	Total (A+B+C)	**33.41**	**70.53**	**103.93**	**1,039.34**	**1,037.34**

c. Risk Weighted Assets for Operational Risk

SL. No.	Year	Gross Income	Average Gross Income	Capital Charge for Operational Risk	Risk Weighted Assets against Operational Risk	
					31 December 2024	31 December 2023
A.	2022	1,187	1337.39	200.61	**2,006.08**	**1,935.40**
B.	2023	1,205				
C.	2024	1,621				

Measurement of Risk Weighted Assets (RWA)-Consolidated Basis
Total Risk Weighted Assets (RWA)

Particulars	31 December 2024	31 December 2023
A. Credit Risk:		
On-Balance Sheet	15,167.65	14,944.73
Off-Balance Sheet	2,982.36	2,844.05
B. Market Risk	1,107.70	1,151.07
C. Operational Risk	2,001.18	1,964.20
Total Risk Weighted Assets (A+B+C)	**21,258.89**	**20,904.05**

a. i) Risk Weighted Assets for Credit Risk On Balance Sheet Exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a)	Cash		0%	339.82	-	252.22	-
b)	Claims on Bangladesh Government and Bangladesh Bank		0%	5,838.12	-	4,778.28	-
	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c)	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
d)	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-
	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f)	Claims on Banks and NBFIs						
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	6.58	6.58	7.43	7.43
	ii) Original maturity up to 3 months		20%	930.76	186.15	1,292.31	258.46
g)	Claims on Corporate	1	20%	4787.18	957.44	5,629.72	1,125.94
		2	50%	5,547.44	2,773.72	5,070.20	2,535.10
		3,4	100%	4,485.30	4,485.30	3,429.53	3,429.53
		5,6	150%	-	-	-	-
		Unrated	125%	23.48	29.34	6.43	8.03
h)	Claims on SME	1	20%	173.44	34.69	15.41	3.08
		2	40%	484.66	193.86	463.32	185.33
		3	60%	2,829.58	1,697.75	3,428.77	2,057.26
		4	80%	277.62	222.09	101.81	81.45
		5	120%	-	-	-	-
		6	150%	-	-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	32.64	24.48	38.22	28.66
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	26.99	26.99	23.90	23.90

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
i)	Claims under Credit Risk Mitigation	PSE	N/A	-	-	-	-
		Banks & NBFIs	N/A	-	-	-	-
		Corporate	N/A	141.18	23.79	241.95	42.56
		Retail	N/A	361.13	0.18	340.83	0.67
		Small	N/A	132.12	23.58	42.45	9.45
		Cons.Finance	N/A	-	-	-	-
		Res. Property	N/A	-	-	-	-
		Comm. Real estate	N/A	-	-	-	-
j)	Claims categorized as retail portfolio (excluding SME Consumer Finance & Staff loan) up to 1 crore		75%	68.08	51.06	74.20	55.65
k)	Consumer Loan		100%	424.03	424.03	196.36	196.36
l)	Claims fully secured by residential property		50%	53.55	26.77	108.31	54.15
m)	Claims fully secured by commercial real estate		100%	50.24	50.24	141.09	141.09
n)	1. Past due claims (Risk weights are to be assigned net of specific provision)						
	Where specific provisions are less than 20 percent of the outstanding amount of the past due claim		150%	911.11	1,366.67	1,269.82	1,904.73
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.		100%	583.54	583.54	685.53	685.53
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.		50%	385.20	192.60	283.35	141.67
	2. Claims fully secured against residential property that are past due for more than 90 days and /or impaired and specific provision held there-against is less than 20% of outstanding amount.		100%	23.69	23.69	24.69	24.69
	3. Loans and Claims fully secured against residential property that are past due for more than 90 days and or impaired and specific provision held there-against is more than 20% of outstanding amount.		75%	3.63	2.72	1.13	0.84
o)	Capital Market Exposures		125%	183.62	229.53	228.80	285.99
p)	Unlisted equity investments and regulatory Capital instruments issued by other banks (Other than those deducted from capital) held in the banking book		125%	719.59	899.49	824.25	1,030.31
q)	Investments in venture capital		100%	1.43	1.43	1.43	1.43
r)	Investments in premises, plant and equipment		100%	251.89	251.89	264.63	264.63
s)	Claims on all fixed assets under operating lease		100%	-	-	-	-
t)	All other assets:						
	i) Claims on GoB & BB		0%	6.38	-	9.99	-
	ii) Staff Loans		20%	143.48	28.70	123.24	24.65
	iii) Cash items in Process of Collection		20%	24.50	4.90	12.44	2.49
	iv) Claims on offshore banking Unit		100%	-	-	-	-
	v) Other assets (not specified above) [net of		100%	344.45	344.45	333.65	333.65
	Total			**30,596.43**	**15,167.65**	**29,745.65**	**14,944.73**

a ii). Risk Weighted Assets for Off-balance sheet exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a.	Claims on Bangladesh Government and		0%	-	-	-	-
b.	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c.	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-

Sl. No.	Particulars	Bangladesh Bank's Rating Grade	31 December 2024			31 December 2023	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
d.	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e.	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		1,2	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f.	Claims on Banks and NBFIs			-	-	-	-
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	-	-	-	-
	ii) Original maturity less than 3 months		20%	-	-	-	-
g)	Claims on Corporate	1	20%	1,834.99	367.00	1,692.97	338.59
		2	50%	1,372.71	686.35	2,015.61	1,007.80
		3,4	100%	646.51	646.51	279.60	279.60
		5,6	150%	-	-	-	-
		Unrated	125%	41.28	51.59	13.69	17.11
h)	Claims on SME	1	20%	18.89	3.78	8.55	1.71
		2	40%	161.25	64.50	280.78	112.31
		3	60%	327.97	196.78	458.13	274.88
		4	80%	26.57	21.26	3.35	2.68
		5	120%	-	-	-	-
		6	150%	-	-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	526.41	394.81	612.59	459.44
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	549.77	549.77	349.92	349.92
i)	Claims against retail portfolio and small & medium enterprise (excluding consumer loan)		75%	-	-	-	-
j)	Consumer Loan		100%	-	-	-	-
k)	Claims fully secured by residential property		50%	-	-	-	-
l)	Claims fully secured by commercial real estate		100%	-	-	-	-
m	Investments in venture capital		150%	-	-	-	-
n	All other assets		100%	-	-	-	-
	Total			**5,506.36**	**2,982.36**	**5,715.18**	**2,844.05**

b. Risk Weighted Assets for Market Risk Balance Sheet Exposure

Sl. No	Particulars	Capital Charge for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk	Risk Weighted Assets against Market Risk	
					31 December 2024	31 December 2023
A.	Interest Rate Related Instruments	-	21.63	21.63	**216.27**	**136.08**
B.	Equities	36.82	36.82	73.65	**736.47**	**839.48**
C.	Foreign Exchange Position	-	15.50	15.50	**154.96**	**175.51**
	Total (A+B+C)	**36.82**	**73.95**	**110.77**	**1,107.70**	**1,151.07**

c. Risk Weighted Assets for Operational Risk

Sl. No.	Year	Gross Income	Average Gross Income	Capital Charge for Operational Risk	Risk Weighted Assets against Operational Risk	
					31 December 2024	31 December 2023
A.	2022	1195	1334.12	200.12	**2,001.18**	**1,964.20**
B.	2023	1162				
C.	2024	1646				

Annexure-H

National Credit and Commerce Bank PLC.

Statement of the Name of the Directors and the entities in which they have interest

as on 31 December 2024

SL. No.	Name of Directors	Status with the NCCBL	Name of the firms/companies in which interested as proprietor, partner, Director, managing agent, guarantor, employee etc.	% of interest
1	Alhaj Md. Nurun Newaz	Chairman	Royal International, Proprietor	100.00%
			Electro Mart Limited, Chairman	17.50%
			Trade International Industries Ltd., Chairman	20.00%
			Newaz International Ltd., Managing Director	35.00%
			The Royal Bengal Agency, Proprietor	100.00%
			Newaz Overseas Services Ltd., Chairman	50.00%
			Orchid Energy Limited, Chairman	20.00%
2	Mr. A.S.M. Mainuddin Monem	Vice Chairman	Abdul Monem Limited, Managing Director	14.98%
			Abdul Monem Sugar Refinery Limited, Managing Director	12.95%
			Abdul Monem Economic Zone Limited, Managing Director	94.98%
			AMEZ Infrastructure Limited, Managing Director	10.00%
			AMEZ Power Limited, Managing Director	34.42%
			AMEZ Steel Limited, Managing Director	13.33%
			Igloo Foods Limited, Managing Director	15.38%
			AM Securities & Financial Services Limited., Managing Director	93.33%
			AM Energy Limited, Managing Director	15.00%
			Igloo Ice Cream Limited, Managing Director	16.67%
			Novus Pharmaceuticals Limited. ,Managing Director	14.93%
			Igloo Dairy Limited, Managing Director	15.38%
			AM Sugar Blending Limited, Director	25.00%
			AM Channel Limited, Director	25.00%
			AM Auto Bricks Limited, Managing Director	20.00%
			AM Bran Oil Company Limited, Director	5.00%
			AM Asphalt & Ready Mix Concrete Limited, Managing Director	20.00%
			AM Foods Limited, Director	0.00%
			AM Development limited, Director	25.00%
			AM Power Limited. ,Director	10.00%
			AM Capital & Investment Limited, Director	94.00%
			AM Power Infotech Limited, Director	10.00%
			AM Pharma Limited., Director	20.00%
			AM Beverage Limited. ,Director	20.00%
			Monem Materials Limited, Managing Director	11.00%
			AM Aviation Limited, Director	11.11%
			AM Agricultural Products Limited, Director	33.33%
			Millenium Cement Limited, Director	10.00%
			Joinab Enterprise, Proprietor	100.00%
			Joinab Overseas, Proprietor	100.00%
			AM Consulting Limited, Director	33.33%
			MM Holdings Limited, Director	98.00%
3	Mrs. Sohela Hossain	Director	Mir Akhter Hossain Ltd., Chairman	15.00%
			Mir Cement Ltd., Director	25.00%
			Mir Real Estate Ltd., Director	25.00%
			Mir Concrete Products Ltd., Director	25.00%
			Mir Power Ltd., Director	25.00%
			Mir Group of Companies Ltd., Director	25.00%
			Rego Communications Ltd., Director	25.00%
			Mir Supply Chain Ltd., Director	25.00%
			Mir Infrastructures Ltd., Director	25.00%
			Sego Global Ltd. , Director	25.00%
			Mir Food and Beverage Ltd., Director	25.00%
			Mir Securities Ltd, Shareholder	0.0313%
4	Mr. Syed Asif Nazamuddin	Director	J M Shipping Lines, Partner	49.00%
			MAS Trading, Partner	55.00%

SL. No.	Name of Directors	Status with the NCCBL	Name of the firms/companies in which interested as proprietor, partner, Director, managing agent, guarantor, employee etc.	% of interest
5	Mr. Abdus Salam	Director	The Bengal Electric Ltd., Managing Director	74.00%
			Multiple Equipment & Engineering Ltd., Managing Director	60.00%
			Gangatia Fisheries Ltd., Managing Director	20.00%
			Rafika Moktader School, Chairman	0.00%
			Bengal Shipyard Ltd., Managing Director	25.00%
6	Mr. Amjadul Ferdous Chowdhury	Director	BSA Garments Ind. (Pvt.) Limited, Chairman	18.67%
			BSA Fashion Limited, Chairman	35.71%
			BSA Apparels Limited, Chairman	25.00%
			Vanguard Garments Ltd., Chairman	33.33%
			Vanguard Fashion Ltd., Chairman	15.00%
			Vanguard Dresses Limited, Chairman	33.33%
			Vanguard Packages Limited, Chairman	33.40%
			Vanguard Maritime Limited, Chairman	30.00%
			Vanguard Designers Limited, Chairman	40.00%
			BSA Shipping Limited, Director	30.00%
			Glare Fashion Limited, Managing Director	50.00%
			Royal Cement Limited, Chairman	10.00%
			Brave Royal Shipping Limited, Managing Director	20.00%
			Royal P. P Begs Limited, Chairman	15.00%
			Harrods Garments Ltd., Chairman & Managing Director	45.67%
			Vangurd Shares & Securities Limited, Chairman	5.88%
			S.N.Sports Wares Limited, Director	43.10%
			Glare Trading, Importer, Proprietor	100.00%
			BSA Washing Plant Limited, Chairman	40.00%
			Vanguard Agro Ltd., Chairman	30.00%
7	Ms. Tanzina Ali	Director	Diamond Cement Ltd., Shareholder	11.11%
8	Mr. Khairul Alam Chaklader	Director	Eastern Logistics Ltd, Director	13.80%
			AutoKap Bricks Ltd, Director	20.00%
			Roots Food and Beverage Ltd., Chairman	20.00%
			Gulshan Point (Pvt) Ltd., Managing Director	30.00%
			Maxwell Electronics, Proprietor	100.00%
9	Mr. Md. Moinuddin	Director	Vyne Global Fortunes Investmrent Co. L.L.C, Chief Executive Officer	100.00%
			Central Paris Hotel, Managing Director	70.00%
			Gausia Trading, Proprietor	100.00%
			Janata General Contracting L.L.C, Managing Director	60.00%
			Dar Al Yaqout Property Management L.L.C, Chief Executive Officer	100.00%
			PT Keys Management, Investment Partner	35.00%
			Salam Trading, Partner	65.00%
10	Mr. Mohammed Sazzad Un Newaz	Director	Electro Mart Limited, Director	12.50%
			Trade International Industries Ltd., Director	15.00%
			Newaz International Ltd., Director	10.00%
			Newaz Overseas Services Ltd., Managing Director	50.00%
			Orchid Corporation, Proprietor	100.00%
			Blueberry Corporation, Proprietor	100.00%
			Orchid Energy Limited, Managing Director	40.00%
			3i Services, Proprietor	100.00%
11	Mr. Mr. Meer Sajed-Ul-Basher, FCA	Independent Director	Sajed Meer Chartered Accountant, Principal and CEO	100.00%
			SAJ ImpactBLiss Limited, Chairman	98.00%
			Sustain & Partners, Consultancy	33.00%

National Credit and Commerce Bank PLC.

Related Party Transactions

As at 31 December 2024

The Bank in normal course of business has had transactions with other entities that fall within the definition of Related party as contained in International Accounting Standards (IAS-24) (Related Party Disclosures) and as defined in the BRPD Circular # 14 dated 25 June 2003.

The Significant Related party transactions during the year were as follows:

Amount in Taka Lac

SL. No.	Name of the Organization	Representing Directors	Nature of Facilities	Rate	Income	Limit	Outstanding (funded)	Outstanding (non-funded)	Total outstanding
3	Roots Food and Beverage Limited	Mr. Khairul Alam Chaklader	BG		-	7.7	-	7.7	7.7
4	Mr. Mohd. Nurun Newaz	Mr. Mohd. Nurun Newaz	Credit Card		-	5.2	0.2	-	0.2
5	Mrs. Shaheda Newaz	Mr. Mohd. Nurun Newaz	Credit Card		-	5.2	-	-	-
6	Mrs. Shakila Newaz	Mr. Mohd. Nurun Newaz	Credit Card		-	4.2	1.1	-	1.1
7	Mrs. Shamima Newaz	Mr. Mohd. Nurun Newaz	Credit Card		-	7.3	-	-	-
8	Mr. Sazzad-un-Newaz	Mr. Sazzad-un-Newaz	Credit Card		-	6.2	-	-	-
7	Mr. Mohammed Nurussafa Mazumder	Mr. Mohd. Nurun Newaz	Credit Card		-	4.5	0.6	-	0.6
9	Mrs. Sohela Hossain	Mrs. Sohela Hossain	Credit Card		-	25.0	3.4	-	3.4
10	Mrs. Farhana Monem	Mr. ASM Mainuddin Monem	Credit Card		-	10.0	-	-	-
13	Mr. ASM Mainuddin Monem	Mr. ASM Mainuddin Monem	Credit Card		-	19.6	0.1	-	0.1
14	Mr. ASM Mainuddin Monem	Mr. ASM Mainuddin Monem	Credit Card		-	20.0	3.9	-	3.9
16	Mr. Khairul Alam Chaklader	Mr. Khairul Alam Chaklader	Credit Card		-	2.1	-	-	-
17	Mr. Morshedul Alam Chaklader	Mr. Khairul Alam Chaklader	Credit Card		-	3.1	-	-	-
18	Ms. Tanzina Ali	Ms. Tanzina Ali	Credit Card		-	9.5	5.0	-	5.0
			Total		-	129.3	14.1	7.7	21.9

Inter-company balances and transactions between Parent and Subsidiaries:

Name of Subsidiaries	Nature of Account	Balance as at 31 December 2024
NCCB Securities and Financial Services Limited	In Special Notice Deposit (SND) Account	6,728.8
NCCB Capital Limited	In Current Deposit (CD) Account	2,579.1
Name of Subsidiaries	**Nature of Transactions**	**Transacted during the year**
NCCB Securities and Financial Services Limited	Interest income and Expense	17.8

Key management personnel compensation refer to note no- 34

Annexure-J

National Credit and Commerce Bank PLC.

Disclosure Regarding Outstanding Repo

As at 31 December 2024

a.(i) Disclosure regarding outstanding Repo as on 31 December 2024

Sl No	Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
1	Bangladesh Bank	3-Dec-24	1-Jan-25	18,704,490,341
2	Bangladesh Bank	10-Dec-24	7-Jan-25	
3	Bangladesh Bank	17-Dec-24	14-Jan-25	
4	Bangladesh Bank	24-Dec-24	21-Jan-25	
5	Standard Chartered Bank	30-Dec-24	2-Jan-25	
Total				**18,704,490,341**

a.(ii) Disclosure regarding outstanding reverse repo as on 31 December 2024

Sl No	Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
1				Nil
2				
3				
Total				-

b. Disclosure regarding overall transaction of Repo and Reverse repo.

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo:			
i) with Bangladesh Bank	391,578,953	7,225,700,545	1,404,975,571
ii) with other banks & FIs	626,876,900	5,662,978,300	944,169,921
Securities purchased under reverse repo:			
i)from Bangladesh Bank	1,483,695,838	1,483,695,838	4,121,377
ii)from other banks & FIs	981,368,760	3,949,828,526	53,104,592

National Credit and Commerce Bank PLC. and its Subsidiaries

Consolidated Financial Highlights

For the year ended on 31 December 2024

Sl. No.	Particulars	2024	2023
1	Paid-up capital	11,104,230,950	11,104,230,950
2	Total regulatory capital	32,637,539,973	33,427,924,067
3	Capital surplus/(deficit)	6,063,921,957	7,297,871,285
4	Total assets	347,466,913,058	319,320,245,155
5	Total deposits	256,651,079,123	220,949,124,939
6	Total loans & advances	242,082,668,135	230,984,677,002
7	Total contingent liabilities	135,927,150,185	116,357,421,376
8	Credit deposit ratio*	82.30%	85.57%
9	Percentage of classified loans against total loans & advances	7.27%	5.61%
10	Net profit after tax	2,326,781,365	2,297,689,427
11	Amount of classified loan	17,588,978,939	12,955,173,529
12	Provision kept against classified loans	14,533,203,815	10,863,565,000
13	Provision surplus/(deficit)		-
14	Cost of fund including administration (%)	8.51%	7.03%
15	Interest earning assets	307,134,439,575	286,696,137,529
16	Non-interest earning assets	40,332,473,484	32,624,107,626
17	Return on equity (ROE)	9.48%	9.70%
18	Return on assets (ROA)	0.70%	0.74%
19	Income from investment	7,527,359,411	5,124,803,926
20	Earnings per share (Taka)	2.10	2.07
21	Net income per share (Taka)	2.10	2.07
22	Price earning ratio (Times)	5.15	6.33

* Credit deposit ratio (CDR) calculation is made as per Bangladesh Bank guidelines.

Annexure-L

National Credit and Commerce Bank PLC.

Financial Highlights of the Bank

For the year ended on 31 December 2024

Sl. No.	Particulars	2024	2023
1	Paid-up capital	11,104,230,950	11,104,230,950
2	Total capital	32,216,265,763	33,059,754,794
3	Capital surplus/(deficit)	5,611,564,273	7,089,477,030
4	Total assets	346,956,973,240	318,954,684,811
5	Total deposits	257,352,743,366	221,835,114,370
6	Total loans & advances	240,246,437,780	228,696,724,823
7	Total contingent liabilities	135,927,150,185	116,357,421,376
8	Credit deposit ratio*	82.30%	85.57%
9	Percentage of classified loans against total loans & advances	7.32%	5.66%
10	Net profit ater tax	2,323,568,924	2,294,836,430
11	Amount of classified loan	17,588,978,939	12,955,173,529
12	Provision kept against classified loans	14,533,203,815	10,863,565,000
13	Provision surplus/(deficit)	-	-
14	Cost of fund including administration (%)	8.51%	7.03%
15	Interest earning assets	306,694,910,702	286,400,988,130
16	Non-interest earning assets	40,262,062,539	32,553,696,681
17	Return on equity (ROE)	9.52%	9.74%
18	Return on assets (ROA)	0.70%	0.74%
19	Income from investment	7,437,020,482	5,104,668,903
20	Earnings per share (Taka)	2.09	2.07
21	Net income per share (Taka)	2.09	2.07
22	Price earning ratio (Times)	5.16	6.34

* Credit deposit ratio (CDR) calculation is made as per Bangladesh Bank guidelines.

National Credit and Commerce Bank PLC.

Financial Reporting by Segments

For the year ended on 31 December 2024

i) Operating Segment profit and loss account as per IFRS-8.

Particulars	NCC Bank Limited				Subsidiaries			Inter Company Transaction	Consolidated
	Conventional Banking	Islamic Banking	Off-Shore Banking Units	Total	NCCBSFSL	NCCB Capital Limited	Total		
Interest/Profit income	22,090,806,462	113,844,249	915,289,414	23,119,940,125	79,250,716	-	79,250,716	(1,778,312)	23,197,412,529
Interest/Profit paid on deposits and borrowings	(16,104,441,038)	(211,011,935)	(699,855,648)	(17,015,308,621)	(10,690,592)	-	(10,690,592)	1,778,312	(17,024,220,901)
Net Interest/Profit income	**5,986,365,424**	**(97,167,686)**	**215,433,766**	**6,104,631,504**	**68,560,124**	**-**	**68,560,124**	**-**	**6,173,191,628**
Income from investments	7,423,747,453	13,273,029	-	7,437,020,482	90,338,929	-	90,338,929	-	7,527,359,411
Commission, exchange and brokerage	2,861,673,013	1,848,978	-	2,863,521,991	77,047,611	-	77,047,611	-	2,940,569,602
Other operating income	1,160,931,034	828,900	5,599,886	1,167,359,820	1,291,409	-	1,291,409	-	1,168,651,229
Total operating income	**17,432,716,924**	**(81,216,779)**	**221,033,652**	**17,572,533,797**	**237,238,073**	**-**	**237,238,073**	**-**	**17,809,771,870**
Salary and allowances	(3,840,098,478)	(24,889,060)	(4,272,380)	(3,869,259,918)	(48,943,340)	-	(48,943,340)	-	(3,918,203,258)
Rent, taxes, insurance, electricity etc.	(546,988,053)	(12,215,864)	-	(559,203,917)	(5,385,965)	-	(5,385,965)	-	(564,589,882)
Legal expenses	(22,813,160)	(5,390)	-	(22,818,550)	-	-	-	-	(22,818,550)
Postage, stamp, telecommunication etc.	(73,977,300)	(79,760)	-	(74,057,060)	(572,604)	-	(572,604)	-	(74,629,664)
Stationery, printing, advertisement etc.	(112,876,697)	(174,481)	-	(113,051,178)	(572,731)	-	(572,731)	-	(113,623,909)
Chief Executive Officer's salary and fees	(10,858,579)	-	-	(10,858,579)	-	-	-	-	(10,858,579)
Director's fees & other meeting expenses	(5,049,955)	(176,000)	-	(5,225,955)	(266,800)	-	(266,800)	-	(5,492,755)
Auditors' fees	(632,500)	-	-	(632,500)	(126,500)	(23,000)	(149,500)	-	(782,000)
Charges on loan losses	(81,998,970)	-	-	(81,998,970)	-	-	-	-	(81,998,970)
Repairs,maintenance and depreciation	(563,169,598)	(6,278,965)	-	(569,448,563)	(10,120,696)	-	(10,120,696)	-	(579,569,259)
Other expenses	(1,164,555,281)	(10,000,791)	(76,711)	(1,174,632,783)	(16,516,409)	(288)	(16,516,697)	-	(1,191,149,480)
Total operating expenses	**(6,423,018,571)**	**(53,820,311)**	**(4,349,091)**	**(6,481,187,973)**	**(82,505,045)**	**(23,288)**	**(82,528,333)**	**-**	**(6,563,716,306)**
Profit before provision	**11,009,698,354**	**(135,037,090)**	**216,684,561**	**11,091,345,825**	**154,733,028**	**(23,288)**	**154,709,740**	**-**	**11,246,055,565**
Provision for loans and advances	**(4,958,274,898)**	**(11,659,582)**	**3,749,142**	(4,966,185,338)	**(99,728,847)**	**-**	(99,728,847)		(5,065,914,185)
Other provision	**(1,069,929,077)**	**-**	**-**	(1,069,929,077)	**(30,993,180)**	**-**	(30,993,180)	**-**	(1,100,922,257)
Total provision	**(6,028,203,975)**	**(11,659,582)**	**3,749,142**	**(6,036,114,415)**	**(130,722,027)**	**-**	**(130,722,027)**	**-**	**(6,166,836,442)**
Profit before tax	**4,981,494,379**	**(146,696,672)**	**220,433,703**	**5,055,231,410**	**24,011,001**	**(23,288)**	**23,987,713**	**-**	**5,079,219,123**
Provision for tax	(2,731,662,486)	-	-	(2,731,662,486)	(20,094,583)	-	(20,094,583)		(2,751,757,069)
Profit after tax	**2,249,831,893**	**(146,696,672)**	**220,433,703**	**2,323,568,924**	**3,916,418**	**(23,288)**	**3,893,130**	**-**	**2,327,462,054**
Interest on perpetual bonds	(500,000,000)	-	-	(500,000,000)	-	-	-	-	(500,000,000)
Start-up fund	(23,235,689)	-	-	(23,235,689)	-	-	-	-	(23,235,689)
Net profit attributable to ordinary shareholders	**1,726,596,203**	**(146,696,672)**	**220,433,703**	**1,800,333,234**	**3,916,418**	**(23,288)**	**3,893,130**	**-**	**1,804,226,364**

ii) Operating Segment balance sheet as per IFRS-8.

Particulars	NCC Bank Limited				Subsidiaries			Inter Company Transaction	Consolidated
	Conventional Banking	Islamic Banking	Off-Shore Banking Units	Total	NCCBSFSL	NCCB Capital Limited	Total		
Assets									
Cash in hand (including foreign currencies)	3,357,388,060	40,697,451	-	3,398,085,511	-	-	-	-	3,398,085,511
Balance with B.B and its agents	13,689,932,911	255,409,912	-	13,945,342,823	-	-	-		13,945,342,823
Balance with other banks and financial institutions	1,371,262,080	310,000,000	39,593,869	1,720,855,949	802,329,503	257,908,904	1,060,238,407	(930,364,415)	1,850,729,941
Money at call and short notice	765,700,000	-	-	765,700,000	-	-	-	-	765,700,000
Investments	75,590,759,740	300,000,000	-	75,890,759,740	1,124,590,540	-	1,124,590,540	-	77,015,350,280
Loans and advances/investments	229,292,090,728	1,354,757,817	9,599,589,235	240,246,437,780	1,836,230,355	-	1,836,230,355	-	242,082,668,135
Fixed assets	3,414,970,293	47,564,958	-	3,462,535,251	37,827,534	-	37,827,534	-	3,500,362,785
Other assets	2,937,214,888	4,487,545,749	99,745,035	7,524,505,672	86,652,475	-	86,652,475	(2,705,235,078)	4,905,923,069
Non-banking assets	2,750,514	-	-	2,750,514	-	-	-	-	2,750,514
Total Assets	**330,422,069,214**	**6,795,975,887**	**9,738,928,139**	**346,956,973,240**	**3,887,630,407**	**257,908,904**	**4,145,539,311**	**(3,635,599,493)**	**347,466,913,058**
Liabilities									
Borrowings from other banks, FI and agents	10,768,070,045	-	9,399,297,631	20,167,367,676	149,447,984	-	149,447,984	-	20,316,815,660
Deposits and other accounts	250,754,452,834	6,598,290,532	-	257,352,743,366	683,935,450	-	683,935,450	(1,385,599,693)	256,651,079,123
Other liabilities	38,509,349,533	346,585,891	46,384,113	38,902,319,537	927,051,209	69,000	927,120,209	-	39,829,439,746
NCC Bank Subordinated and Perpetual Bonds	5,800,000,000	-	-	5,800,000,000	-	-	-	-	5,800,000,000
Total shareholders equity	24,590,196,802	(148,900,536)	293,246,395	24,734,542,661	2,127,195,764	257,839,904	2,385,035,668	(2,249,999,800)	24,869,578,529
Total Liabilities & Equity	**330,422,069,214**	**6,795,975,887**	**9,738,928,139**	**346,956,973,240**	**3,887,630,407**	**257,908,904**	**4,145,539,311**	**(3,635,599,493)**	**347,466,913,058**

Annexure-N

National Credit and Commerce Bank PLC.

Year wise unclaimed or unpaid dividend

As at 31 December 2024

Sl. No.	Particular of Accounts	Year	Amount in Taka
01	Cash Dividend-2000	2000	125,422
02	Cash Dividend-2001	2001	588,747
03	Fractional Dividend-2001	2001	243,340
04	Fractional Dividend-2002	2002	13,609
05	Cash Dividend-2003	2003	599,604
06	Fractional Dividend-2003	2003	86,537
07	Fractional Dividend-2004	2004	55,953
08	Cash Dividend-2005	2005	3,053,465
09	Fractional Dividend-2005	2005	35,630
10	Cash Dividend-2006	2006	2,528,466
11	Fractional Dividend-2006	2006	228,977
12	Fractional Dividend-2007	2007	260,244
13	Fractional Dividend-2008	2008	249,817
14	Fractional Dividend-2009	2009	1,039,396
15	Fractional Dividend-2010	2010	70,067
16	Cash Dividend-2011	2011	7,715,161
17	Fractional Dividend-2012	2012	475,943
18	Cash Dividend-2013	2013	7,241,021
19	Fractional Dividend-2014	2014	40,089
20	Cash Dividend-2015	2015	11,901,371
21	Cash Dividend-2016	2016	10,636,721
22	Cash Dividend-2017	2017	10,709,533
23	Cash Dividend-2018	2018	4,501,164
24	Cash Dividend-2019	2019	17,216,827
25	Cash Dividend-2020	2020	9,523,228
26	Cash Dividend-2021	2021	28,885,801
27	Cash Dividend-2022	2022	7,399,840
		Total	125,425,975

National Credit and Commerce Bank PLC.

Islamic Banking Unit

Balance Sheet

As at 31 December 2024

PROPERTY AND ASSETS	Note	2024 Taka	2023 Taka
Cash	3	**763,958,048**	**296,107,363**
In hand (including foreign currencies)		41,373,503	40,697,451
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		722,584,545	255,409,912
Balance with other banks and financial institutions	4	**1,150,000,000**	**310,000,000**
In Bangladesh		1,150,000,000	310,000,000
Outside Bangladesh		-	-
Placement with other banks and financial institutions	5	**-**	**-**
Investments in shares and securities	6	**343,740,000**	**300,000,000**
Government		43,740,000	-
Others		300,000,000	300,000,000
Investments	7	**5,997,281,927**	**1,354,757,817**
General Investment		5,492,217,084	1,290,139,817
Bills purchased & negotiated under Musharaka		505,064,843	64,618,000
Fixed assets including premises, furnitures and fixtures	8	**38,737,493**	**47,564,958**
Other assets	9	**3,452,358,646**	**4,487,545,749**
Non-banking assets		-	-
TOTAL ASSETS		**11,746,076,113**	**6,795,975,887**
LIABILITIES AND CAPITAL			
Liabilities			
Placement from other banks and financial institutions	10	**310,465,018**	**-**
Deposits and other accounts	11	**10,982,711,194**	**6,598,290,532**
Al-wadeeah Current and other deposits		689,558,396	172,097,235
Bills payable		3,284,652	3,486,879
Mudarabah Savings deposits		132,154,627	105,345,377
Mudarabah term deposits		10,157,713,518	6,317,361,041
Other liabilities	12	**842,022,724**	**346,585,891**
TOTAL LIABILITIES		**12,135,198,935**	**6,944,876,424**
Shareholders' equity			
Paid up capital		-	-
Statutory reserve		-	-
General reserve		-	-
Other reserve including assets revaluation reserve		-	-
Foreign currency translation gain/(loss) reserve		-	-
Surplus in profit and loss account	13	(389,122,822)	(148,900,537)
		(389,122,822)	**(148,900,537)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**11,746,076,113**	**6,795,975,887**
OFF BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements		602,646,318	2,414,248
Letters of guarantee		47,886,565	20,347,354
Letters of credit issued		1,767,539,006	150,541,135
Bills for collection		71,650,501	-
TOTAL OFF BALANCE SHEET ITEMS		**2,489,722,391**	**173,302,738**

These financial statements should be read in conjunction with the annexed notes.

National Credit and Commerce Bank PLC.

Islamic Banking Unit

Profit and Loss Account
For the year ended 31 December 2024

	Note	2024 Taka	2023 Taka
Income on Investments	14	496,964,100	113,844,249
Less: Profit paid on deposits and other funds	15	803,627,696	211,011,935
Net profit on investment		**(306,663,595)**	**(97,167,686)**
Profit on investment with bank and FI	16	33,568,009	13,273,029
Commission, exchange and brokerage	17	42,088,113	1,848,978
Other income	18	11,930,432	828,900
Total operating income		**(219,077,041)**	**(81,216,779)**
Salary and allowances	19	35,917,947	24,889,060
Rent, taxes, insurance, electricity etc.	20	11,087,246	12,215,864
Legal expenses	21	-	5,390
Postage, stamp, telecommunication etc.	22	702,969	79,760
Stationery, printing, advertisement etc.	23	404,628	174,481
Shariah Supervisory Committee Members' fees & other meeting related expenses	24	116,600	176,000
Audit fee	25	-	-
Repairs, maintenance and depreciation	26	21,142,500	6,278,965
Other expenses	27	55,736,352	10,000,791
Total operating expense		**125,108,241**	**53,820,311**
Profit before provisions		**(344,185,282)**	**(135,037,090)**
Provision for Investments		**44,937,540**	**11,659,583**
Specific provision		73,771	-
General provision		44,863,769	11,659,583
Provision for other assets		-	-
Total provisions		**44,937,540**	**11,659,583**
Profit before tax		**(389,122,822)**	**(146,696,672)**
Provision for tax			-
Current tax		-	-
Deferred Tax		-	-
Profit after tax		**(389,122,822)**	**(146,696,672)**

These financial statements should be read in conjunction with the annexed notes.

National Credit and Commerce Bank PLC.

Islamic Banking Unit

Cash Flow statement

For the year ended 31 December 2024

		2024 Taka	2023 Taka
A)	**Cash flows from operating activities**		
	Profit received in cash	387,761,898	108,656,208
	Profit paid by cash	(756,731,614)	(108,693,430)
	Dividend received	-	-
	Fees & commission received in cash	42,088,113	1,848,978
	Recoveries of Invesmentss previously written off	-	-
	Cash paid to employees as salary	(35,917,947)	(24,889,060)
	Cash paid to suppliers	(55,736,352)	(10,000,791)
	Income taxes paid	(24,930,756)	(18,512,302)
	Received from other operating activities	11,930,432	828,900
	Paid for other operating activities	(24,027,014)	
	Loss on sale of fixed assets	371,961	(13,133,965)
	Operating profit before changes in operating assets and liabilities	(455,191,277)	(63,895,462)
Increase/(decrease) in operating Assets & Liabilities			
	Purchase-sale of trading securities	(43,740,000)	(300,000,000)
	Investment to other banks	-	
	Investment to customers (Other than Banks)	(4,642,524,109)	(1,354,757,817)
	Other assets	1,202,888,069	(4,417,756,788)
	Deposits/Funds from other Banks	310,465,018	-
	Deposits from customers (Other than Banks)	4,384,420,661	6,201,324,435
	Other liabilities account of customers	-	-
	Other liabilities	403,603,211	187,458,293
	Net Cash received from operating activities	**1,159,921,573**	**252,372,661**
B)	**Cash flows from investing activities**		
	Proceeds from sale of securities	-	-
	Payment for purchase of Securities	-	-
	Purchase of property, plant and equipment	(973,225)	(38,741,532)
	Sales proceeds of fixed assets	1,800	-
Net cash used in investing activities		(971,425)	(38,741,532)
C)	**Cash flows from financing activities**		
	Received from issue of Invesments capital and debt securities	-	-
	Payment for redemption of Invesments capital & debt security	-	-
	Provision transfer in cash to HO	-	-
	Loss receipt from conventional banking	148,900,537	
	Dividend paid in cash to HO	-	-
	Net cash received from financing activities	148,900,537	-
D)	**Net (decrease) / increase in cash (A+B+C)**	**1,307,850,685**	**213,631,129**
	Effects of exchange rate changes on cash and cash-equivalents	-	-
E)	**Opening cash and cash-equivalents**	606,107,363	392,476,234
F)	**Closing cash and cash-equivalents (D+E)**	**1,913,958,048**	**606,107,363**

These financial statements should be read in conjunction with the annexed notes

National Credit and Commerce Bank PLC.

Islamic Banking Unit

Notes to the Financial Statements
As at and for the year ended 31 December 2024

1.1 Status of the Units

Islamic Banking Unit is a separate business unit under Islamic Banking Division of NCC Bank PLC governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of Islamic banking vide Bangladesh Bank letter no. BRPD (LS-2)745(20)/2022-6911 dated on 05 July 2022. The operation of our Islamic Banking is totally different from the Bank's conventional operation as the Islamic Banking operates their business on the basis of Islamic Shariah.

Principal activities

For procuring funds from depositors, our Islamic Banking follows Al-Wadeeah and Mudarabah principles. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. Principles for accounting under its Islamic banking umbrella, run through a separate Islamic Banking software namely ABABIL. For procuring funds from depositors, our Islamic Banking follows Al-Wadeeah and Mudarabah principles. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. Principles for accounting under its Islamic banking umbrella, run through a separate Islamic Banking software namely ABABIL.

1.2 Significant accounting policies

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements and have been applied consistently by the Islamic Banking Window:

1.2.1 Basis of accounting

Our Islamic Banking Unit comply Al-Wadeeah principles where no profit is allowed at present. But for Mudarabah depositors, Bank follow Investment Income Sharing Ratio technique. It is different from traditional Weighted System so far practiced by almost all Islamic Banking operators in the country. The Income Sharing Ratio between each type of Mudarabah depositors and Bank are duly disclosed at the time of account opening of the concerned period. Profit rate is emerged at actual as derived from the income fetched from deployment of the concerned fund. As such our rate of profit on deposit under Islamic Banking is nothing but post facto expression of the respective agreed sharing ratios. Our profit rate is an output based on the Bank's earning on Investment. Our Islamic Banking Unit comply Al-Wadeeah principles where no profit is allowed at present. But for Mudarabah depositors, Bank follow Investment Income Sharing Ratio technique. It is different from traditional Weighted System so far practiced by almost all Islamic Banking operators in the country. The Income Sharing Ratio between each type of Mudarabah depositors and Bank are duly disclosed at the time of account opening of the concerned period. Profit rate is emerged at actual as derived from the income fetched from deployment of the concerned fund. As such our rate of profit on deposit under Islamic Banking is nothing but post facto expression of the respective agreed sharing ratios. Our profit rate is an output based on the Bank's earning on Investment.

The Islamic Banking unit are being operated in strict compliance with the rules of Islamic Shari'ah. The financial statements of the unit have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs). The financial statements of the unit have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by the Financial Reporting Council (FRC) under the Financial Reporting Act (FRA), 2015 and, in addition to this, the Islamic Unit also complied with the requirements of the following laws and regulations from various Government bodies:

i) The Banking Companies Act, 1991 (as amended up to date);

ii) The Companies Act, 1994;

iii) Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;

iv) Bangladesh Securities and Exchange Ordinance, 1969; Bangladesh Securities and Exchange Rules, 1987; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and amendments thereon;

v) The Income Tax Act, 2023;

vi) The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon;

vii) Dhaka Stock Exchange PLC. (DSE), Chittagong Stock Exchange PLC. (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;

viii) Financial Reporting Act, 2015; and

ix) Other applicable laws and regulations.

In case any requirement of the Banking Companies Act, 1991 (as amended up to date) and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs as adopted, the requirements of the Banking Companies Act, 1991 (as amended up to date) and provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Group and the Bank have departed from those which are the requirements of IFRSs and IASs in order to comply with the rules and regulations of Bangladesh Bank are disclosed below:

i) **Presentation of Financial Statements**

IFRS/IAS: As per IAS 1: Presentation of Financial Statements, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: A format of financial statements (i.e., balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) is prescribed in the "First Schedule" of Section 38 of the Banking Companies Act, 1991 (as amended up to date) and BRPD circular no. 15 dated 09 November 2009 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

ii) Name of the Financial Statements

IFRS/IAS: As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes comprising a summary of significant accounting policies and other explanatory information.

Bangladesh Bank: The forms of financial statements and directives for preparation thereof of the Islamic banking companies in Bangladesh are guided by BRPD circular no. 15 dated 09 November 2009 Bangladesh Bank. BRPD circular no. 15 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account.

iii) Investments in Shares and Securities

"IFRS/IAS: As per requirements of IFRS 9: Financial Instruments, classification and measurement of investments in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively."

Bangladesh Bank: As per BRPD circular no. 15 dated 09 November 2009, investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investments; otherwise, investments are recognised at cost.

iv) Revaluation Gains/Losses on Government Securities

IFRS/IAS: As per requirement of IFRS 9, where securities will fall under the category of fair value through profit or loss account and any change in fair value of the asset is recognised through profit or loss account. Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as 445 Shahjalal Islami Bank PLC. amortised cost are measured at effective interest rate method and interest income is recognised through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

v) Provision on Investments and Off-balance Sheet Items

IFRS/IAS: As per IFRS 9, an entity shall recognise an impairment allowance on investments (loans) based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for investments (loans) at an amount equal to the lifetime expected credit losses if the credit risk on these investments has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those investments (loans) for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 months' expected credit losses that may result from default events on investments that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular no. 14 (23 September 2012), BRPD circular no. 19 (27 December 2012), BRPD circular no. 05 (29 May 2013), BRPD circular no. 16 (18 November 2014), BRPD circular no. 15 (27 September 2017), BRPD circular no. 01 (20 February 2018), BRPD circular no. 03 (21 April 2019), BRPD circular no. 07 (19 March 2020), BRPD circular no. 16 (21 July 2020), BRPD circular no. 17 dated 28 September 2020, BRPD circular letter no. 52 dated 20 October 2020, BRPD circular letter no. 56 dated 10 December 2020, BRPD circular letter no. 3 dated 31 January 2021, BRPD circular letter no. 5 dated 24 March 2021, BRPD circular no. 13 dated 27 June 2021, BRPD circular no. 19 dated 26 August 2021, BRPD circular letter no. 45 dated 04 October 2021, BRPD circular letter no. 50 dated 14 December 2021, BRPD circular letter no. 51 & 52 dated 29 December 2021, BRPD circular letter no. 53 dated 30 December 2021, BRPD circular no. 14 dated 22 June 2022, BRPD circular no. 51 dated 18 December 2022 and BRPD circular no. 53 dated 22 December 2022, a general provision at 0.25% to 2% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also, provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively except (a) short-term agricultural and micro-credits where 5% for sub-standard and doubtful loans and 100% for bad & loss loans; and (b) cottage micro and small credits where 5% for sub-standard, 20% for doubtful and 100% for bad & loss loans depending on the duration of overdue. Again, as per BRPD circular no. 14 dated 23 September 2012 and BRPD circular no. 13 dated 18 October 2018, a general provision at 0.50% to 1% is required to be provided for all off-balance sheet exposures except LC issued against Fast Track Electricity Project & Bills for Collection according to BRPD circular letter no. 01 dated 03 January 2018 & BRPD circular no. 07 dated 21 June 2018 respectively. Such provision policies are not specifically in line with those prescribed by IFRS 9.

vi) Recognition of Investment Income in Suspense

IFRS/IAS: Investments (loans) to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortised cost of the investment (loan).

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once an investment (loan) is classified, investment income on such investment is not allowed to be recognised as income, rather the corresponding amount needs to be credited to an investment income in suspense account, which is presented as liability in the balance sheet.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets. Liabilities, income and expenses. Actual expenses may differ from these estimates. The figure appearing in these financial statements have been rounded off to the nearest integer.

1.2.3 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD circular no.14 dated 25 June 2003 issued by the Banking Regulations and Policy Department of Bangladesh bank.

1.2.4 Reporting period

The financial statements cover from 01 January 2024 to 31 December 2024.

1.3 Assets and their valuations

1.3.1 Cash and cash equivalents

cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk to change in their fair value, and are used by the unit management for its short-term commitments.

1.3.2 Investment Operation and Return Thereon

Fixed return based investment system is applicable for our Bai-Murabaha Investment method. Under this method, Bank sells the goods to a client at a fixed profit/mark-up on deferred payment including post import basis. Hire-Purchase shirkatul melk is also a fixed return based investment method.

Variable return based income is applied for our Musaharaka method of investment. In these cases, only ratio of income sharing is stated in the agreement. Bank bags income on the basis of concerned venture according to the agreed ratio. Genuine loss, if any is borne according to capital ratio of the client & bank.

1.4 Basis for valuation of liabilities and provisions

Provision for liabilities

A provision is recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an out flow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 " Provisions, Contingent liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Profit income

The Bank earns income from various sources such as charges, fees, commission and investment income. To recognize all sort of income, Bank follows Shariah principles strictly. Usually charges, fees & commission etc. are recognized on actual basis. Recognition of profit from investment follows principle as under:

For Bai-Murabaha Investment: While creating each deal, markup/profit is added to the bank's purchase cost with a credit to profit receivable A/C. Thereafter time apportionment of profit is recognized out of the profit receivable amount at the end of each month on accrual basis. Allowance (rebate) for early repayment, if any, may however be applied at Bank's discretion.

For Hire Purchase Shirkatul melk investment: In case of HPSM method of investment, rent is charged and taken into income account at the end of each month on accrual basis. If the account has a provision of gestation period, generally rent is charged but no income is earned during the period. In this case income starts just after the end of gestation period subject to the delivery of asset is completed in usable condition such as a machine or building etc. All accrual income is subject to prevailing classification and provisioning rules of Bangladesh Bank.

2 General

These financial statements are presented in taka, which is the Bank's functional currency. Figure appearing in these financial statements have been rounded off to the nearest Taka.

		2024 Taka	2023 Taka
3	**Cash**		
	Cash in hand (Including foreign currencies)		
	Local currency	41,373,503	40,697,451
	Foreign currencies	-	-
		41,373,503	40,697,451
	Balance with Bangladesh Bank and its agent bank (s)		
	Local currency	722,584,545	255,409,912
	Foreign currencies	-	-
		722,584,545	255,409,912
	Sonali Bank Ltd. as agent of Bangladesh Bank (Local currency)	-	-
		722,584,545	255,409,912
		763,958,048	**296,107,363**
4	**Balance with other Banks and financial institutions :**		
	In Bangladesh **(Note -4.1)**	1,150,000,000	310,000,000
	Outside Bangladesh **(Note-4.2)**	-	-
		1,150,000,000	**310,000,000**
4.1	**In Bangladesh**		
	Mudaraba term deposit account		
	Al-Arafah Islami Bank PLC.	-	50,000,000
	EXIM Bank PLC.	1,150,000,000	260,000,000
		1,150,000,000	310,000,000
		1,150,000,000	**310,000,000**
4.2	**Outside Bangladesh**		
	Current account (interest bearing)		
		-	**-**
5	**Placement with other banks and financial institutions**		
		-	**-**
6	**Investments in shares and securities**		
	Government Sukuk	43,740,000	-
		43,740,000	-
	Other Sukuk	300,000,000	300,000,000
		343,740,000	**300,000,000**
7	**Investments**		
	General Investments **(Note-7.1**)	5,492,217,084	1,290,139,817
	Bills purchased and Negotiated under Musharaka **(Note-7.2)**	505,064,843	64,618,000
		5,997,281,927	**1,354,757,817**
7.1	**General Investments**		
	Inside Bangladesh		
	Bai-murabahah (work Order)	-	19,392,630
	Bai-murabahah (FO)	804,434,710	1,192,490,467
	Bai-murabaha commercial investment account	2,585,553,988	-
	Bai-Murabaha EDF	323,116,824	-
	HPSM Invesments	22,468,567	9,714,774
	Bai-Murabahah (MTR)	1,037,092,995	68,541,946
	Bai-Salam	719,550,000	
		5,492,217,084	1,290,139,817
	Outside Bangladesh	-	-
		5,492,217,084	**1,290,139,817**
7.2	**Bills purchased and Negotiated under Musharaka**		
	Inside Bangladesh		
	Musharaka documentary bills	75,706,650	27,390,000
	Bai-Murabahah Import Bill	319,736,663	
	MUSHARAKA DOCUMENTARY BILL (MDB) INLAND FCY	72,342,530	
		467,785,843	27,390,000
	Outside Bangladesh		
	Musharaka documentary bills	37,279,000	37,228,000
		37,279,000	37,228,000
		505,064,843	**64,618,000**

		2024 Taka	2023 Taka
8	**Fixed assets including premises, furnitures and fixtures**		
	Cost/Revaluation		
	Furniture and fixtures	11,480,535	12,025,535
	Machinery and equipment	3,838,448	3,221,948
	Computer equipment	2,420,695	2,063,970
	Software	36,050,000	36,050,000
	Total Cost	53,789,678	53,361,453
	Less: Accumulated depreciation & amortization	(15,052,185)	(5,796,495)
	Net book value at the end of the year	**38,737,493**	**47,564,958**
9	**Other assets**		
	In Bangladesh		
	Stationery in hand	552,642	544,280
	Stamps in hand	300,120	191,900
	Advance against rent	7,372,470	11,585,310
	Interbranch transaction account	4,030,229	-
	Settlement Balance With Conventional Banking	3,225,462,894	4,433,962,342
	Advance Tax	43,443,058	18,512,302
	Suspense account		3,600,043
	Profit receivable **(Note-9.1)**	161,457,141	18,686,930
	Sundry Debtor	92,103	
	Position account	8,339,129	
	Fees on QCASH ATM Transaction Settlement Account	8,850	
	Adjustment/Settlement Accounts	1,300,010	462,641
		3,452,358,646	**4,487,545,749**
9.1	**Profit receivable**		
	On Investments	91,626,609	455,894
	on Sukuk	44,674,282	13,273,029
	On bank balances/financial institutions/Others	25,156,250	4,958,006
		161,457,141	18,686,930
10	**Placement from other banks and financial institutions**		
	In Bangladesh **(Note 10.1)**	310,465,018	-
	Outside Bangladesh	-	-
		310,465,018	**-**
10.1	**In Bangladesh**		
	Borrowings from Bangladesh Bank-EDF	310,465,018	-
11	**Deposits and other accounts**		
	Al-Wadeeah current deposits	353,561,482	118,048,961
	Sundry deposits **(Note 11.2)**	335,996,914	54,048,274
		689,558,396	**172,097,235**
	Mudaraba saving deposits	132,154,627	105,345,377
	Mudaraba term deposits	6,460,276,253	5,284,259,056
	Other Time deposits:		
	Mudaraba special notice deposits	3,644,384,785	1,019,519,759
	Mudaraba pension savings scheme	6,326,503	2,759,000
	Mudaraba monthly profit special deposit scheme	45,359,556	10,823,226
	Exporters Retention Quota Account-USD	1,323,995	-
	NFCD	42,425	-
		3,697,437,265	**1,033,101,986**
	Bills Payable:		
	Payment order (issued)	3,284,652	3,486,879
	Demand draft	-	-
		3,284,652	3,486,879
		10,982,711,193	**6,598,290,532**

		2024 Taka	2023 Taka
11.2	**Sundry deposits**		
	Sundry creditors	1,500	892,500
	Margin on letters of guarantee	11,516,522	6,538,415
	Margin on letters of credit	313,860,606	42,220,331
	Risk fund	75	7,250
	Enquiry charge of CIB	135,300	40,150
	Bangladesh Bank Bach & Clearing Charge	13,288	690
	Cards	45,426	4,348,938
	Cash risk allowance fund	16,750	-
	MFS bKash Settlement Account	61,010	-
	COMPENSATION REALIZED ON BAI-MURRBAHAH (COMMERCIAL)	15,629	-
	COMPENSATION REALIZABLE ON BAI-MURABAHAH (COMMERCIAL)	179,629	-
	Settlement account top up	330	-
	IBFT NPSB Outgoing	45,000	-
	IBFT Commission Settlement	20	-
	30 Days FC for Exporter	10,105,830	-
		335,996,914	**54,048,274**
12	**Other liabilities**		
	Profit payable	150,032,222	103,136,140
	Excise duty	6,410,400	1,453,200
	Withholding tax payable	42,828,907	5,269,174
	Withholding VAT Payable	434,630	130,623
	Source Tax on Indenting Comm	1,217,703	-
	Mark-up Profit	512,943,922	99,089,295
	Provision for investments **(Note-12.1)**	56,597,123	11,659,583
	Payable to Conventional Banking	-	124,371,216
	CSR Fund (Compensation)*	45,600,000	-
	Card Payable	3,240	1,476,660
	Online IBTA NITS- Export	23,145,068	-
	Payable to NCCBL FLORA CBS	75,225	-
	Cash remittance	202,460	-
	Others	2,531,824	-
		842,022,724	**346,585,891**
	* CSR kept as instructed by Bangladesh Bank through DBI Letter: 3/122/2025-649 Dated 27/04/2025		
12.1	**Provision for Investments**		
	a) Movement in specific provision on classified investments		
	Opening balance	-	-
	Net charged to profit and loss account during the year	73,771	
	Closing balance	73,771	-
	Movement in general provision on unclassified investments		
	Opening balance	11,659,583	-
	Add: Provision made/(adjust) for the year	44,863,769	11,659,583
	Closing balance	56,523,352	11,659,583
		56,597,123	**11,659,583**
13	**Surplus in profit and loss account**		
	Opening balance	(148,900,536.75)	(2,203,864)
	Profit for the year	(389,122,822.27)	(146,696,672)
	Loss receipt from conventional banking	148,900,536.75	
	Closing balance	**(389,122,822)**	**(148,900,537)**
14	**Investment income**		
	Profit from Investments		
	Bai-Murabahah	317,252,622	14,557,189
	Bai-Murabahah EDF	3,795,927	
	HPSM	1,767,599	467,144
	Bai-Salam	7,335,594	
	Documentary bills	21,455,663	964,372
		351,607,406	15,988,704
	Income from placement with other banks	145,356,694	97,855,545
		496,964,100	**113,844,249**

		2024 Taka	2023 Taka
15	**Profit paid on deposits and Other Funds**		
	Profit paid on deposits		
	Mudarabah Savings deposits	1,747,026	1,508,982
	Mudarabah Short notice deposits	201,594,410	6,896,697
	Mudarabah Term deposit Recipt	589,127,133	146,445,108
	Mudarabah Deposit Pension Scheme	655,744	49,735
	Mudarabah Special deposit Scheme	3,003,383	419,525
		796,127,696	155,320,046
	Profit paid on Other Funds		
	Call Money	-	55,691,889
	Funds from B.B and other banks	7,500,000	-
		7,500,000	55,691,889
		803,627,696	**211,011,935**
16	**Profit on Investment from shares & securities**		
	Sukuk	33,568,009	13,273,029
	Income from sale of shares	-	-
		33,568,009	**13,273,029**
17	**Commission, exchange and brokerage**		
	Commission :		
	Commision on Remittance	24,430	3,970
	Commision on Letter of Guarantee	940,448	314,816
	Commision on Acceptances	5,582,746	461,571
	Commision on Letter of Credit	16,601,769	1,068,622
	Commision of LCAF	50	
	Commission on others	146,000	-
		23,295,443	1,848,978
	Exchange gain		
	Exchange gain	18,792,670	-
	Less: Exchange loss	-	-
		18,792,670	-
		42,088,113	**1,848,978**
18	**Other operating income**		
	Card fee income	1,524,050	123,300
	Postage, Telex,telegram,trunk call,fax,swift etc. recoveries	1,598,769	136,209
	Service Charge	792,786	174,010
	Banking & Clearing Service Charge	337,387	44,022
	Miscellaneous	3,765,760	222,228
	Application and processing fees	3,911,681	129,131
	Other income	-	-
		11,930,432	**828,900**
19	**Salary & allowances**		
	Basic salary	18,764,745	12,166,770
	House rent allowance	8,273,105	5,415,204
	Bank's contribution to provident fund	1,837,048	1,571,286
	Festival Bonus	2,964,996	2,018,315
	Other salary & allowances	4,078,053	3,717,485
		35,917,947	**24,889,060**
20	**Rent, taxes, insurance, electricity etc.**		
	Office Rent	10,278,823	11,518,041
	Rates and taxes		
	Rates	27,550	94,325
	Taxes	71,103	-
		98652.5	94,325
	Insurance		
	Cash	75,768	121,194
		75,768	121,194
	Electricity	634002.69	482,304
		11,087,246	**12,215,864**

		2024 Taka	2023 Taka
21	**Legal Expenses**		
	Legal charge		-
	Stamp charge	-	5,390
		-	**5,390**
22	**Postage, stamp and telecommunication**		
	Postage	13,327	8,460
	Swift/internet/connectivity	665,642	52,800
	Telephone	24,000	18,500
		702,969	**79,760**
23	**Stationery, printing, advertisement etc.**		
	Printed stationery	397,306	49,525
	Security stationery		-
	Paper & petty stationery	7,322	124,956
	Publicity and advertisement		-
		404,628	**174,481**
24	**Shariah Supervisory Committee Members' fees & other meeting related expenses**		
	Meeting fees	116,600	176,000
	Other meeting related expense		-
		116,600	**176,000**
25	**Audit fees**	-	-
26	**Repairs, maintenance, amortization and depreciation**		
	Repairs, maintenance & spare parts		
	Car, Machineries & equipments repairing (Including spare Parts)	2,531,935	7,600
	Computer repairing (Including parts & accessories)	25,300	131,500
	Amortization of software	7,210,000	3,605,863
	Repair & maintenance of premises	1,557,387	343,370
	Software maintenance charge	7,600,949	-
		18,925,571	**4,088,333**
	Depreciation		
	Furniture and fixtures	1,235,298	1,377,297
	Machinery and equipment	547,145	619,260
	Computer Equipment	434,486	194,075
		2,216,929	2,190,632
		21,142,500	**6,278,965**
27	**Other expenses**		
	Entertainment (Office contingency)	200,497	160,746
	Entertainment (Business & internal events)	367,162	108,347
	Car expenses		1,807,300
	Paper and periodicals	5,454	214,806
	Trade subscription		700,000
	Traveling & conveyance	5,706,194	4,077,563
	Labor & other charges	18,960	200
	Liveries and uniform		13,770
	Water sewerage and gas	52,065	11,922
	Business promotion	24,202	90,980
	Medical Expenses	25,000	50,000
	Other bank charge	550,420	892,860
	Casual wages	2,074,167	1,861,607
	Miscellaneous expenses	18,430	7,044
	CSR expenses (Compensation)*	45,600,000	-
	ATM expenses	21,840	3,645
	Subscription- Institutions	700,000	
	Loss on sale of fixed assets	371,961	
		55,736,352	**10,000,791**

* CSR kept as instructed by Bangladesh Bank through DBI Letter: 3/122/2025-649 Dated 27/04/2025

National Credit and Commerce Bank PLC.

Islamic Banking Unit

Schedule of Fixed Assets and Intangible Assets

As at 31 December 2024

Amounts in Taka

Particulars	Cost/Revaluation				Depreciation/Amortization				Carrying Value as at 31 Dec 2024
	Balance as at 01 Jan 2024	Addition during the year	(Disposals) / adjustments during the year	Balance as at 31 Dec 2024	Balance as at 01 Jan 2024	Charge for the year	(Disposals)/ adjustments during the year	Balance as at 31 Dec 2024	
Furniture & fixture	12,025,535		(545,000)	11,480,535	1,377,297	1,235,298	(171,239)	2,441,356	9,039,179
	3,221,948		616,500	-	3,838,448	619,260	547,145	-	1,166,405	2,672,043
	2,063,970		356,725	-	2,420,695	194,075	434,486	-	628,561	1,792,134
Vehicles	-		-	-	-	-	-	-	-	-
Total (i) -2024	**12,025,535**	**973,225**	**(545,000)**	**17,739,678**	**2,190,632**	**2,216,929**	**(171,239)**	**4,236,322**	**13,503,356**
Intangible Assets									
Computer Software	36,050,000		-	36,050,000	3,605,863	7,210,000	-	10,815,863	25,234,137
Total (ii)-2024	**36,050,000**	-	-	**36,050,000**	**3,605,863**	7,210,000	-	**10,815,863**	**25,234,137**
Total (i+ii)-2024	**48,075,535**	**973,225**	**(545,000)**	**53,789,678**	**5,796,495**	**9,426,929**	**(171,239)**	**15,052,185**	**38,737,493**
Total -2023	-	**38,741,532**	-	**53,361,453**	-	-	-	-	**47,564,958**

Annexure-P

National Credit and Commerce Bank PLC. (Off-shore Banking Unit)

Balance Sheet

As at 31 December 2024

PROPERTY AND ASSETS	Notes	2024 USD	2024 BDT	2023 USD	2023 BDT
Cash		-	-	-	-
In hand (including foreign currencies)		-	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-	-
Balance with other banks and financial institutions	3	**329,949**	**39,593,869**	**371,512**	**40,866,371**
In Bangladesh		329,949	39,593,869	371,512	40,866,371
Outside Bangladesh		-	-	-	-
Money at Call & Short Notice	4	**-**	**-**	**-**	**-**
Loans and advances	5	**79,996,577**	**9,599,589,235**	**90,677,304**	**9,974,503,465**
Loans, cash credits, overdrafts, etc.	5.1	-	-	-	-
Bills purchased & discounted	5.2	79,996,577	9,599,589,235	90,677,304	9,974,503,465
Fixed assets including premises, furnitures and fixtures	6	-	-	-	-
Other assets	7	906,773	99,745,035	-	-
Non-banking assets			-	-	-
TOTAL ASSETS		**81,233,299**	**9,738,928,139**	**91,048,817**	**10,015,369,836**
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	8	**78,327,480**	**9,399,297,631**	**88,999,616**	**9,789,957,708**
Deposits and other accounts	9	**133,903**	**16,068,346**	**-**	**-**
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		26,754	3,210,427	-	-
Fixed deposits		107,149	12,857,918	-	-
Term deposits		-	-	-	-
Other liabilities	10	**799,999**	**95,999,852**	**126,101**	**46,384,113**
TOTAL LIABILITIES		**79,261,382**	**9,511,365,829**	**89,125,717**	**9,836,341,821**
Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Other reserve-assets revaluation reserve		-	-	-	-
Revaluation gain/(Loss)		-	-	-	-
Foreign currency translation gain/(loss)	10.2	-	7,128,607	-	3,297,081
Surplus in profit and loss A/C	11	1,971,917	220,433,703	1,923,100	175,730,934
TOTAL SHAREHOLDERS' EQUITY		**1,971,917**	**227,562,310**	**1,923,100**	**179,028,015**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**81,233,299**	**9,738,928,139**	**91,048,817**	**10,015,369,836**
CONTRA ENTRIES		-	-	-	-
Off balance sheet items:					
Contingent liabilities	12				
Acceptances and endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Letters of credit issued		-	-	-	-
Bills for collection		-	-	-	-
Other contingent liabilities :					
Claims against the bank not acknowledged as debt		-	-	-	-
Capital commitments		-	-	-	-
Export development fund (EDF)					
TOTAL OFF BALANCE SHEET ITEMS		-	-	-	-

These financial statements should be read in conjunction with the annexed notes.

National Credit and Commerce Bank PLC. (Off-shore Banking Unit)

Profit and Loss Account

For the year ended 31 December 2024

	Notes	2024		2023	
		USD	BDT	USD	BDT
Interest income	13	7,879,822	915,289,414	7,404,879	798,110,953
Less: Interest paid on deposits and borrowings	14	6,025,130	699,855,648	5,868,898	632,560,272
Net interest income		**1,854,692**	**215,433,765**	**1,535,980**	**165,550,681**
Commission, exchange and brokerage		-	-	-	-
Other income	15	48,210	5,599,886	-	-
Total operating income		**1,902,902**	**221,033,651**	**1,535,980**	**165,550,681**
Salary and allowances	16	**37,132**	**4,272,380**	**49,286**	**5,312,140**
Rent, taxes, insurance, electricity etc.	17	-	-	-	-
Legal expenses	18	-	-	-	-
Postage, stamp, telecommunication etc.	19	-	-	-	-
Stationery, printing, advertisement etc.	20	-	-	-	-
Audit fee	21	-	-	-	-
Repairs, maintenance and depreciation	22	-	-	-	-
Other expenses	23	660	76,711	334	36,005
Total operating expense		**37,792**	**4,349,091**	**49,620**	**5,348,145**
Profit before provisions		**1,865,110**	**216,684,561**	**1,486,360**	**160,202,536**
Provision for loans and advances		**(106,807)**	**(3,749,142)**	**184,778**	**25,165,088**
Specific provision		-		-	-
General provision		(106,807)	(3,749,142)	184,778	25,165,088
Provision for off-balance sheet exposures		-	-	-	-
Provision for gratuity		-	-	-	-
Provision for investment fluctuation in shares		-	-	-	-
Provision for incentive Bonus		-	-	-	-
Provision for other assets		-	-	-	-
Total provisions		**(106,807)**	**(3,749,142)**	**184,778**	**25,165,088**
Profit before tax		**1,971,917**	**220,433,703**	**1,301,582**	**135,037,448**
Provision for tax		-	-	-	-
Current tax		-	-	-	-
Deferred Tax		-	-	-	-
Profit after tax		**1,971,917**	**220,433,703**	**1,301,582**	**135,037,448**

These financial statements should be read in conjunction with the annexed notes.

National Credit and Commerce Bank PLC. (Off-shore Banking Unit)

Cash Flow statement

For the year ended 31 December 2024

	2024		2023	
	USD	BDT	USD	BDT
A) Cash flows from operating activities				
Interest received in cash	7,879,822	915,289,414	7,404,879	798,110,953
Interest paid by cash	(6,587,938)	(761,764,198)	(6,570,120)	(701,221,677)
Dividend received	-	-	-	-
Fees & commission received in cash	-		-	-
Recoveries of loans previously written off	-	-	-	-
Cash paid to employees as salary	(37,132)	(4,272,380)	(49,286)	(5,312,140)
Cash paid to suppliers	-	-	-	-
Income taxes paid	-	-	-	-
Received from other operating activities	48,210	5,599,886	-	-
Paid for other operating activities	(660)	(76,711)	(334)	(36,005)
Operating profit before changes in operating assets and liabilities	1,302,302	154,776,011	785,138	91,541,130
Increase/(decrease) in operating Assets & Liabilities				
Purchase-sale of trading securities	-	-	-	-
Loans and advances to other banks				
Loans and advances to customers (Other than Banks)	10,680,727	374,914,230	(18,477,776)	(2,516,508,839)
Other assets				
Deposits/ borrowings from other Banks	(10,672,135)	(390,660,077)	14,694,278	2,114,439,299
Deposits from customers (Other than Banks)	133,903	16,068,346	-	-
Other liabilities account of customers	-	-	-	-
Other liabilities			-	-
Net Cash received from operating activities	**1,444,797**	**155,098,509**	**(2,998,360)**	**(310,528,410)**
B) Cash flows from investing activities				
Proceeds from sale of securities	-	-	-	-
Payment for purchase of Securities	-	-	-	-
Purchase of property, plant and equipment	-	-	-	-
Sales proceeds of fixed assets	-	-	-	-
Net cash used in investing activities	-	-	-	-
C) Cash flows from financing activities				
Received from issue of loan capital and debt securities	-	-	-	-
Payment for redemption of loan capital & debt security	-	-	-	-
Provision transfer in cash to HO	-	-	-	-
Profit transfer in cash to HO	(1,486,360)	(160,202,536)	(1,357,702)	(127,467,468)
Net cash received from financing activities	(1,486,360)	(160,202,536)	(1,357,702)	(127,467,468)
D) Net (decrease) / increase in cash (A+B+C)	**(41,564)**	**(5,104,026)**	**(4,356,062)**	**(437,995,878)**
Effects of exchange rate changes on cash and cash-equivalents	-	3,831,526	-	(9,482,008)
E) Opening cash and cash-equivalents	371,512	40,866,370	4,727,574	488,344,255
F) Closing cash and cash-equivalents (D+E)	**329,949**	**39,593,869**	**371,512**	**40,866,370**

These financial statements should be read in conjunction with the annexed notes

National Credit and Commerce Bank PLC. (Off-shore Banking Unit)

Notes to the Financial Statements

As at and for the year ended 31 December 2024

1.1 Status of the Units

Offshore banking unit (OBU) is a separate business unit of NCC Bank PLC. governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of offshore banking units located at NCC Bank Bhaban branch & Agrabad Branch vide Bangladesh Bank letter no. BRPD (P-3)744(113)/2010-1648 dated on 02 May 2010. It gives loans (on and off-balance sheet exposures) in foreign currencies to and from person/institutions not resident in Bangladesh and Type - A (wholly foreign owned) units in EPZs in Bangladesh. This unit also provides bill discounting/financing facilities accepted by Authorized Dealer (AD) in Bangladesh against usance LCs in accordance with Bangladesh Bank (BB) guidelines.

1.1.1 Principal activities

The principal activities of the Bank are to provide all kinds of commercial banking services i.e. loans and deposits services, personal and commercial banking, trade services etc. to its customers through its branches.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The off-shore banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act-1991, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) Other laws and regulations applicable in Bangladesh and applicable directives issued by Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets. Liabilities, income and expenses. Actual expenses may differ from these estimates. The figure appearing in these financial statements have been rounded off to the nearest integer.

1.2.3 Foreign currency transaction

a) Foreign currencies transaction

Foreign currency transactions are converted in to equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The effects of changes in Foreign Exchange Rates". Foreign currency balances held in US Dollars are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

b) Transaction gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD circular no.14 dated 25 June 2003 issued by the Banking Regulations and Policy Department of Bangladesh bank.

1.2.5 Reporting period

The financial statements cover from 01 January 2024 to 31 December 2024.

1.3 Assets and their valuations

1.3.1 Cash and cash equivalents

cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk to change in their fair value, and are used by the unit management for its short-term commitments.

1.3.2 Loans and Advances

a) Loans and advances of off-shore banking units are stated in the balance sheet on gross basis.

b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss as per guidelines of Bangladesh. Records of such interest amounts are kept in separate memorandum accounts.

1.4 Basis for valuation of liabilities and provisions

Provision for liabilities

A provision for recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an out flow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 " Provisions, Contingent liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Interest income

In terms of the provisions of the IFRS-15 " Revenue", the interest income is recognized on accrual basis.

1.5.2 Interest paid

In terms of the provisions of the IAS-1 " Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2 General

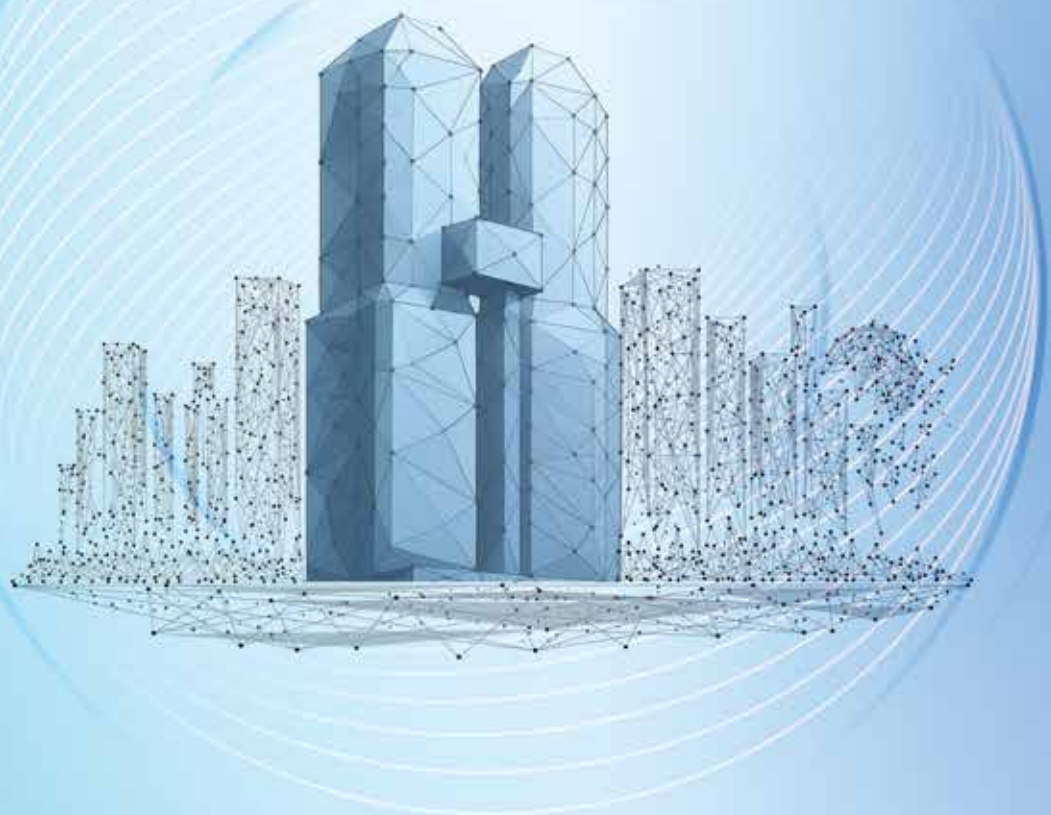
a) These financial statements are presented in taka, which is the Bank's functional currency. Figure appearing in these financial statements have been rounded off to the nearest Taka.

b) Assets and liabilities & Income and expenses have been converted into Taka currency closing rate as at transaction date and average rate.

	2024		2023	
	USD	Taka	USD	Taka
3 Balance with other Banks and financial institutions :				
In Bangladesh	329,949	39,593,869	371,512	40,866,371
Outside Bangladesh	-	-	-	-
	329,949	**39,593,869**	**371,512**	**40,866,371**
4 Money at call and Short notice				
Placement to DBU	-	-	-	-
Placement to Other Banks	-	-	-	-
	-	**-**	**-**	**-**
5 Loans and Advances				
Loans, cash credits, overdrafts etc. **(Note-5.1)**	-	-	-	-
Bills purchased and discounted **(Note-5.2)**	79,996,577	9,599,589,235	90,677,304	9,974,503,465
	79,996,577	**9,599,589,235**	**90,677,304**	**9,974,503,465**
5.1 Loans, cash credits, overdrafts etc.				
Inside Bangladesh:	-	-	-	-
Outside Bangladesh:	-	-	-	-
	-	**-**	**-**	**-**
5.2 Bills purchased and discounted				
Inside Bangladesh:	-	-	12,803,784	1,408,416,243
Outside Bangladesh:	79,996,577	9,599,589,235	77,873,520	8,566,087,222
	79,996,577	**9,599,589,235**	**90,677,304**	**9,974,503,465**
6 Fixed assets including premises, furniture and fixtures	-	-	-	-
7 Other assets				
Interest receivable from outside DBU	-	-	-	-
Others Receivable from (DBU) Head Office	906,773	99,745,035	-	-
Interest receivable from DBU	-	-		
	906,773	**99,745,035**	**-**	**-**

		2024		2023	
		USD	Taka	USD	Taka
8	**Borrowing from other banks, financial institutions and agents**				
	In Bangladesh				
	NCC Bank PLC (Head Office)	57,062,789	6,847,534,711	20,999,616	2,309,957,708
	Prime Bank PLC. (OBU)	-	-	10,000,000	1,100,000,000
	Eastern Bank PLC. (OBU)	-	-	16,000,000	1,760,000,000
		57,062,789	6,847,534,711	46,999,616	5,169,957,708
	Outside Bangladesh				
	CAIXA Bank S.A	2,016,241	241,948,920	7,000,000	770,000,000
	National Bank of RAS Al-Khaimah PJSC	-	-	14,000,000	1,540,000,000
	HDFC Bank Ltd.	-	-	5,000,000	550,000,000
	Ajman Bank PJSC	4,102,800	492,336,000	-	-
	United Bank Ltd.	12,099,330	1,451,919,600	-	-
	Bank Muscat	-	-	-	-
	Abu Dhabi Commercial Bank	-	-	10,000,000	1,100,000,000
	ICICI Bank Ltd.	-	-	3,000,000	330,000,000
	Wells Fargo Bank	3,046,320	365,558,400	3,000,000	330,000,000
		21,264,691	2,551,762,920	42,000,000	4,620,000,000
		78,327,480	**9,399,297,631**	**88,999,616**	**9,789,957,708**
9	**Deposits and other accounts**				
	Current deposits and other accounts	-	-	-	-
	Bills payable	-	-	-	-
	Savings bank deposits	26,754	3,210,427	-	-
	Fixed deposits	107,149	12,857,918	-	-
	Term deposits	-	-	-	-
		133,903	**16,068,346**	**-**	**-**
10	**Other liabilities**				
	Provision for loans and advances (10.1)	799,966	95,995,892	906,773	99,745,035
	Interest payable (HO)	-	-	-	-
	Interest payable on deposits	33	3,960	-	-
	Interest payable (Others)	-	-	562,841	61,912,510
	Less: Inter transaction between DBU & OBU			(1,343,513)	(115,273,432)
		799,999	**95,999,852**	**126,101**	**46,384,113**
10.1	**Provision for loans and advances**				
	Opening Balance	906,773	99,745,035	721,995	74,579,946
	Provision for loans and advances charged/(Reverse) during the year	(106,807)	(3,749,142)	184,778	25,165,088
	Closing Balance	**799,966**	**95,995,892**	**906,773**	**99,745,035**
10.2	**Foreign currency translation gain/(loss)**		**7,128,607**		**3,297,081**
11	**Surplus in profit and loss account**				
	Opening balance	1,923,100	175,730,934	1,979,220	168,160,954
	Profit/(Loss) during the year	1,971,917	220,433,703	1,301,582	135,037,448
	Profit/(Loss) transferred to Head Office (NCCBL)	(1,923,100)	(175,730,934)	(1,357,702)	(127,467,468)
	Closing balance	**1,971,917**	**220,433,703**	**1,923,100**	**175,730,934**
12	**Contingent liabilities :**				
12.1	**Acceptances and endorsement**	-	-	-	-
12.2	**Letter of guarantee**	-	-	-	-
12.3	**Letter of credit issued**	-	-	-	-
12.4	**Bills for collection**	-	-	-	-

		2024		2023	
		USD	Taka	USD	Taka
13	**Interest income**				
	Interest on loans and advances	7,149,157	830,418,217	6,414,077	691,320,560
	Interest on placement with other banks	730,665	84,871,197	990,802	106,790,393
		7,879,822	**915,289,414**	**7,404,879**	**798,110,953**
14	**Interest paid on deposits and borrowings**				
	Interest on deposits	503	58,427		
	Interest on borrowings	6024626.96	699,797,222	5,868,898	632,560,272
		6,025,130	**699,855,648**	**5,868,898**	**632,560,272**
15	**Other income**	**48,210**	**5,599,886**	**-**	**-**
16	**Salary & allowances**				
	Basic salary	18,941	2,192,400	27,395	2,953,100
	House rent allowance	8,524	986,580	10,829	1,168,695
	Bonus			4,326	464,415
	Other allowances	9,667	1,093,400	6,736	725,930
		37,132	**4,272,380**	**49,286**	**5,312,140**
17	**Rent, taxes, insurance, electricity etc.**	-	-	-	-
18	**Legal Expenses**	-	-	-	-
19	**Postage, stamp and telecommunication**	-	-	-	-
20	**Stationery, printing, advertisement etc.**	-	-	-	-
21	**Audit fees**	-	-	-	-
22	**Repairs, maintenance, amortization and depreciation**	-	-	-	-
23	**Other expenses**	**660**	**76,711**	**334**	**36,005**



NCCB SUBSIDIARIES

- **NCCB Securities and Financial Services Limited**
- **NCCB Capital Limited**

Directors' Report to the shareholders of NCCB Securities and Financial Services Ltd.

Dear Shareholders,

Assalamualaikum,

It is my great pleasure to welcome you all on behalf of the Board of Directors to the 15th Annual General Meeting of NCCB Securities and Financial Services Ltd. and to present before you the Directors' Report and the audited financial statements as on 31st December,2024 along with Auditors' Report for your kind consideration.

Capital Market of Bangladesh:

The capital market of Bangladesh has experienced some changes in the pace of the market. All the data implies that a lot of investors who turned away from the capital market are coming back, which again re-emphasizes improvement of investor's confidence level as well. A common phenomenon expected in this kind of situation includes flow of a lot of fresh funds followed by a natural buy pressure which commonly results in general up trends in the indices. At the same time, the previous market conditions related to negative equity in margin loans also saw a change in that a number of portfolios are over the zero line fueled by higher prices that caused the positive trends in the indices. This triggered a significant sell pressure acting as a balancing pressure. In Bangladesh, people with surplus income are habituated to savings with banks. They always count how much money they will receive at the end of the term for the money they had deposited with banks. In reality, the interest rates in financial markets are going down since last few years while the lending rates have not decreased to the same degree. The banks are burdened with a huge amount of non-performing loans and are compelled to cut of interest rate on term deposit. Many of the traditional savers with banks, in view of declining rate of return from bank deposits are searching for other venues for investment / savings including direct investment in stock market. It is expected that effective surveillance, monitoring and enforcement of prevailing rules and regulations are diligently enforced to enhance investor's confidence level and to ensure a transparent, accountable and sustainable capital market. Moreover, the persistent economic growth of the country and investment opportunities arising from the introduction of new market segments and products will attract more local as well as foreign investments in the capital market of Bangladesh in the days ahead.

Many developing countries of the world are using capital market for their infrastructural development. In this way Bangladesh can set up new milestone of development. With a view to developing savings practices among people and making the investors' conscious enough to take their own investment decision.

NCCBSFSL'S Performance:

In the year 2024 proved to be a pivotal year in our efforts to optimize our business model for driving future growth. Despite several challenges on the political and economic fronts that led to sluggish industrial growth and weak consumption. NCCBSFSL reported an average performance during the year and also reported the Commission Income of Tk. 7.70 crore and Net Income after Tax of Tk. 0.32 crore in 2024, which was Tk. 7.75 crore and Tk. 0.29 crore respectively for the year 2023.

This demonstrates effective deployment of capital and resources as NCCB Securities and Financial Services Ltd. continues to outperform its peers in this area. Amid efforts to enhance our future growth prospects, we remained vigilant in strengthening the balance sheet and maintaining a solid credit profile. Total assets of the company stood at Tk. 433.56 crore as on December 31, 2024. Asset quality remains a top priority, with our performance measures of non-performing asset and reserves exceeding the averages of our peer group. The company has earned Tk. 2.44 crore as dividend income in the year 2024.

Margin Loan to Client:

NCCB Securities and Financial Services Limited is devoted to capital market of the country and offers standard brokerage services for individual and institutional investors. The Company is responsible for origination of sales, buy and trading of securities of Capital markets. It aims to provide relevant support to its customers with sophisticated and innovative financial solutions and delivering the highest quality of services. NCCBSFSL provide financial support to the clients for investment in the secondary market as the margin loan within the limit set by the Board from time to time and Margin Rules, 1999 of BSEC. Although there was equity erosion of Tk. 104.14 crore in margin loan account the outstanding balance of margin loan stood at Tk. 183.62 crore as on 31 December 2024.

Dividend:

Operating profit of the company stood at Tk. 15.47 crore and net profit after tax stood at Tk. 0.32 crore for the year ended 31 December 2024. Following guidelines of BSEC, NCCB Securities and Financial Services Ltd could not declare any dividend for the year 2024.

Contribution to the Economy of Bangladesh:

NCCBSFSL contribute to the economy of Bangladesh through its contribution to the national exchequer, as well as through creation of employment. In 2024, NCCBSFSL deposited Tk. 2.00 crore to the Government exchequer as corporate income tax.

Risk and Internal Control:

The Board considers that strong internal controls are integral part of sound management of the Company. It is committed to maintain strict financial, operational and risk management control of all of its activities. The Directors are ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable not absolute assurance against material misstatement or loss. There is an ongoing process for identifying, recording, evaluating and managing the risk that are faced by the Company. The Board of Directors is satisfied with the effectiveness of the system of the internal control for the year under review and up to the date of approval of the financial statements. The Company's management has overall responsibility for the establishment and oversight of its risk management framework. The Company's management policies are established to identify and analyze the risk faced by the Company to set appropriate risk limit and controls and to monitor risk. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Corporate and Financial Reporting Framework:

The Directors of NCCBSFSL confirm compliance with the financial reporting framework for the following:

- The financial statements, prepared by the management of NCCBSFSL make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies, including International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs) as adopted by Institute of Chartered Accountants of Bangladesh (ICAB) have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed.
- Accounting estimates are based on reasonable and prudent judgment.
- Internal control processes have been properly designed and effectively implemented and monitored.
- No significant doubt exists upon the Company's ability to continue as a going concern.

Board Meetings:

The Board of Directors of the Company held 4 (Four) Board of Directors meetings and an AGM during the year ended on 31 December 2024.

Appointment of Auditors:

The statutory auditors "Huda Vasi Chowdhury & Company", Chartered Accountants has completed audit for the year 2024 as 1st year of their audit. Being eligible they have offered themselves for re-appointment with their audit fees of Tk.60,000/- (sixty thousand) only. Their appointment for 2025 may be considered by the Hon'ble shareholders in 15th Annual General Meeting of the Company.

Appreciation:

The BOARD of Directors of NCCBSFSL takes this opportunity to record their thanks and gratitude to the Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Management of NCC Bank Limited, shareholders and valued clients for their continued support, guidance and cooperation.

The Board also gives thanks to the Management Team and all employees of NCCBSFSL for their services towards the company.

On behalf of the Board of Directors



Tanzina Ali
Chairman

Independent Auditor's Report to the shareholders of NCCB Securities and Financial Services Ltd.
Report on the Audit of the Financial Statements.

Opinion

We have audited the financial statements of NCCB Securities and Financial Services Limited (the "Company") which comprise the statement of financial position as at 31 December 2024 and the income and expenditure statement, statement of changes in Fund and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the basis for true and fair view opinion section of our report, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basic for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

The Company reported a margin loan balance of BDT 1,836,230,355 as of the reporting date which includes negative equity investment of BDT 1,476,684,713. The market value of negative equity investment is BDT 435,224,472 and negative equity impairment loss is BDT 1,041,460,241 excluding the correspondent interest suspense.

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. বিএসইসি/এসএমএমআইডি/এনই/২০২৩/১৬৯, stockbrokers and merchant banks have been mandated to fully adjust negative equity in margin loan client accounts by January 31, 2025.

Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 03 April 2024.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as explained in note 3, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books; and

c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 24 March 2025

DVC No: 2504211512AS468584



Shaikh Hasibur Rahman FCA

Partner

Enrollment No: 1512

Hoda Vasi Chowdhury & Co

Chartered Accountants

NCCB Securities and Financial Services Limited

Statement of Financial Position

As at 31 December 2024

	Note	2024 Taka	2023 Taka
Assets			
Non-current assets			
Property, plant & equipment	4	13,994,078	15,104,625
Intangible assets	5	320,617	425,681
Right of use assets (ROU)	6	23,512,839	-
Investment in shares of stock exchanges	7	14,551,037	19,301,289
Total non current assets		**52,378,571**	**34,831,595**
Current assets			
Investment in marketable shares	8	1,168,985,374	595,560,014
Accounts receivable	9	27,320,930	8,574,032
Advance, deposit and prepayments	10	4,993,390	4,553,334
Advance income tax	11	443,384,938	410,024,784
Margin loan to customer	12	1,836,230,355	2,287,952,179
Cash and cash equivalent	13	802,329,503	953,449,947
Total current assets		**4,283,244,490**	**4,260,114,290**
Total assets		**4,335,623,061**	**4,294,945,885**
Equity and liabilities			
Equity			
Paid-up capital	14.02	2,000,000,000	2,000,000,000
Retained earnings	15	126,364,829	123,452,673
Capital reserve	15.01	830,937	507,364
Total equity		**2,127,195,766**	**2,123,960,036**
Non current liabilities		-	-
Lease liability -non current portion		14,384,513	-
Current liabilities			
Short term Loan	16	149,447,984	230,287,803
Accounts payable	17	1,300,262,825	1,307,702,318
Lease liabilities-current portion	18	9,780,361	-
Deferred tax liabilities	19	680,689	-
Other liabilities	20	345,504,829	264,724,217
Provision for income tax	21	388,366,094	368,271,511
Total current liabilities		**2,194,042,781**	**2,170,985,850**
Total liabilities		**2,208,427,295**	**2,170,985,850**
Total equity and liabilities		**4,335,623,061**	**4,294,945,885**
Net asset value per share (NAV)		106.36	106.20

The annexed notes from an integral part of these financial statements

Chief Executive Officer **Director** **Chairman**

Signed in terms of our report of even date

Dhaka, 24 March 2025
DVC No: 2504211512AS468584

Shaikh Hasibur Rahman FCA
Partner
Enrollment No: 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

NCCB Securities and Financial Services Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended on 31 December 2024

Particulars	Note	2024 Taka	2023 Taka
Operating income:			
Brokerage commission received	22	77,047,611	77,461,297
Less: Direct expenses	23	9,583,691	9,425,309
Net brokerage commission (a)		**67,463,920**	**68,035,988**
Interest received	24	134,343,289	88,520,188
Less: Interest expense	25	8,008,969	3,356,442
Net interest income (b)		**126,334,320**	**85,163,746**
Net investment income (c)	26	35,246,356	20,135,023
Other operating income (d)	27	1,291,409	1,377,244
Total operating income A=(a+b+c+d)		**230,336,004**	**174,712,001**
Operating expenses			
Salaries & allowances	28	48,943,340	46,617,206
Rent, taxes, insurance,electricity etc.	29	5,385,965	14,689,333
Stamp,postage & telecommunication	30	572,604	590,924
Stationery,printing and advertisement	31	572,731	861,310
Directors' fees	32	266,800	401,600
Audit fees	33	126,500	40,250
Depreciation expenses on fixed assets	34	10,120,696	2,484,458
Other expenses	35	9,614,341	6,319,064
Total operating expenses (B)		**75,602,977**	**72,004,145**
Operating profit (A-B)		**154,733,027**	**102,707,856**
Add: Non operating income		-	-
Profit Before provisions and tax		**154,733,027**	**102,707,856**
Provision for margin loan, investment in shares & general provision	20	130,722,026	84,879,522
Profit before tax		**24,011,001**	**17,828,334**
Less: Provision for income tax	21	20,094,583	14,951,849
Less: Deferred tax expense	19	680,689	-
Net Profit after tax		**3,235,729**	**2,876,485**
Other comprehensive income		-	-
Total comprehensive income		**3,235,729**	**2,876,485**
Earnings per share		**0.16**	**0.14**

The annexed notes from an integral part of these financial statements

Chief Executive Officer **Director** **Chairman**

Signed in terms of our report of even date

Dhaka, 24 March 2025
DVC No: 2504211512AS468584

Shaikh Hasibur Rahman FCA
Partner
Enrollment No: 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

NCCB Securities and Financial Services Limited

Statement of Changes in Equity

For the year ended on 31 December 2024

Particulars	Paid up Capital (Taka)	Capital Reserve	Retained Earnings	Total (Taka)
Balance as on 01 January 2024	**2,000,000,000**	**507,364**	**123,452,672**	**2,123,960,036**
Net Profit /(Loss) during the period	-		3,235,729	3,235,729
Transfer to capital reserve	-	323,573	(323,573)	-
Balance as on 31 December 2024	**2,000,000,000**	**830,937**	**126,364,829**	**2,127,195,766**

Particulars	Paid up Capital (Taka)	Capital Reserve	Retained Earnings	Total (Taka)
Balance as on 01 January 2023	**2,000,000,000**	**219,715**	**120,863,836**	**2,121,083,551**
Net Profit /(Loss) during the year	-	-	2,876,485	2,876,485
Transfer to capital reserve	-	287,649	(287,649)	-
Balance as on 31 December 2023	**2,000,000,000**	**507,364**	**123,452,672**	**2,123,960,036**

The annexed notes from an integral part of these financial statements

Chief Executive Officer **Director** **Chairman**

Signed in terms of our report of even date

Dhaka, 24 March 2025

NCCB Securities and Financial Services Limited

Statement of Cash Flows

For the year ended on 31 December 2024

		2024 Taka	2023 Taka
A.	**Cash flows from operating activities:**		
	Brokerage commission received	77,047,611	77,461,297
	Interest received	134,343,289	88,520,188
	Received from operating income	17,368,904	1,377,244
	Cash Paid to service provider	(38,166,766)	(32,878,355)
	Cash flows in operation	(120,472,290)	(170,435,700)
	Interest paid	(8,008,969)	(3,356,442)
	Income taxes paid	(33,360,154)	(14,951,849)
	Net cash used from operating activities	**28,751,624**	**(54,263,617)**
B.	**Cash flows from investing activities:**		
	Fixed assets acquisition	(1,350,543)	(2,014,287)
	Sale proceeds of fixed assets	102,716	58,850
	Purchase of shares	(806,078,345)	(364,995,569)
	Sale of shares	232,150,273	62,176,769
	Dividend received	24,421,825	16,220,599
	Margin loan payment to customers	(5,405,811)	(114,724,966)
	Margin loan recovery	457,127,635	401,895,405
	Net cash used from investing activities	**(99,032,249)**	**(1,383,198)**
C.	**Cash flows from financing activities:**		
	Short term loan	(80,839,819)	230,287,803
	Net cash used from financing activities	**(80,839,819)**	**230,287,803**
D.	**Net cash increase/ (decrease) (A+B+C)**	**(151,120,446)**	**174,640,986**
E.	**Cash and cash equivalents at beginning of the year**	953,449,947	778,808,960
F.	**Cash and cash equivalents at end of the year**	**802,329,503**	**953,449,947**
	Closing balance represents		
	Cash in hand	-	-
	Cash at Banks	802,329,503	953,449,947
		802,329,503	**953,449,947**

The annexed notes from an integral part of these financial statements

Chief Executive Officer **Director** **Chairman**

Dhaka, 24 March 2025

NCCB Securities and Financial Services Limited

Statement of Showing Computation of Risk Based Capital Adequacy

For the year ended on 31 December 2024

Calculation of Capital Adequacy Ratio (CAR):

A. Eligible Capital

Components	Amount	Haircut %	Haircut Amount	2024 Taka Eligible Amount	2023 Taka Eligible Amount
Paid-up-capital	2,000,000,000	-	-	2,000,000,000	2,000,000,000
Capital reserve	830,937	-	-	830,937	507,364
Retained earnings	126,364,829	-	-	126,364,829	123,452,673
Sum of core capital				**2,127,195,766**	**2,123,960,037**
General provision	18,362,304	20%	3,672,461	14,689,843	38,904,598
Sum of supplementary capital				**14,689,843**	**38,904,598**
Total capital	**2,145,558,069**			**2,141,885,609**	**2,162,864,635**

B. Total risk requirement

Particulars	Base amount	Risk Factor	Applicable Amount	Applicable Amount
Operation Risk Requirement (ORR): Based on average annual gross income [see clause (b) of sub-rule (7.1) of rule 7]	154,679,864	5%	7,733,993	7,303,725
Position Risk Requirement (PRR):				
i. Proprietary position in equity securities:				
Value of "A" catagories securities	394,026,257	10%	39,402,626	50,771,439
Value of "B/G/N" catagories securities	3,729,150	12%	447,498	529,345
Value of "Z" catagories securities	3,590,183	15%	538,527	482,085
Value of non listed instruments	4,212,000	25%	1,053,000	1,053,000
ii. Proprietary position in MFs & CISs:				
Value of listed funds	49,543,685	10%	4,954,368	6,871,806
Value of government securities/instruments	709,273,550	0%	-	-
iii. Proprietary position in Debt instruments & ABSs:				
Value of listed debt instruments	4,610,550	5%	230,528	230,528
Counterparty Risk Requirement (CPRR):				
Exposer of credit facilities to clients	1,836,230,355	8%	146,898,428	183,036,174
Liability Risk Requirement (LRR)				
Annual revenue reported in last year	3,235,729	0.20%	6,471	5,753
Total risk requirement	**3,163,131,322**		**201,265,440**	**250,283,855**
C. Capital Adequacy Ratio (CAR)=	$\frac{\text{Total Capital (TC)}}{\text{Total Risk Requirement}}$ X 100		**1064%**	**864%**
Maximum permissible ratio [NB: Capital Adequacy Ratio shall be maintained minimum 120%, i.e. its Total Capital requirement shall be, at all times minimum 1.20 times of its Total Risk requirement.]			**120%**	**120%**

Signed in terms of our report of even date

Chief Executive Officer **Director** **Chairman**

Dhaka, 24 March 2025
DVC No: 2504211512AS468584

Shaikh Hasibur Rahman FCA
Partner
Enrollment No: 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

NCCB Securities and Financial Services Limited

Notes, Comprising a summary of significant accounting policies and other explanatory information

For the year ended on 31 December 2024

1. Significant Accounting Policies & Other Material Information

1.0 Legal Form of the Entity

NCCB Securities and Financial Services Limited (the "Company") was incorporated in Bangladesh with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no.C - 83683/10 dated April 04, 2010 as a Private Company Limited by share under the Companies Act, 1994. Registered office of the company is situated at NCC Bank Bhaban (3rd Floor), 13/1 & 13/2 Toyenbee Circular Road, Motijheel C/A, Dhaka-1000.

1.02 Nature of Business

The main objective of the Company is to act as a full fledged Stock Broker & Stock Dealer to execute buy and sell order and to maintain own portfolio as well as customers portfolio under the discretion of customers. The Company also performs the other activities related to Capital Market as and when regulators permits the Company to carry out activities as per their guidelines.

2 Significant Accounting Policies

2.01 Basis of Presentation of Financial Statements

The Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for statement of cash flows in accordance with the company's Act 1994, Bangladesh Securities and Exchange Rules-2020, the listing regulators of Dhaka & Chittagong Stock Exchanges and International Accounting Standards (IAS's), International Financial Reporting Standards (IFRS's) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh and other applicable laws & regulations. In several cases, the laws, circulars, guidelines or directives of Bangladesh Securities and Exchange Commission differ from those of financial reporting standards as promulgated by International Accounting Standards Board (IASB) and as adopted by national standard setter, i.e., Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Regulatory and Legal Compliance

The Company complied with the requirements of the following regulatory and legal complience:

a) The Companies Act,1994

b) The Securities and Exchange rules 1987, The Securities and Exchange Ordinance 1969, The Securites and Exchange Commission Act,1993, Bangladesh Securities and Exchange Rules-2020

c) The Income Tax Ordinance, 1984

d) Central Depository Bangladesh Limited (CDBL) Act,1999

e) Margin Rules, 1999

f) Income Tax Act-2023

2.03 Components of the Financial Statements

The Financial Statements referred to here comprised of:

(a) Statement of Financial Position;

(b) Statement of Profit or Loss and Other Comprehensive Income;

(c) Statement of Changes in Equity;

(d) Statement of Cash Flows; and

(e) Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information.

2.04 Basis of Measurement

The Financial Statements have been prepared based on historical cost convention basis. No adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.05 Going Concern

The company has adequate resources to continue its operation for foreseeable future. For this reason the financial statements have been prepared on going concern basis. As per management assessment there is no material uncertainty related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.06 Functional and Presentational Currency

These Financial statements are prepared in Bangladesh Taka , which is the Company's functional currency. All financial information presented in Taka has been rounded to the nearest integer.

2.07 Reporting Period

These financial Statements cover for the period from January 01, 2024 to December 31, 2024.

2.08 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, NCCB Securities and Financial Services Limited. Finance applies the accounting disclosure principles consistently from one period to the next. In case of selecting and applying new accounting policies, changes in accounting policies applied and correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8.

2.09 Use of Estimates and Judgments

"The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Provisions and accrued expenses are recognized in the financial statement in line with the International Accounting Standard (IAS) 37 “Provisions, Contingent Liabilities and Contingent Assets” when;

- the Company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation."

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

2.10 Corporate governance

The company recognizes the importance of high standards of corporate governance. Through regular Board Meeting and documented procedures of independence, the company endeavors to meet the standards expected. The Board is also committed to effective communication between the company and its regulators.

2.11 Margin Loan Policy:

Company provide Financial Support to the clients for investment in the secondary market against their margin deposit within the limit set by the management from time to time as per Margin Rules, 1999 of Bangladesh Securities & Exchange Commission (BSEC). The management determines the margin limits of investors. The Management periodically announces the marginable stocks. Investors have to utilize their margin facilities in the selected stocks only.

2.12 Fees & Charges

a) Competitive commission rate transaction value

b) Interest on Margin Loan is (12%-16%) which is accrued daily and charged quarterly

2.13 Cash Flow Statement

Cash flow statement has been prepared as per International Accounting Standard IAS 7 Under Direct Method.

2.14 Investments

Investments comprise of equity securities and mutual fund. All investments are initially recognized at cost, being fair value of the consideration given, including cost of acquisition associated with the investment.

consideration given, including cost of acquisition associated with the investment.

Investment in DSE & CSE shares

The Investment in DSE and CSE shares is mesured at cost price at these have not a quoted market price in an active market and its fair value can not be reliably measured.

Investment in marketable shares

The subsequent measurement of investment in marketable shares is made at fair value through profit or loss as per IAS:39. Financial Instrument recognitions as these are acquired or held for trading purpose in Dealer Account.

2.15 Income Recognition

Income from brokerage commission is recognized on daily basis in the statement of profit and loss and other comprehensive income account after receiving the trading note of securities transacted from Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited, at which point performance is assured to be completed. Brokerage Commission is recognized as income when Selling or Buying order of the Clientis is executed.

a) Brokerage commission

Brokerage commission is recognized as income when selling or buying order is signed and trade is executed.

b) Dividend income

Company earns dividend income from Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Investment from Dealer account, strategic investment, ICB Fund, ICB Fund-2 and NCCBSFSL SFCM-1 portfolio account. Dividend Income is recognized when it is realized.

c) Interest on Margin Loan

Interest on margin loan is calculated on client's loan balance on daily basis at the applicable rate and charged in the margin loan BO account on quarterly basis. Interest on Margin loan having equity erosion more than 125% of the debt equity ratio is booked in a memorandum register. Interest Income on other margin loan is recognized as income.

2.16 Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are recognized initially at cost and subsequently at cost less accumulated depreciation in compliance with the IAS 16, "Property Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any direct cost attributable to bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

Depreciation

Depreciation is charged on the addition of assets from the date when such assets are available for use during the year up to the date of disposal. The method and rates of depreciation are as follows:

Particulars	Method of Depreciation	Rate of Dep.
Computer & Peripherals	Straight Line Method	20%
Office Equipment	Reducing Balance Method	20%
Furniture & Fixtures	Reducing Balance Method	10%

Disposal of property and equipment

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sale proceeds.

2.17 Intangibles

Recognition and Measurement

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses if any. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates.

Amortization of Intangible Assets

Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates. Intangible assets are amortized at the rate of 20% on the straight line method.

2.18 Leases

The Company applied IFRS-16: As IFRS 16 supersedes IAS 17: Leases, the Company has made recognition, measurement and disclosure in the financial statements.

As a lessee

The Company recognises a right-of-use (ROU) asset and a lease liability from the initial application date i.e. 1 January 2017 or the commencement date of a lease contract. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the initial application date or commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use assets will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the initial application date or commencement date, discounted at the Company's weighted average rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

To determine if an arrangement contains a lease under IFRS 16, assess whether it grants the right to control an identified asset for a specified period in exchange for consideration. The asset must be explicitly specified, and the lessee must obtain substantially all economic benefits and direct its use. If the supplier retains substitution rights, it typically does not constitute a lease. Regular reviews and adequate documentation are essential to ensure compliance with IFRS 16 requirements.

(ii) Leased assets

Under IFRS 16, a leased asset is recognized at the commencement date, measured at cost, which includes the initial lease liability, any initial direct costs, and restoration obligations. The asset is subsequently depreciated over its useful life or the lease term, whichever is shorter. The Compnay regularly assess and disclose the carrying amount of leased assets in its financial statements.

(iii) Lease Liabilities

"The lease liability is initially measured at the present value of lease payments, discounted using the Company's incremental borrowing rate. This rate is determined by obtaining interest rates from various external financing sources, with adjustments made to account for the lease terms and the type of rental assets involved.

The lease liability is remeasured when there are changes in future lease payments or the discount rate. When this remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use assets and lease liabilities."

(iv) Lease payments

Under IFRS 16, lease payments consist of fixed payments, variable payments tied to an index or rate, and amounts under residual value guarantees. They may also include payments related to options to extend or terminate the lease, if it is reasonably certain these will be exercised. Lessees recognize these payments as part of the lease liability.

2.19 Accounts Receivable

Accounts Receivable are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the period end.

2.20 Advances, Deposits & Prepayments

"Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant & Equipment, Inventory or Expenses. Deposits are measured at payment value. Pre-payments are initially measured at cost. After initial recognition, pre-payments are carried at cost less charges to Income Statement."

2.21 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash at bank which are available for use by the Company without any restriction. There is an insignificant risk of changes in value of these current assets.

2.22 Provision for Margin Loan and unrealized loss on investment in shares

As per BSEC Circular No.SEC/CMRRCD/2009-193/196 dated on 28.12.2016 a general provision has been made by the company to cover unforeseen losses on loans and investments . The provision including interest suspense is considered adequate to meet any probable future losses.

2.23 Provision for liabilities

A provision is recognized in the statement of comprehensive income when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

with the BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.24 Provision for taxation

a. Current tax

Provision for tax is assessed under section 82C of the Income Tax Ordinance (ITO) 1984 or under section 163 of Income Tax Act-2023 on income from Company's normal course of business. Under the section the brokerage commission is treated as minimum tax of the company from that source. Applicable tax rate for the Company for the year 2023 will be declared by Finance Act 2023. For the purpose of these financial statements, management has assumed that the existing tax rates will be applicable for Income year 2023 as well, which are mentioned below:

Regular business tax rate	Rate
Business Income	25%
Cash Dividend Income	20%
Capital gain on sale of marketable securities	10%

b. Deferred tax

Deferred tax has been calculated as per IAS 12 "Income taxes" when there is a temporary difference between the carrying amount and the tax base. Deferred tax is calculated by multiplying the temporary differences with the applicable tax rate. At present, the applicable tax rate is 25% for the normal course of business.

Taxable Temporary difference

"A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

(a) The initial recognition of goodwill; or

(b) The initial recognition of an asset or liability in a transaction which;

(i) Is not a business combination; and

(ii) At the time of the transaction, affects neither accounting profit nor taxable profit (loss)."

2.25 General Provision

General provision made as mandatory provision 1% of outstanding margin exposures as per part-B of schedule-C of BSEC (Risk Based Capital Adequacy) Rules-2019, BSEC notification no. BSEC/CMRRCD/2017-357/221/ Admin/89 dated: May 22, 2019.

2.26 Capital Reserve

The Capital reserve has been maintained at least 10% of profit after tax of last year as per Part-B of Schedule-C of BSEC (Risk Based Capital Adequacy) Rules-2019 of BSEC notification no. BSEC/CMRRCD/2017-357/221/Admin/89 dated: May 22, 2019.

2.27 Earnings per Share (EPS)

The company calculates EPS in accordance with the requirement of IAS – 33: "Earnings Per Share", which has been shown on the face of the Statement of Profit or Loss and Other Comprehensive Income.

face of the Statement of Comprehensive Income and the computation is shown in Note - 34.

This represents earnings for the year ended on 31 December 2024 attributable to the ordinary shareholders.

2.28 Related Party Transactions

As per International Accounting Standards (IAS)-24 Related Party Disclosures, parties are considered to be related if one of the parties has the ability to control the order party or exercise significant influence over the other party in making financial and operational decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

2.29 Directors' Responsibility Statement

The Board of Directors takes the responsibility for the preparation and presentation of these Financial Statements.

2.30 Employees' benefit obligation

a) Salary and allowances

Salary and allowances comprise basic salary, house rent, medical allowance, conveyance allowance, festival bonus, leave fare assistance etc. All expenses related to salary and allowances are recognized on accrual basis of accounting.

b) Provident Fund

Provident Fund benefits are given to the permanent employees' of the Company in accordance with Companies service rules. All confirmed employees of the Company are contributing 10% of their basic salary as subscription of the fund. The Company also contributes equal amounts of the employees contribution. Interest earned from the investments is credited to the members account on yearly basis.

c) Gratuity Fund

Gratuity Fund benefits are given to the permanent employees' of the Company in accordance with Companies service rules. All confirmed employees whose total service length is more than 05 (five) years are allowed to get benifits of gratuity fund. The fund are maintained as per First shcedule (Part-C) of the Income Tax Ordinance -1984 and Rules of NCCBSFSL Employees Gratuity Fund.

3 Signigicant Risk

3.01 Financial Risk Management

Risk is the element of uncertainty or possibility of loss that prevails in any business transactions in any place in any mode and any time. The company manages various risks through involvement of various levels of management. As with all investments investor should be aware that there is risk associated with investment in stock market. This could result in loss in income or capital investment.

1. Industry Risk

Brokerage service industry is an emerging sector with vast local demand. Competition in this sector is usually based on the customized services that the firms provided. By providing skilled services and entry of new competitor may increase the market competition and may adversely affect the profitability of the company.

Retaining pinnacle market position, Management of Company is paying attention in the capital market for providing better customer services. Moreover Company is emphasizing on technical analysis and valued awareness program for market competitiveness.

2. Market Risk

Company may affect by adverse economic and political conditions, broad trends in business and financial changes in volumes and price levels of securities and other factors that affect the volume of stock trading. Also when markets are highly

volatile, trade volume may reduce. Reduced trade volumes and prices have historically resulted in reduced transaction revenue for brokerage which affects NCCBSFSL's profitability that means volatility in the capital market may affect Company's business and profitability.

Top Management of the Company constantly monitors the market situation and makes appropriate adjustments as required. Moreover, Company's clients' base consists of a combination of Institutions, foreign investors and retail investors. Hence, the impact of any volatility of the Capital Market on Company's activities will be least.

3. Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems or from external events but does not include credit risk. One of the key challenges in operational risk management is to identify the key risk indicators in processes people and systems

NCCB Securities and Financial Services Limited has well defined processes for all the products and services a pool of experienced and motivated people and state of the art international standard IT platform to minimize its day to day operational risk. Moreover there are dedicated branch operational team members at each branch of Company to ensure regular output checking and compliance issues.

4. Credit Risk

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations and arises principally from the Company's margin loans. The management has delegated responsibility for the oversight of credit risk. Credit Risk Management assesses all credit exposure in excess of designated limits, prior to facilities being committed to customers by the business unit concerned. Company is doing its own grading of risks for its different level of clients for monitoring and controlling credit exposure. Company is controlling credit risk and credit exposure based on margin rules-1999.

5. Liquidity Risk

Measuring and managing liquidity needs are vital for effective operation of the Company. Liquidity risk arises when a company encounters difficulty in meeting its obligations associated with financial liabilities that require to be setteled either though cash or any other financial asset. the company analyses the expected changes of its liquidity by comparing the maturity of its receivables and payables. Therefore, purpose of liquidity risk management is to assess the necessity of founds to meet financial obligations on time. The company approach to managing liquidity (cash and cash equivalents) is to ensure as for as possible that it will always have suffient liquidity to meet its liabilities when due under both normal and strssed conditions without incurring unacceptable losses or risking damage to the company's reputation. In extreme stressed conditions the company may get support from the parent company in the from of short term financing.

3.02 Capital Expenditure Comitment

There was no capital expendituure contracted but not incurred or provided as on 31.12.2024

There is no material capital expenditure authorized by the Board but not contracted for as on 31.12.2024

3.03 No. of Board Meeting

5 (Five) Board of Directors meeting including AGM was held during the period ended on 31 December-2024

3.04 Credit Facility

The Company available as credit facilities SOD A/C with NCC Bank Limited, Motijheel Branch and NCC Bank Limited, Bhaban branch during the year ended on 31 December, 2024.

3.05 Contingent Liability

There was no sum for which the Company was contigently liable as on 31 December, 2024.

3.06 Events After the Reorting Period

The Board of Directors in its 80th meeting of NCCBSFSL held on the dated: March 24, 2025 approved the Financial Statements for the year ended on 31 December, 2024 for placement before the shareholders for approval of next annual general meeting of the Company.

Except the above, there was no significant event between the Balance Sheet date and the date when the Financial Statement were authorized for issue by the Board of Directors.

3.07 General

Previous year's figures, whenever considered necessary have been rearranged and restated in order to conform to current year's presentation.

		2024 Taka	2023 Taka
4	**Property, Plant & Equipment**		
	A. At Cost		
	Opening balance	45,910,736	46,757,990
	Add: Addition during the year	1,350,543	1,524,642
	Less: Disposal during the year	662,596	2,371,896
		46,598,683	**45,910,736**
	B. Accumulated Depreciation		
	Opening balance	30,806,110	30,656,605
	Add: Charged during the year	2,264,859	2,397,628
	Less: Adjustment during the year	466,364	2,248,123
		32,604,605	**30,806,110**
	Written down value (A-B)	**13,994,078**	**15,104,626**
	Details are given in Annexure -A		
	Property Plant & Equipment at Cost	46,598,683	45,910,736
	Less: Accumulated Depreciation	32,604,605	30,806,110
	Written Down Value (WDV)	**13,994,078**	**15,104,625**
	Annexure-A may kindly be seen for details.		
5	**Intangible Assets**		
	A. At Cost		
	Opening balance	3,418,805	2,929,160
	Add: Addition during the year	-	489,645
	Less: Disposal during the year	-	-
		3,418,805	**3,418,805**
	B. Accumulated Depreciation		
	Opening balance	2,993,124	2,906,294
	Add: Charged during the year	105,064	86,830
	Less: Adjustment during the year	-	-
		3,098,188	**2,993,124**
	Written down value (A-B)	**320,617**	**425,681**
	Annexure-B may kindly be seen for details.		
	This balance consists of as follows :		
	Software		
	Bluechip Software at Cost	1,020,000	1,020,000
	Bluechip Software (MSA)	150,000	150,000
	IPO Application Software	100,000	100,000
	X-Broker Software at Cost	125,000	125,000
	Antivirus	569,645	569,645
	Software at Cost (Microsoft)	1,454,160	1,454,160
		3,418,805	3,418,805
	Less: Accumulated Amortization	3,098,188	2,993,124
		320,617	**425,681**
6	**Right of use assets (ROU)**		
	A. Cost		
	Opening balance		-
	Add: Addition during the year	**31,263,612**	-
	Less: Disposal during the year	-	-
		31,263,612	-
	B. Accumulated Depreciation		
	Opening balance		-
	Add: Charge during the year	7,750,773	-
	Less : Adjustment for the year	-	-
		7,750,773	-
	C. Written down value (A-B)	**23,512,839**	-

		2024 Taka	2023 Taka

Rental agreement is considered as lease agrement and presented as per IFRS 16.

*The Company has adopted IFRS 16 for the first time from 1st January 2024 hence existing operating leases are transferred to 'Right of use assets' (Exclusive Vat) and rate of interest has been considered @ 11% pa

7 Investment in Shares of Stock Exchanges

Dhaka Stock Exchange Limited	300,289	300,289
Chittagong Stock Exchange Limited	14,250,748	19,001,000
	14,551,037	**19,301,289**

7.01 Investment in Shares of Dhaka Stock Exchange Ltd.

The Dhaka Stock Exchange Ltd allotted 72,15,106 number of Ordinary shares of Tk 10 each against the membership held with them as approved scheme of Demutualization under the provision of Exchange Demutualization Act, 2013, which 25% shares has been sold to strategic investor "Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE)".

Shares Allotted

40% Ordinary Shares i.e 2,886,042 shares of Tk 10/- each credited to BO A/C # 1202090050877041 of NCCB Securities and Financial Services Ltd.	28,860,420	28,860,420
35% Ordinary Shares i.e 25,25,287 shares of Tk 10/- each credited to DSE Demutualization Blocked Account maintained by DSE.	25,252,870	25,252,870
	54,113,290	**54,113,290**

7.02 Investment in Shares of Chittagong Stock Exchange Ltd.

The Chittagong Stock Exchange Ltd allotted total 4,287,330 number of Ordinary shares of Tk 10 each against the membership held with them as approved scheme of Demutualization under the provision of Exchange Demutualization Act, 2013 where 25% shares has been sold to strategic investor "ABG Limited" @Tk.15/-

Shares Allotted

40% Ordinary Shares i.e 1714932 shares of Tk 10/- each credited to BO A/C # 1202090050877041 of NCCB Securities and Financial Services Ltd.	17,149,320	17,149,320
35% Ordinary Shares i.e 15,00,565 shares of Tk 10/- each credited to CSE Demutualization Blocked Account maintained by CSE.	15,005,650	25,723,980
	32,154,970	**42,873,300**

8 Investment in Marketable Shares

Investment in Shares at Cost Value in Dealer A/C	885,481,437	203,296,306
Add: Investment in Dealer IPO Share	-	680,000
Add:NCCBSFSL Stratagic Investment at Cost Value	1,580,990	35,448,087
Add:NCCBSFSL-SFCM 1 at Cost Value	49,893,184	71,476,010
Add:NCCBSFSL ICB Fund Shares at Cost Value	-	34,598,258
Add:NCCBSFSL ICB Fund-2 Shares at Cost Value	232,029,763	250,061,354
Annexure-C,D,E and F for details of investment in shares.	**1,168,985,374**	**595,560,014**

8.01 Unrealized Profit/(loss) on investment in shares

Unrealized loss on investment in shares at dealer account	(46,247,954)	(20,650,913)
Unrealized loss on NCCBSFSL Stratagic Investment	(753,020)	(4,208,480)
Unrealized loss on NCCBSFSL SFCM-1	(17,176,832)	(5,945,519)
Unrealized loss on NCCBSFSL ICB Fund	-	(7,099,258)
Unrealized profit on NCCBSFSL ICB Fund-2	(53,713,936)	11,003,642
Annexure-C,D,E and F for details of unrealized profit/(loss) on investment in shares.	**(117,891,742)**	**(26,900,528)**

9 Accounts Receivable

Receivable from Dhaka Stock Exchange Limited (Broker)	3,010,724	5,912,554
Receivable from Chittagong Stock Exchange Limited (Broker)	2,128	2,661,478
Interest Receivable from Gov't Securities	24,308,077	-
	27,320,930	**8,574,032**

10 Advance, Deposit and Prepayments

Advance against office rent	1,314,390	2,345,334
Advance for suppliers	1,529,000	2,208,000
Suspense account sundry debtors	2,150,000	-
	4,993,390	**4,553,334**

		2024 Taka	2023 Taka
11	**Advance Income Tax**		
	Balance at the beginning of the year	410,024,784	395,072,935
	Add: Tax deduction at sources during the year Note : 11.1	20,094,583	14,951,849
	Add: Income tax paid to LTU	13,265,571	-
		443,384,938	**410,024,784**
11.01	**Tax deduction at sources during the year**		
	Tax deduction from brokerage commission	11,266,096	11,383,579
	Tax deduction from capital gain from dealer portfolio	52,810	18,015
	Tax deduction from capital gain from CSE Shares	1,699,087	-
	Tax deduction from Govt Securities	1,856,680	-
	Tax deduction from dividend income from DSE and CSE shares	754,456	1,506,825
	Tax deduction from dividend income from investment in shares	4,089,049	1,737,291
	Tax deduction from interest from bank accounts	376,405	306,139
		20,094,583	**14,951,849**
12	**Margin Loan to Customers**		
	A. Amount receivable from cash accounts		
	Receivable after Securities trading/Receivable from Cash Code	3,443,188	5,581,944
	Receivable aries from fee, Commission and Charged	-	-
	Sub Total-(a)	**3,443,188**	**5,581,944**
	B. Amount receivable from margin accounts		
	Equity Negative (Exposure >100)	1,476,684,713	1,887,650,904
	Equity Positive, Force Sale (Exposure 80 to 100)	48,934,330	15,037,267
	Equity Positive, Margin Call (Exposure 66.67 to 80)	63,376,848	6,019,088
	Equity Positive, Regular (Exposure below <66.67)	243,791,277	373,662,976
	Sub Total-(b)	**1,832,787,167**	**2,282,370,235**
	Grand Total (a+b)	**1,836,230,355**	**2,287,952,179**

Margin loan status	No of BO A/C avail margin loa	Margin loan payment	Market Value	Equity except Accrued Interest
Equity Positive	174	243,791,277	637,093,769	393,302,492
Margin Cal	24	63,376,848	90,265,369	26,888,521
Force Sale	8	48,934,330	51,733,484	2,799,154
Equity Negative	324	1,476,684,713	435,224,472	(1,041,460,241)
Total	**530**	**1,832,787,167**	**1,214,317,094**	**(618,470,073)**

The Bangladesh Securities and Exchange Commission (BSEC) has established guidelines for margin loan facilities, allowing investors to borrow funds to purchase securities. As of May 2022, the BSEC permits brokerage firms and merchant banks to provide margin loans up to 100% of an investor's own investment, effectively a 1:1 ratio. An Equity Negative Margin Loan occurs when the total margin loan exceeds the market value of the investor's portfolio. This means:

$$\text{Exposure} = \frac{\text{Total Loan}}{\text{Market Value of Investment}} > 100\%$$

The Company reported a margin loan balance of BDT 1,836,230,355 as of the reporting date which includes negative equity investment of BDT 1,476,684,713. The market value of negative equity investment is BDT 435,224,472 and negative equity impairment loss is BDT 1,041,460,241 excluding the correspondent interest suspense.

Negative equity impairment loss of BDT 68,681,984 (principal) along with interest suspense of BDT 49,941,415 were written off during the year.

As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/NE/2020/492, stockbrokers and merchant banks were mandated to fully adjust negative equity in margin loan client accounts by December 31, 2023. The company's failure to comply with this directive has resulted in an overstatement of net income and margin loan assets in the financial statements.

13	**Cash and Cash Equivalents**		
	Cash in Hand	-	-
	Special Notice Deposit Account with		
	IFIC Bank Limited-Customer A/C-1090-000294-041	109,021,004	42,834,716
	NCC Bank Limited-Customer A/C-0103-0325000106	634,631,979	639,131,352
	One Bank Limited-Dealer A/C-0013000000401	20,852,988	13,793,842
	NCC Bank Limited-Strategic Investment A/C-0103-0325000375	470,520	6,572
	NCC Bank Limited-ICB Fund-2 A/C-01030325000900	9,797,223	6,186
	NCC Bank Limited-ICB Fund A/C-01030325000571	-	888,357
	NCC Bank Limited-Company A/C-0002-0325001152	27,555,789	256,788,922
	Total Cash at Banks	**802,329,503**	**953,449,947**
	Total Cash and Cash Equivalents	**802,329,503**	**953,449,947**
14	**Share Capital**		
14.01	**Authorized Capital**		
	50,000,000 Ordinary shares @ of Tk. 100 each	**5,000,000,000**	**5,000,000,000**

		2024 Taka	2023 Taka

14.02 Issued, Subscribed and Paid up Capital

The Issued, Subscribed and Paid up Capital is Tk 2,000,000,000/- divided into 20,000,000 ordinary shares of Tk. 100 each fully paid. The shareholding position of the company is as follows:

Name of Shareholders	No. of shares held		
NCC Bank Limited	19,999,999	1,999,999,900	1,999,999,900
Alhaj Md. Nurun Newaz	1	100	100
Total	**20,000,000**	**2,000,000,000**	**2,000,000,000**

15 Retained Earnings

Balance at the beginning of the year		123,452,673	120,863,836
Add: Net profit during the year		3,235,729	2,876,485
Less: Capital Reserve maintain during the year (Note-15.01)		323,573	287,649
		126,364,829	**123,452,673**

15.01 Capital Reserve

Balance at the beginning of the year		507,364	219,715
Add: Capital reserve made during the year		323,573	287,649
		830,937	**507,364**

Capital reserve has been maintained as per Part-B of Schedule-C of BSEC Risk Based Capital Adequacy Rules-2019 of BSEC notification no. BSEC/CMRRCD/ 2017-357/221/Admin/89 dated: May 22, 2019 i.e.Each registered entity shall maintain a mandatory provision at least @ 10% of profit after tax of last year as capital reserve and the full amount of such reserve shall be accounted for in computing total capital.

16 Short Term Loan

Investment Corparation of Bangladesh (ICB)		149,447,984	230,287,803
		149,447,984	**230,287,803**

17 Accounts Payable

Interest suspense account on margin loan	593,870,058		
Less: Margin loan interest write off during the year	68,681,984	525,188,074	593,870,058
Payable to Central Depository Bangladesh Limited (CDBL)		11,362	36,395
Payable to Dhaka Stock Exchange Limited (Broker)		3,934,880	159,916
Payable to IPO A/C		-	11,030,000
Payable to clients		683,935,450	644,051,299
Payable to BO Account closing fee		347,921	324,921
Accounts payable		4,746,687	5,432,028
Payable to employees gratuity fund		27,600,010	24,353,595
Payable to clients bank interest		53,882,572	28,154,781
Other payables		615,869	289,325
		1,300,262,825	**1,307,702,318**

The interest received from Consolidated Customers Account (CCA) was previously shown as interest income by the stock broker companies. Bangladesh Securities and Exchange Commission (BSEC) instructed through the notification no. BSEC/CMRRCD/2001-80/18/Admin/115 dated: 31 December 2020 and Gazatted on February 25, 2021 that the registared stock broker companies would have to distribute the net interest to their clients. Most of stock broker companies objected to returning this interest to the clients, as a result the stock broker companies recorded this interest received from CCA as their liability until further instructions are given by BSEC.

18 Lease liabilities

Opening balance		-	-
Addition during the year		31,263,612	-
Interest charged during the year		2,681,623	-
Less: Payment during the year		9,780,361	-
		24,164,874	**-**
Lease liability -current portion		9,780,361	-
Lease liability -non current portion		14,384,513	-

19 Deferred tax liability

Opening balance		-	-
Charged during the year		680,689	-
Closing liability		**680,689**	**-**

		2024 Taka	2023 Taka

Particulars	Carrying amount	Tax Base	Temporary Difference	Tax Rate	Taxable/(deductible) temporary
Property Plant and Equipment	14,314,695	10,939,906	3,374,789	25%	843,697
ROU	23,512,839	-	23,512,839	25%	5,878,210
Lease Liability	24,164,874	-	(24,164,874)	25%	(6,041,219)
	61,992,408			**2,722,754**	**680,689**

Closing deferred tax liabilities as at 31 December 2024

20 Other Liabilities

	2024 Taka	2023 Taka
Provision for expenses	-	-
Provision for Margin loan Note: 20.1	268,196,654	188,140,778
Provision for Unrealized Loss in investment is shares Note: 20.2	58,945,871	27,952,691
General provision Note:20.3	18,362,304	48,630,748
	345,504,829	**264,724,217**

20.01 Provision for margin loan

Balance at the beginning of the year	188,140,778	161,061,343
Add: Provision made during the year	129,997,291	62,000,000
Less: Margin loan write off during the year	49,941,415	34,920,565
	268,196,654	**188,140,778**

As per the BSEC Notification No. BSEC/SMMID/NE/2023/1690 dated: March 28, 2024 Extended Time for maintaining Provision against Unrealized loss on provide Margin Loan facilities to their clients Portfolio upto January 31, 2025.

20.02 Provision for unrealized loss on investment in shares

Balance at the beginning of the year	27,952,691	27,952,691
Add: Provision made during the year	30,993,180	-
	58,945,871	**27,952,691**

As per the 859th BSEC Commission meetting at dated: 14-03-2023 BSEC Extended Time for maintaining Provision against Unrealized loss on Stock Dealer and Marchant Banker own Portfolio upto December 31, 2025.

20.03 Genaral provision

Balance at the beginning of the year	48,630,748	25,751,226
Add: Adjustment during the year	(30,268,444)	22,879,522
	18,362,304	**48,630,748**

General provision made as mandatory provision 1% of outstanding margin exposures as per prescribed by part-B of schedule-C of BSEC Risk Based Capital Adequacy Rules-2019, BSEC notification no. BSEC/CMRRCD/2017-357/221/Admin/89 dated: May 22, 2019.

21 Provision for Income Tax

Balance at the beginning of the year	368,271,511	353,319,662
Add: Provision made during the year	20,094,583	14,951,849
	388,366,094	368,271,511
Less: Adjustment during the year	-	-
Annexure-G may kindly be seen for position of income tax.	**388,366,094**	**368,271,511**

22 Brokerage Commission received

Brokerage Commission-DSE	76,683,704	76,770,676
Brokerage Commission-CSE	363,907	690,621
	77,047,611	**77,461,297**

23 Direct Expenses

Howla charge DSE	1,700	450
Laga charge DSE	5,588,965	5,566,271
Laga charge DSE for dealer account	22,642	9,007
Laga charge CSE	968,099	397,259
Investor protection fund	150	17,227
Commission charges for Bank Guarantee for DSE and CSE	1,104,000	1,104,000
CDBL charges	1,898,135	2,331,095
	9,583,691	**9,425,309**

		2024 Taka	2023 Taka
24	**Interest received**		
	Interest received from margin loan	76,903,816	86,725,283
	Interest received from Govt Securities	55,092,573	-
	Interest received from bank accounts	1,778,312	1,449,972
	Interest received from bank accounts (dealer)	568,588	344,933
	Total interest received	**134,343,289**	**88,520,188**
25	**Interest Expense**		
	Interest expenses on NCC Bank SOD A/C	-	856,442
	Interest expenses on ICB loan	8,008,969	2,500,000
	Total interest expense	**8,008,969**	**3,356,442**
26	**Net investment income**		
	Cash dividend received, Note: 26.1	24,421,825	14,076,934
	Capital gain from investment in shares, Note: 26.2	10,824,531	6,058,089
		35,246,356	**20,135,023**
26.01	**Cash dividend received**		
	Cash dividend from Dhaka Stock Exchange Limited	2,164,532	3,246,797
	Cash dividend from Chittagong Stock Exchange Limited	1,607,749	2,143,665
	Cash dividend from investment in shares from other investment	12,385,936	4,067,634
	Cash dividend from investment in dealer account	8,263,608	4,618,838
		24,421,825	**14,076,934**
26.02	**Capital gain from investment in shares**		
	Capital gain from investment in dealer A/C (Note: 26.2.1)	9,699,499	1,711,861
	Capital loss from investment in ICB Fund,Strategic,SFCM (Note:26.2.2)	(10,202,212)	4,346,228
	Capital gain from sale of CSE shares	11,327,243	-
		10,824,531	**6,058,089**
26.2.1	**Capital gain from investment in dealer**		
	Share sold during the year	70,240,012	5,977,248
	Less: Cost price of shares sold	60,540,513	4,265,387
		9,699,499	**1,711,861**
26.2.2	**Capital gain from investment in ICB Fund,Strategic,SFCM**		
	Share sold during the year	161,910,261	56,199,521
	Less: Cost price of shares sold	172,112,473	51,853,293
		(10,202,212)	**4,346,228**
27	**Other operating income**		
	Account opening fee	3,150	9,350
	BO account maintenance fee	1,002,850	1,097,450
	Account closing fee	165,476	124,669
	Service charge income	103,133	134,110
	Income from IPO application	16,800	11,665
		1,291,409	**1,377,244**
28	**Salary and Allowances**		
	Basic salary	23,020,669	21,727,014
	House rent allowance	7,832,784	7,410,378
	Entertainment allowance	671,020	662,504
	Medical allowance	1,333,440	1,321,485
	Conveyance allowance	1,352,580	1,341,100
	Washing Allowance		
	Contribution to employees provident fund	1,844,952	1,720,651
	Special Allowance		
	Utilities allowance	1,136,260	1,138,808
	Lunch subsidy	675,820	666,804
	House maintenance allowance	518,820	521,004
	Other allowance	394,501	179,067
	Casual wages	99,633	78,400
	LFA allowance	1,056,960	1,043,947
	Employees gratuity fund	-	-
	Employees Gratuity fund	3,246,415	3,059,100
	Employees Bonus	5,759,486	5,746,944
		48,943,340	**46,617,206**

		2024 Taka	2023 Taka
29	**Rent, Taxes, Insurance, Electricity etc.**		
	Office rent & VAT	4,017,858	13,239,426
	Electricity bill	1,368,107	1,449,907
		5,385,965	**14,689,333**
30	**Stamp,Postage & Telecommunication**		
	Stamp, postage & courier	57,580	103,846
	Telephone and Mobile bill	515,024	487,078
		572,604	**590,924**
31	**Stationery, Printing and Advertisement**		
	Printing and press	87,440	335,803
	Publicity & advertisement	15,643	27,535
	Stationary	469,648	497,972
		572,731	**861,310**
32	**Directors' Fees**		
	Directors' fees	**266,800**	**401,600**
33	**Audit Fees**		
	Statutory audit fees (Including VAT)	**126,500**	**40,250**
34	**Depreciation Expenses on Fixed Assets**		
	Depreciation on fixed assets (Annexure-A)	2,264,859	2,397,628
	Depreciation on ROU	7,750,773	-
	Amortization of software (Annexure-B)	105,064	86,830
		10,120,696	**2,484,458**
35	**Other Expenses**		
	Newspaper & periodicals	20,532	22,982
	Liveries & uniform	95,632	103,486
	Travelling expenses	16,843	27,673
	Conveyance	106,584	96,972
	Entertainment	975,753	1,035,816
	Mineral water	186,978	199,299
	Data connectivity charges	1,821,593	1,834,360
	Subscription, renewal & registration	929,993	617,964
	Training, development and promotion	-	-
	Interest on lease liability	2,681,623	-
	Loss on disposal of fixed assets	93,516	64,923
	Repair & maintenance	799,773	969,411
	Bank charges	122,851	61,666
	Business promotion expenses	504,500	214,000
	Service charges	1,223,170	1,059,012
	Legal and Professional Fees	35,000	11,500
		9,614,341	**6,319,064**
36	**Reconcilation of Statement of Cash Flows from Operating Activities Under Indirect Method**		
	Profit and Loss Before Provision	**154,733,027**	**102,707,856**
	Adjustment for Non Cash Item		
	Depriciation on Fixed Asset	10,015,632	2,397,628
	Waiver/ Write off to clints	118,623,399	85,522,517
	Loss on sale of fixed assets	93,516	64,923
	Amortization on Softwere	105,064	86,830
		128,837,611	**88,071,898**

	2024 Taka	2023 Taka
Changes in Operating Asset and Liabilities		
Changes in Accounts Receivable	(18,746,898)	(5,598,763)
Changes in Advance, Deposit	(440,056)	200,648
Lease liability net payment	(7,098,738)	
Changes in Accounts Payable	(76,121,477)	(132,573,590)
Changes in Other Liabilities	(99,882,830)	(69,841,130)
	(202,290,000)	**(207,812,834)**
Capital Gain from Dealer A/C	(9,699,499)	(1,711,861)
Capital Gain from other Investment A/C	14,952,464	(4,346,228)
Cash Dividend Income (DSE,CSE and Dealer A/C)	(24,421,825)	(16,220,599)
	(19,168,861)	**(22,278,688)**
Income Tax Paid	(33,360,154)	(14,951,849)
	(33,360,154)	**(14,951,849)**
Net Cash Used from Operating Activities	**28,751,624**	**(54,263,617)**

Chief Executive Officer **Director** **Chairman**

Annexure-A

NCCB Securities and Financial Services Limited

Schedule of Property, Plant & Equipment

As at 31 December 2024

Particulars	Cost				Rate of Dep.	Depreciation				Written Down Value (WDV) as at 31 Dec-2024
	Balance as 01-Jan-2024	Addition during the period	Disposal/ Adjustment during the year	Balance as at 31 Dec-2024		Balance as 01-Jan-2024	Charged for the period	Disposal/ Adjustment during the year	Balance as at 31 Dec-2024	
Computer & Peripherals	12,362,449	490,236	-	12,852,685	20%	11,135,229	511,688	-	11,646,917	1,205,768
Office Equipment	10,941,043	292,537	42,000	11,191,580	20%	6,895,729	774,353	36,383	7,633,699	3,557,881
Furniture & Fixture	22,607,244	567,770	620,596	22,554,418	10%	12,775,153	978,818	429,981	13,323,989	9,230,429
Total	**45,910,736**	**1,350,543**	**662,596**	**46,598,683**		**30,806,110**	**2,264,859**	**466,364**	**32,604,605**	**13,994,078**

Annexure-B

NCCB Securities and Financial Services Limited

Schedule of Intangibles Assets

As at 31 December 2024

Particulars	Cost				Rate of Ammortization	Ammortization				Written Down Value (WDV) as at 31 Dec-2024
	Balance as 01-Jan-2024	Addition during the year	Disposal/ Adjustment during the year	Balance as at 31 Dec-2024		Balance as 01-Jan-2024	Charged for the period	Disposal/ Adjustment during the year	Balance as at 31 Dec-2024	
Software	3,418,805	-	-	3,418,805	20%	2,993,124	105,064	-	3,098,188	320,617
Total	**3,418,805**	**-**	**-**	**3,418,805**		**2,993,124**	**105,064**	**-**	**3,098,188**	**320,617**

Annexure-C

NCCB Securities and Financial Services Ltd.

NCCBSFSL Dealer Portfolio Account

As at 31 December 2024

Company Name	Total	Saleable	Avg. Cost	Total Cost	Market Rate	Market Value	Unrealized Gain / Loss	% Gain /Loss
"A" category instruments								
BATBC	192,000	192,000	528.85	101,538,697	368	70,579,200	(30,959,497)	-30%
SINGERBD	100,000	100,000	175.13	17,513,125	113	11,320,000	(6,193,125)	-35%
UCB	142,755	142,755	14.41	2,057,422	9	1,313,346	(744,076)	-36%
SIPLC	433,000	433,000	49.70	21,518,761	43	18,619,000	(2,899,761)	-13%
				142,628,005		**101,831,546**	**(40,796,459)**	**-29%**
"B" category instruments								
ABBANK	200,000	200,000	11	2,125,667	8	1,540,000	(585,667)	-28%
NBL	7,623	7,623	10	74,818	5	37,353	(37,465)	-50%
STANDBANKL	70,460	70,460	11	780,585	6	422,760	(357,825)	-46%
				2,981,070		**2,000,113**	**(980,957)**	**-33%**
"N" category instruments								
				-		-	-	
"Z" category instruments								
SHARPIN	49,225	49,225	65	3,213,900	23	1,142,020	(2,071,880)	-64%
RSRMSTEEL	40,000	40,000	9	376,283	9	360,000	(16,283)	-4%
				3,590,183		**1,502,020**	**(2,088,164)**	**-58%**
Debt Instruments								
BEXGSUKUK	49,081	49,081	94	4,610,550	48	2,331,348	(2,279,203)	-49%
Govt Securities	7,069,081	7,069,081	100	709,273,550	101	711,856,250	2,582,700	0%
				713,884,100		**714,187,598**	**303,497**	**0%**
Non listed Stock Instruments								
VIPB	42,120	42,120	100	4,212,000	100	4,212,000	-	0%
				4,212,000		**4,212,000**		**0%**
Listed Mutual Fund								
ICBEPMF1S1	2,484,014	2,484,014	5.75	14,165,187	5.1	12,668,471	(1,496,715)	-11%
IFILISLMF1	602,497	602,497	6.67	4,020,892	4.7	2,831,736	(1,189,156)	-30%
				18,186,079		**15,500,207**	**(2,685,871)**	**-15%**
Total:				**885,481,437**		**839,233,484**	**(46,247,954)**	**-5%**

Annexure-D

NCCB Securities and Financial Services Ltd.

NCCBSFSL SFCM-1

As at 31 December 2024

Company Name	Total	Saleable	Avg. Cost	Total Cost	Market Rate	Market Value	Unrealized Gain / Loss	% Gain / Loss
"A" category instruments								
AMCL(PRAN)	37,000	37,000	278.60	10,308,056	204.70	7,573,900	(2,734,156)	-27%
BATBC	21,000	21,000	620.02	13,020,322	367.60	7,719,600	(5,300,722)	-41%
NATLIFEINS	30,000	30,000	162.15	4,864,380	106.20	3,186,000	(1,678,380)	-35%
DBH	348,322	348,322	60.20	20,969,999	38.90	13,549,726	(7,420,273)	-35%
FIRSTSBANK	12,127	12,127	9.36	113,452	5.10	61,848	(51,604)	-45%
JAMUNA BANK	31,902	31,902	19.34	616,976	19.60	625,279	8,303	1%
Total				**49,893,184**		**32,716,353**	**(17,176,832)**	-34%

Annexure-E

NCCB Securities and Financial Services Ltd.

NCCBSFSL Strategic Investment Portfolio Account

As at 31 December 2024

Company Name	Total	Saleable	Avg. Cost	Total Cost	Market Rate	Market Value	Unrealized Gain / Loss	% Gain / Loss
"A" category instruments								
SSSTEEL	95,169	95,169	16.6	1,580,990	8.7	827,970	(753,020)	-48%
Total				**1,580,990**		**827,970**	**(753,020)**	**-48%**

Annexure-F

NCCB Securities and Financial Services Ltd.

NCCBSFSL ICB Fund-2 Portfolio Account

As at 31 December 2024

Company Name	Total	Saleable	Avg. Cost	Total Cost	Market Rate	Market Value	Unrealized Gain / Loss	% Gain / Loss
"A" category instruments								
ACI	17,961	15,619	209.03	3,754,372	139.60	2,507,356	(1,247,016)	-33%
BATBC	40,055	40,055	498.91	19,983,841	367.60	14,724,218	(5,259,562)	-26%
BEXIMCO	18,881	17,982	106.14	2,003,986	110.10	2,078,798	74,812	4%
BSC	5,900	5,900	110.44	651,596	94.70	558,730	(92,866)	-14%
BSCCL	27,440	27,440	208.49	5,720,927	126.10	3,460,184	(2,260,743)	-40%
BXPHARMA	88,750	88,750	132.21	11,733,622	81.60	7,242,000	(4,491,622)	-38%
DBH	983,891	656,675	47.82	47,047,373	38.90	38,273,360	(8,774,013)	-19%
DESCO	30,737	30,737	38.25	1,175,567	23.10	710,025	(465,542)	-40%
EASTLAND	6,000	6,000	23.59	141,564	19.50	117,000	(24,564)	-17%
EBL	75,900	75,900	24.65	1,870,971	24.70	1,874,730	3,759	0%
GLOBALINS	725,724	725,724	38.66	28,055,737	24.70	17,925,382	(10,130,355)	-36%
IFADAUTOS	16,835	16,669	39.76	669,427	20.60	346,801	(322,626)	-48%
IDLC	97,335	97,335	44.09	4,291,110	32.70	3,182,855	(1,108,256)	-26%
JAMUNA BANK	221,988	221,988	19.61	4,353,442	19.60	4,350,965	(2,477)	0%
LHBL	137,678	137,678	72.63	9,999,791	53.90	7,420,844	(2,578,947)	-26%
LINDEBD	1,000	1,000	1,427.69	1,427,688	1,019.50	1,019,500	(408,188)	-29%
MAKSONSPIN	25,000	25,000	22.09	552,200	6.20	155,000	(397,200)	-72%
MERCANBANK	513,009	513,009	12.57	6,449,015	10.30	5,283,993	(1,165,022)	-18%
MTB	1,303,251	1,303,251	14.20	18,508,755	12.30	16,029,987	(2,478,768)	-13%
PRAGATIINS	89,065	89,065	58.08	5,173,189	54.40	4,845,136	(328,053)	-6%
RUPALIINS	3,000	3,000	27.21	81,625	22.70	68,100	(13,525)	-17%
PURABIGEN	3,000	3,000	24.70	74,095	19.70	59,100	(14,995)	-20%
SIPLC	187,538	187,538	48.61	9,115,579	43.00	8,064,134	(1,051,445)	-12%
SOUTHEASTB	38,590	38,590	13.52	521,561	9.00	347,310	(174,251)	-33%
SQUARETEXT	69,252	69,252	61.70	4,272,970	49.40	3,421,049	(851,921)	-20%
SQURPHARMA	33,546	33,546	210.99	7,077,803	217.70	7,302,964	225,161	3%
TRUSTBANK	18,261	18,261	27.89	509,299	22.00	401,742	(107,557)	-21%
SHARPIND	14,176	14,176	35.90	508,907	23.20	328,883	(180,024)	-35%
UNIQUEHRL	68,100	68,100	61.65	4,198,065	44.20	3,010,020	(1,188,045)	-28%
				199,924,078		**155,110,165**	**(44,813,861)**	**-22%**
"B" category instruments								
ATLASBANG	7,451	7,451	100.40	748,080	52.00	387,452	(360,628)	-48%
				748,080		**387,452**	**(360,628)**	**-48%**
Listed Mutual Fund								
ICBEPMF1S1	4,372,546	4,372,546	7.04	30,790,860	5.10	22,299,985	(8,490,875)	-28%
ICBAMCL2ND	2	2	11.90	24	6.10	12	(12)	-49%
IFILISLMF1	110,258	110,258	5.14	566,722	4.70	518,213	(48,560)	
				31,357,606		**22,818,209**	**(8,539,447)**	**-28%**
Total				**232,029,763**		**178,315,826**	**(53,713,936)**	**-23.15%**

NCCB Securities and Financial Services Ltd.

Corporate Tax position

As at 31 December 2024

Accounting Year	Assessment Year	As per Audited Accounts		As per DCT Order			Remarks
		Provision for Income Tax	Advance Income Tax	Tax Liability	Income Tax Paid	Income Tax Payable/ (Refund)	
1	2	3	4	5	6	7=(5-6)	
2011	2012-2013	84,544,924	31,142,098	69,966,727	69,966,727	-	Settled
2012	2013-2014	43,734,860	71,432,796	210,612,650	60,311,854	150,300,796	Reference to the High Court Division
2013	2014-2015	65,086,678	59,513,419	252,578,482	69,012,150	183,566,332	Procesing for Reference to High Court Division
2014	2015-2016	7,879,650	39,259,626	12,562,616	12,618,658	(56,042)	Settled
2015	2016-2017	1,094,359	21,590,425	12,981,659	12,925,617	56,042	Settled
2016	2017-2018	15,461,946	15,879,958	15,313,287	17,231,114	(1,917,827)	Settled
2017	2018-2019	29,219,792	29,967,342	34,512,598	34,512,598	-	Settled
2018	2019-2020	12,851,967	25,007,601	15,924,640	15,924,640	-	Settled
2019	2020-2021	19,856,679	15,039,757	17,375,000	17,375,000	-	Settled
2020	2021-2022	19,817,884	21,295,973	21,614,359	19,817,883	1,796,476	Settled
2021	2022-2023	35,054,645	40,061,041	-	-	-	Return Filed u/s -82BB of ITO-1984
2022	2023-2024	18,716,278	24,882,899	-	-	-	Return Filed u/s -180 of ITA-2023
2023	2024-2025	14,951,849	14,951,849	-	-	-	Return Filed u/s -180 of ITA-2023
2024	2025-2026	20,094,583	33,360,154	-	-	-	Return to be submitted within 31.09.2025
Total Amount		**388,366,094**	**443,384,938**	**663,442,018**	**329,696,240**	**333,745,777**	

Directors' Report to the Shareholders of NCCB Capital Limited

Bismillahir Rahmanir Rahim

Assalamualakium,

Dear Shareholders,

I am immensely pleased to present the Directors' Report of the NCCB Capital Ltd. for the year ended on 31.12.2024 together with Audited Financial Statements and Auditors' Report thereon along with the Company's position in respect of compliance with the Companies Act-1994.

Dear Shareholders,

We are aware that the required license for commencing operations of the company yet to receive due to the policy reason of the authority concerned. But, efforts are being made to obtain the same. We are hopeful about observing all legal and other related formalities in this regard. On getting the license, it will be possible for us to commence operation soon. The Management of the parent company has been putting its best efforts to this effect.

Due to absence of license, NCCB Capital Ltd has compelled to pass another year without any result. However, a brief description of its affairs as on 31.12.2024 is given below for your kind reference.

Authorized and Paid-up Capital: The Authorized and Paid-up Capital of the Company remained at Tk. 1000 million and Tk. 250 Million respectively as on 31.12.2024.

Operational Result: The Company due to its inoperative state suffered operational loss for the year ended on 31.12.2024 which stood at Tk. 0.23 lac only.

Conclusion:

We are very hopeful that obtaining of required license will be possible and we will be able to start functions of the company enabling us to play our expected role in the development of this capital market of the country in the near future.

We take this opportunity to record our sincere thanks and gratitude to all concerned including Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission and Bangladesh Bank for their continued support, guidance and cooperation. Our thanks also go to the members of the Board of Directors of the Company for their prudent guidance.

Thanking you.

With best regards,

Sd/-

Syed Asif Nizamuddin
Chairman

Independent Auditor's Report to the Shareholders of NCCB Capital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NCCB Capital Limited (the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in Note 3.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as explained in note 3, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 2020, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books

c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

d) The expenditures incurred were for the purpose of the Company's business for the year.

Sd/-

Sabbir Ahmed FCA, Partner
ICAB Enrolment No: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants
Firm Enlistment No: CAF-001-057

Dhaka, 27 April 2025
DVC No.: 2504270770AS555918

NCCB Capital Limited

Statement of Financial Position

As at 31 December 2024

	Note	2024 Taka	2023 Taka
Assets			
Property, plant and equipment		-	-
Preliminary expenses		-	-
Non-current assets		-	-
Advance and prepayments	3	5,156,780	5,156,780
Cash and cash equivalents	4	257,908,904	257,909,192
Current assets		**263,065,684**	**263,065,972**
Total assets		**263,065,684**	**263,065,972**
Shareholders' equity			
Share capital	5	250,000,000	250,000,000
Retained earnings	6	7,839,904	7,863,192
		257,839,904	**257,863,192**
Current liabilities			
Provision for expenses	7	69,000	46,000
Provision for taxation	8	5,156,780	5,156,780
Total liabilities		**5,225,780**	**5,202,780**
Total shareholders' equity and liabilities		**263,065,684**	**263,065,972**

These financial statements should be read in conjunction with the annexed notes.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

See the annexed report of even date

DVC No: 2504270770AS555918
Dated, Dhaka
27 April 2025

Sd/-
Sabbir Ahmed FCA, Partner
Enrolment number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

NCCB Capital Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended on 31 December 2024

	Note	2024 Taka	2023 Taka
Operating income		-	-
Less: Operating expenses		-	-
Net Income from operation		-	-
Other income		-	-
		-	-
Less: Office and administrative expenses	9	23,288	23,489
Profit/(Loss) before financial expenses		**(23,288)**	**(23,489)**
Less: Financial expenses		-	-
Net Profit/ (Loss) before tax		**(23,288)**	**(23,489)**
Less: Provision for income tax		-	-
Net Profit/(Loss) after tax		**(23,288)**	**(23,489)**

These Financial Statements should be read in conjunction with the annexed notes.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

See the annexed report of even date

Sd/-
Sabbir Ahmed FCA, Partner
Enrolment number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

DVC No: 2504270770AS555918
Dated, Dhaka
27 April 2025

NCCB Capital Limited

Statement of Cash Flows

For the year ended at 31 December 2024

Particulars	2024 Taka	2023 Taka
Cash flows from operating activities		
Payment for office and administrative expenses	(288)	(489)
Income tax paid		
Repayment of other liabilities		
Net Cash generated from /used for operating activities	**(288)**	**(489)**
Cash flows from investing activities	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Issuance of share capital	-	-
Net cash received from financing activities	-	-
Net (decrease) / increase in cash and cash equivalents	**(288)**	**(489)**
Cash and cash equivalents at the beginning of the year	257,909,192	257,909,680
Cash and cash equivalents at the end of the year	**257,908,904**	**257,909,192**
Cash at bank	**257,908,904**	**257,909,192**

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

NCCB Capital Limited

Statement of Changes in Equity

For the year ended at 31 December 2024

Particulars	Paid up capital	Retained earnings/ (accumulated losses)	Total
	Taka	Taka	Taka
Balance as at 01 January 2024	**250,000,000**	**7,863,192**	**257,863,192**
Net profit/(loss) for the year	-	(23,288)	(23,288)
Balance as at 31 December 2024	**250,000,000**	**7,839,904**	**257,839,904**
Balance as at 01 January 2023	**250,000,000**	**7,886,680**	**257,886,680**
Net profit/(loss) for the year	-	(23,489)	(23,489)
Balance as at 31 December 2023	**250,000,000**	**7,863,192**	**257,863,192**

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman

NCCB Capital Limited

Notes to the financial statements

As at & for the year ended on 31 December 2024

1 Background of the company

NCCB Capital Limited (the "Company") a fully owned subsidiary company of NCC Bank PLC (the "Bank" has been incorporated as a private limited company with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh bearing Registration No.C - 83649/10 dated April 01, 2010 under the Companies Act, 1994 having registered Office at NCC Bank Bhaban, 13/1, 13/2, Toyenbee Circular Road, Motijheel C/A, Dhaka-1000.(Previously at Bhuiyan Center, 68, Dilkusha C/A, Dhaka-1000).

1.01 Nature of business

The Main objective of the Company is to act as a full fledged merchant banking activities like issue management, underwriting, advisory services. The Company applied to Bangladesh Securities & Exchange Commission for its license for carrying out its operations but yet to get clearance as at 31 December 2024, and hence the Company could not formally started its operation.

2 Basis of accounting

The Financial Statements, namely, Statement of financial position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and relevant notes thereto of NCCB Capital Limited are prepared on a going concern basis under the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) , the Companies Act-1994, and other laws and rules applicable thereto.

	2024 Taka	2023 Taka
3 Advances & prepayments		
Advance income tax paid	2,817,308	2,817,308
Advance income tax deducted at source on interest of FDR	2,339,472	2,339,472
	5,156,780	**5,156,780**
4 Cash and cash equivalents		
Cash in hand		
Cash at bank:		
Current deposit account with NCCBL, Dilkusha branch (Account No.0028-0210017040)	257,908,904	257,909,192
	257,908,904	**257,909,192**

As the Company is a wholly owned subsidiary of NCC Bank PLC and since there is no domestic transfer pricing regulation in Bangladesh, management has decided to keep the entire amount of cash in current account with NCC BANK. Moreover, there was an expectation that the Company would receive approval from BSEC to start operation very soon and therefore it was decided to keep the entire amount in current account.

5 Share capital :

Authorized share capital (10,000,000 shares @ of Tk. 100 each)		**1,000,000,000**	**1,000,000,000**
Issued, subscribed and paid up capital (2,500,000 shares @ of Tk. 100 each)		250,000,000	250,000,000
	Total	**250,000,000**	**250,000,000**

Shareholdings position of the company are as follows:

Particulars	**No of shares**		
NCC Bank Limited	2,499,999	249,999,900	249,999,900
Mr. Gazi Hassan Mahmood	1	100	100
	2,500,000	**250,000,000**	**250,000,000**

6 Retained earnings/(accumulated losses)	2024 Taka	2023 Taka
Opening balance	7,863,192	7,886,680
Add: Profit/(Loss) during the year	(23,288)	(23,489)
Closing balance	**7,839,904**	**7,863,192**

7 Provision for expenses		
Audit Fee	69,000	46,000
	69,000	**46,000**

8 Provision for income tax		
Opening balance	5,156,780	5,156,780
Add: Addition during the year	-	-
Closing balance	**5,156,780**	**5,156,780**

9 Office and administrative expenses		
Bank charges	288	489
Audit fees	23,000	23,000
	23,288	**23,489**

10 Reporting currencies :

The figure in these financial statements represent Bangladeshi Taka currency and rounded off to the nearest Taka.

11 Reporting period

These Financial Statements cover the year from 01 January 2024 to 31 December 2024.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Chairman



AWARD & RECOGNITION

NCC Bank
with you always

NCC BANK WINS
REMITTANCE AWARD 2024
BY MINISTRY OF
EXPATRIATES' WELFARE & OVERSEAS EMPLOYMENT



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NCC Bank
with you always

NCC BANK WINS



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ONLINE BANKING

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9 Upa-Shakhas



Dhaka Division	51
Mymensingh Division	04
Chattogram Division	45
Rajshahi Division	07
Khulna Division	05
Sylhet Division	12
Rangpur Division	04
Barishal Division	01
Upa-Shakha	09

NCC Bank Branches

Dhaka Division

01 **Babubazar Branch**
Reaz Medicine Market
57, Mitford Road, Dhaka
Manager- 01817041723

02 **Banani Branch**
Tower-52(1st and 2nd floor),
Road-11, Block-C, PS-Banani
Banani , Dhaka, Manager- 01819255906

03 **Bijoynagar Branch**
Saiham Sky View Tower
45, Bijoy Nagar, Dhaka
Manager-01819820746

04 **Baridhara Branch**
Empori Financial Center(1st floor)
House No-6, Road No-93
Gulshan, Dhaka, Manager-01818659296

05 **Bashundhara Branch**
186, Avenue Road
Block # B , Bashundhara R/A
Dhaka, Mobile-01711179096

06 **Bangshal Branch**
216, Bangshal Road (1st floor), Dhaka
Manager-01552485697

07 **Baipail Branch**
Bismillah Azmiri Plaza (1st floor)
North Gazirsot Dhamsona Union, Ward No-07
Ashulia, Savar, Dhaka, Manager-01719845364

08 **Dhanmondi Branch**
Quality Centre, 744, Satmasjid Rd
Dhanmondi R/A, Dhaka
Manager-01753555595

09 **Dilkusha Branch**
43, Dilkusha C/A
Dhaka
Manager-01714445868

10 **Darus Salam Road Branch**
Friends Plaza (1st floor), 5C & 5D
Darus Salam Road, Mirpur-1, Dhaka
Manager- 01554318550

11 **Dhakhinkhan Branch**
K.C. Plaza
Dhakhinkhan Bazar Dhakhin khan, Dhaka
Manager-01713199804

12 **Elephant Road Branch**
Spectra Maqsood Tower (1st floor)
65, Elephant Road, Dhaka.
Manager- 01815436564

13 **Foreign Exchange Branch**
29/A, Toyenbee Circular Road
Motijheel C/A, Dhaka
Manager-01711075933

14 **Faridpur Branch**
FBL Sumon Nandan Tower (1st floor)
Holding no.1/2 & 7/6, Road- Mujib Sarak
Ward no- 04(old), 20(new), Thana-Kotowali, Faridpur
Manager-01827137601

15 **Gulshan Branch**
51, Gulshan Avenue
Gulshan, Dhaka.
Manager-01713123503

16 **Islampur Branch**
2/3, Ahsanullah Road
Islampur, Dhaka.
Manager-01716092877

17 **Jatrabari Branch**
123/1-A, South Jatrabari
Haji Samad Super Market Dhaka
(Tel: 02-7541762), Manager-01755599924

18 **Joydevpur Branch**
Rahmat Tower,
Chandana Chowrasta, Joydevpur,Gazipur
Manager-01716052822

19 **Kanchpur Branch**
Tias Super Market(1st floor)
Kanchpur Bazar, Sonargaon
Narayangonj, Manager-01915185206

20 Kawran bazar Branch
Jahangir Tower,
10,Kazi Nazrul Islam Avenue, Kawranbazar
Dhaka, Manager-01819710783

NCC Bank Branches

Dhaka Division

21 **Kaligonj Branch**
Shyamlal Market (1st floor), Holding no.17
Shaheed Moyez Uddin Road
Kaligonj, Gazipur

22 **Mirpur Branch**
Farhad Complex, Plot No. 1/1(1st floor)
Main Road, Section-10, Mirpur
Dhaka, Manager-01726462804

23 **Moghbazar Branch**
382, Tongi Diversion Road,
Moghbazar, Dhaka.
Manager-01730429858

24 **Motijheel Main Branch**
6, Motijheel C/A, Dhaka
Manager-01713063062

25 **Malibagh Branch**
B-61A, Malibagh Chowdhurypara,
D.I.T Road,Malibagh, Dhaka
Manager-01552307762

26 **Mohammedpur Branch**
Holding No.20/21, Tajmahal Road
Block-C, Ward No.29, P.S-Mohammadpur
Dhaka, Manager-01712001524

27 **Mirpur Road Branch**
Bay Park Heights (1st floor), Plot No.522(old),
02(new),Road No.08(old), 09(New)
Mirpur Road, Dhanmondi, Dhaka
Manager-01552343023

28 **Mitford Branch**
Paradise Bhaban,34, Mitford, Dhaka,
Tel:02-7341355
Manager-01911381525

29 **Mohakhali Branch**
H.R. Complex, Holding No-100
Bir Uttam A.K. Khondoker Road
Mohakhali C/A, Dhaka, Manager-01715130015

30 **Madhabdi Branch**
School Super Market Complex
Madhabdi, Narsingdi
Manager-01817091550

31 **Madhupur Branch**
Momenshahi Road,Sader Super Market
Madhupur, Tangail
Manager-01993597944

32 **Madaripur Branch**
488, New Market, Main Road,
Puran Bazar, Madaripur.
Manager-01611369878

33 **Nawabpur Road Branch**
Manju Hardware Market
140-141, Nawabpur Road, Dhaka
Manager-01674953996

34 **NCC Bank Bhaban Branch**
13/1 & 13/2,Toyenbee Circular Road
Motijheel C/A,Dhaka
Manager-01937777077

35 **Nababgonj Branch**
P.O: Nababgonj, PS:Nababgonj
District: Dhaka, Tel:02-7765240
Mobile-01711462936

36 **Narayangonj Branch**
Tara Miah Mansion
187, Bangabandhu Road, Narayangonj
Manager-01727583597

37 **Naria Branch**
Naria Bazar, Naria, Shariatpur
Manager-01746507644

38 **Narsingdi Brach**
2, C & B Road, Narsingdi
Manager-01715152114

39 **Panthapath Branch**
Monem Business District, East Tower (Level-3)
111,Bir Uttam C.R.Dutta Road, Dhaka
Manager- 01817030533

40 **Pragoti Sarani Branch**
Badda Tower, Cha 72/1, North Badda
Pragoti Sarani, Dhaka
Manager-01819314777

NCC Bank Branches

Dhaka Division

41 **Rampur SME/Agri. Branch**
Rampur Bazar
Bhasani Market, Kalihati, Tangail
Manager-01721291358

42 **Sonargaon Janopath Road Branch**
Zephyr Tower (1st & 2nd Floor), House no-21
Sector-13, Ward No-07, Sonargoan Janapoth Road
Uttara, Dhaka, Manager-01833325657

43 **Shyamoli Branch**
Hazi Abdul Razzak Tower (1st floor)
2/2, South Kalyanpur, Mirpur Road, Dhaka
Manager-01817049220

44 **Shantinagar Branch**
Shemanta Manshion
122/A, New Kakrail Road, Ramna, Dhaka
Manager-01711116364

45 **Sreenagar Branch**
M. Rahman Complex
Sreenagar, Munshigonj
Manager-0167105760

46 **Savar Branch**
Savar New Market
3, Savar Pourshava, Dhaka
Manager-01847157001

47 **Tongi Branch**
Shere Bangla Ceramic Market
Tongi, Gazipur.
Manager-01977216362

48 **Tangail Branch**
Mosjid Road, Pachani Bazar
Tangail
Manager-01730398777

49 **Uttara Branch**
Mitul Tower, Plot 01, R-12, Sector-6,
Uttara Model Town, Uttara Dhaka
Manager-01817098620

50 **Zinzira Branch**
B.T. Tower (1st floor), Kadamtola Chowrasta
Aga nagar, South Keranigonj, Dhaka
Manager-01552343023

Mymensingh Division

51 **Hossainpur Branch**
Azim Super Market (1st floor)
Holding No-258,, Hossainpur, Kishoregonj
Manager-01912510696

52 **Mymensingh Branch**
21, Durgabari Road
Mymensingh.
Manager-01712074944

53 **Nandail Branch,**
Shopnil Plaza(1st floor)
189,Bus Stand Road, Nandail, Mymensingh
Manager-01712160032

54 **Rayer Bazar Branch**
Rayer Bazar, P.S – Ishwargonj
Mymensingh
Manager--01675507837

Chattogram Division

55 **Agrabad Branch**
Rafique Tower
92, Agrabad C/A, Chattogram
Manager- 01713108833

56 **Aman Bazar Branch**
Aman Bazar
Hathajari, Chattogram
Manager- 01727310232

57 **Anderkilla Branch**
Hara Kishore Chowdhury Trust
1209, K.B. Aman Ali Road, Kotwali
Chattogram, Manager- 01817201867

58 **Anwara Branch**
Kohinoor Plaza (1st floor), Kala Bibi Digir More
Belchura, Chatari, Anwara,
Chattogram, Manager-01974757677

59 Baraiyarhat Branch
Green Tower(1st floor)
Holding No.377/01, Ward No-2,Baraiyarhat
Chattogram, Manager- 01776080329

60 **Boalkhali Branch**
Kabir Center (1st floor)
Boalkhali, Chattogram
Manager- 01811409512

NCC Bank Branches

Chattogram Division

61 **CEPZ Branch**
Ali Plaza, CEPZ Gate, Airport Rd.
Halishahar, Bandar,
Chattogram, Manager- 01819606107

62 **Chakaria Branch**
Al-Aksha Shopping Tower,
57, Chiringa Bus Station, Chakaria
Cox's Bazar, Manager- 01718682267

63 **Chowdhuryhat Branch**
Showkhin Market (1st floor)
Chowdhuryhat, Kodhurkhil, Boalkhali
Chattogram, Manager- 01817262573

64 **Cox's Bazar Branch**
Bazarghata, Main Road
Cox's Bazar
Manager- 01712110477

65 **Chawkbazar Branch**
S.S. Tower, Holding No.415
Katalgonj Road, Ward No.16, P.S-Panchlaish
Chattogram, Manager- 01712852708

66 **Chaumuhani Branch**
Chaumuhani Plaza,
51, DB Road, Chaumuhani,
Noakhali, Manager-01711932064

67 **Chandina Branch**
Nasu Bhuiyan Super Market
Holding No.786, Chandina Moddo Bazar
Chandina, Cumilla, Mobile- 01817210797

68 **Comilla Branch**
Samabaya Bank Bhaban,
395, Kandirpar, Cumilla
Manager-01716244549

69 **Chatkhil Branch**
Rafique Ullah Bhuiyan Tower (1st floor)
428-429, Khilpara Road, Chatkhil
Noakhali, Manager-01840083405

70 **Faridgonj SME/Agri. Branch**
Baganbari, Faridgonj,
Chandpur.
Manager-01819535804

71 **Feni Branch**
Hazi Ibrahim Hossain Market
10, Trunk Road, Feni.
Manager-01712640293

72 **Gouripur Branch**
Gouripur Bazar
Thana- Daudkandi, Dist: Cumilla
Manager- 01917163395

73 **Halishahar Branch**
Plot No.09, Block-L
Halishahar Housing Estate
Chattogram , Manager- 01823604202

74 **Hajigonj Branch**
Ahmed Plaza (1st floor)
79/64, Hajigonj,
Chandpur, Manager- 01775480000

75 **Highway Branch**
R. Islam Plaza(1st and 2nd floor)
Alakharchar, Highway, Cumilla
Manager- 01714653072

76 **Hajirhat Branch**
Muslim Miah Super Market (1st and 2nd floor)
Hajirhat Bazar, Kamolnagar, Lakshmipur
Manager- 01712166525

77 **Chagalnaiya Branch**
Haji Ahsan Ullah Bhuiyan Tower
1422,Main Road, Chagalnaiya, Feni
Manager- 01815138619

78 **Kamal Bazar Branch**
Holding No.4902/A. Kamal Bazar
Ward No-5,P.S-Chandgoan
Chattogram City Corporation, Chattogram
Manager- 01817211000

79 **Keranihat Branch**
Haque Tower Shopping Complex
Keranihat, Upazilla- Satkania
Chattogram, Manager- 01815070747

80 **Khatungonj Branch**
601, Ramjoy Mohajan Lane
Khatungonj, Chattogram
Manager-01911752842

NCC Bank Branches

Chattogram Division

81 **Kadamtali Branch**
Rafique Plaza, 1151, D.T Road
Kadamtali, Chattogram
Manager-01817210804

82 **Kachua Branch**
Mojibul Hoque Shopping Complex
305, Main Road, Kachua, Chandpur
Manager- 01712320022

83 **Laxmipur Branch**
College Road
Lakshmipur
Manager-01817145256

84 **Madam Bibirhat Branch**
Madam Bibirhat, Batiary
Sitakunda, Chattogram
Manager-01819618907

85 **Madunaghat Branch**
Mabia Emporium, Madunaghat Bazar
Rashid Bari, Kaptai Road, Chattogram.
Manager-01818152788

86 **Majirghat Branch**
Kabir Mansion (1st floor),
15, Strand Road, Majirghat, Chattogram
Manager-01762223343

87 **Mohipal Branch**
N.R Tower
151, S.S.K. Road, Mohipal, Feni
Manager-01916568574

88 **Maijdee SME/Agri. Branch**
Main Road
Maijdee, Noakhali
Manager-01813354533

89 **Jubilee Road Branch**
Dominion Plaza (1st floor)
5, Jubilee Road, Chattogram
Manager- 01817210799

90 **Nangalkot Branch**
Haji Ali Miah Tower(1st floor)
48, Nangolkot, Cumilla
Manager-01712978584

91 **Nasirabad Branch**
Yakub Trade Centre, Ward No.08, Holding No.89/304
Nasirabad Housing Society, Chattogram
Manager- 01824508156

92 **Nazirhat Branch**
Hossain Plaza
P.S-Fatikchori, Chattogram
Manager-01819638885

93 **O.R. Nizam Road Branch**
Equity Centrium, 1532, O.R. Nizam Road
Chattogram
Manager-01819313217

94 **Oxygen More Branch**
Jilani Tower(1st Floor)
1138,West Sholoshahar, Chattogram
Manager-01817296707

95 **Pahartali Chowmuhani Branch**
Green Centre(1st Floor)
Pahartali Chowmuhani,Raogan, Chattogram
Manager-01712110858

96 **Parshuram Branch**
Anowara Shopping Complex
Holding No-235, Parshuram
Feni, Manager- 01712652488

97 **Raipur Branch**
Haji Wahab Super Market, Raipur Road
Thana Raipur, Dist: Lakshmipur
Manager-01834838063

98 **Ramgonj SME/Agri. Branch**
Shapali Super Market
Ramgonj, Lakshmipur
Manager-01817292910

99 **Sonagazi SME/Agri. Branch**
Hazi Rahimullah Complex (1st floor)
Main Road, Sonagazi
Feni, Manager-01711799599

NCC Bank Branches

Rajshahi Division

100 **Baneswar SME/Agri. Branch**
Baneswar Bazar
Puthia, Rajshahi
Manager- 01833328979

101 **Bogura Branch**
Basiran Market(1st floor),
Kabi Nazrul Islam Road, Jhawtola
Bogura, Manager- 01718169754

102 **Chapainawabgonj Branch**
Holding No.33/1(1st floor), Boro-Indara More,
Ward No-15, Upazilla & P.S-Chapainawabgonj
Chapainawabgonj, Manager-01718584035

103 **Dinajpur Branch**
Taj Bhaban
Munshipara, Dinajpur
Manager-01712179663

104 **Naogaon Branch**
Zahir Plaza, Main Road
Naogaon
Manager-01766641713

105 **Pabna Branch**
Kashem Plaza (1st floor), 954, Dillalpur
Abdul Hamid Road, Pabna
Manager- 01715247964

106 **Rajshahi Branch**
Mongal Bhaban(1st floor)
447, Alupatti More
Rajshahi, Manager-01717278907

Rangpur Division

107 **Patgram Branch**
Asir Plaza (1st floor), High School Road
Patgram, Lalmonirhat.
Manager- 01710399792

108 **Rangpur Branch**
Monjuri Plaza, Holding No. 08/09
G.L Roy Road, Kotwali,
Rangpur,Manager- 01715773530

109 **Syedpur Branch**
Shaheed Dr. Zikrul Haque Road
Syedpur, Nilphamari
Manager- 01719514120

Rangpur Division

110 **Rajarhat Branch**
Niloy Plaza, Holding No.360,Kurigram Road
Rajarhat Union, P.S-Kurigram,
Kurigram, Manager- 01833103147

Barishal Division

111 **Barisal Branch**
Upandra Bhaban, 102/103, Sadar Road
Barishal
Manager- 01723867962

Khulna Division

112 **Baganchra Branch**
Chand Super Market (1st floor)
Baganchra Bazar, Satkhira- Jessore Road
District- Jashore, Manager- 01714785536

113 **Jessore Branch**
43, M.K Road
Jashore
Manager- 01711279195

114 **Kushtia Branch**
Momtaz Tower (1st floor)
N.S Road,Kushtia
Manager- 01825999333

115 **Khulna Branch**
3, K.D Ghosh Road,
Khulna
Manager- 01714662824

116 **Parulia Branch**
Parulia Bazar, Debhata, Satkhira
Manager- 01964250064

Sylhet Division

117 **Akhaura Branch**
Haji Nur Market (2nd floor), Sarak Bazar
Main Road, Akhaura, Brahmanbaria
Manager-01817145079

118 **Baralekha Branch**
Dakhhinbazar, Baralekha,
Moulvibazar
Manager-01716015330

NCC Bank Branches

Sylhet Division

119 **Bishaw Road More Branch**
Green Corner(1st and 2nd floor)
Bishaw Road More, Dhaka – Sylhet Highway
Brahmanbaria, Manager-01750506447

120 **Brahmanbaria SME/Agri. Branch**
Al Amin Plaza (1st floor), Holding No.304,305
Ward No-10,Brahmanbaria Sadar
T.A Road, Brahmanbaria
Manager-01811458108

121 **Chowhatta Branch**
Sayed Complex, Airport Rd.
Amberkhana,
Sylhet, Manager-01711901465

122 **Jagannathpur Branch**
Abu Taher Complex, Ranigonj Rd
Jagannathpur,
Sunamgonj, Manager-01712873726

123 **Juri Branch**
Juri New Market Bhaban (1st floor)
Juri, Molivbazar
Manager-01710907083

124 **Kumarpara Branch**
Mostafa Tower (1st floor)
Kumarpara
Sylhet, Manager- 01971484753

125 **Laldighirpar Branch**
Idris Bhaban, Mohajan Patty
Laldighirpar,Sylhet
Manager-01711124254

126 **Moulvibazar Branch**
Yakub Mansion, Sylhet Road,
Moulvibazar
Manager-01716015330

127 **Nabigonj Branch**
Natun Bazar, Nabigonj,
Habigonj
Manager-01847198107

128 **Sreemongal Branch**
Khan Mansion (1st floor)
Moulvibazar Road, Moulvibazar
Manager-01716870323

NCC Islamic Banking

129 **Gulshan Branch**
Akash Avenue, Holding no.12
Kemal Ataturk Avenue
Gulshan, Dhaka, Mobile- 01558203612

Upa-Shakha

01 **Banasree Upa-Shakha**
Holding No.11(Ground Floor), Block-C
Main Road, Banasree, Rampura, Dhaka
Incharge-01817145272

02 **Lalbagh Upa-Shakha**
Lalbagh Classic Tower(1st floor),
House-27/4/Ka, Dhakeswari Road
Lalbagh, Dhaka, Incharge-01710421363

03 **Donia Upa-Shakha**
Hazi ANowar Mansion(1st Floor),
Holding No.532, 535, Donia Goalbarir More
Jatrabari, Dhaka, Incharge-01911092680

04 **Korerhat Upa-Shakha**
Alam Market (1st floor), Old DIT Road,
Korerhat Union, P.S-Jorargonj, Upazilla-Mirsarai
Chattrogram, Incharge-01817504385

05 **Chawkbazar Upa-Shakha,**
Moitree Tower, Holding No.19, Teripatty Road
Ward No.06, Cumilla City Corporation,Cumilla
Incharge-01712274428

06 **Sonargaon Upa-Shakha**
Holding No-11, Union-Mograpara
Ward No-03, Thana-Sonargaon, Dist-Narayangonj
In Charge-01711271647

07 **Bandarban Upa-Shakha**
Neom Tower (1st floor), Holding no.0445-000
Chairmanpara, Bandarban Pourashava
Bandarban Sadar, Bandarban, Manager-01937161397

08 **Bhulta Upa-Shakha**
Guesia City Market
Golakandail, Rupgonj
Narayangonj

09 **KDA Avenue Upa-Shakha**
Hussain Trading Company Ltd,
71 KDA Avenue (1st Floor),
Ward No. 19, Khulna

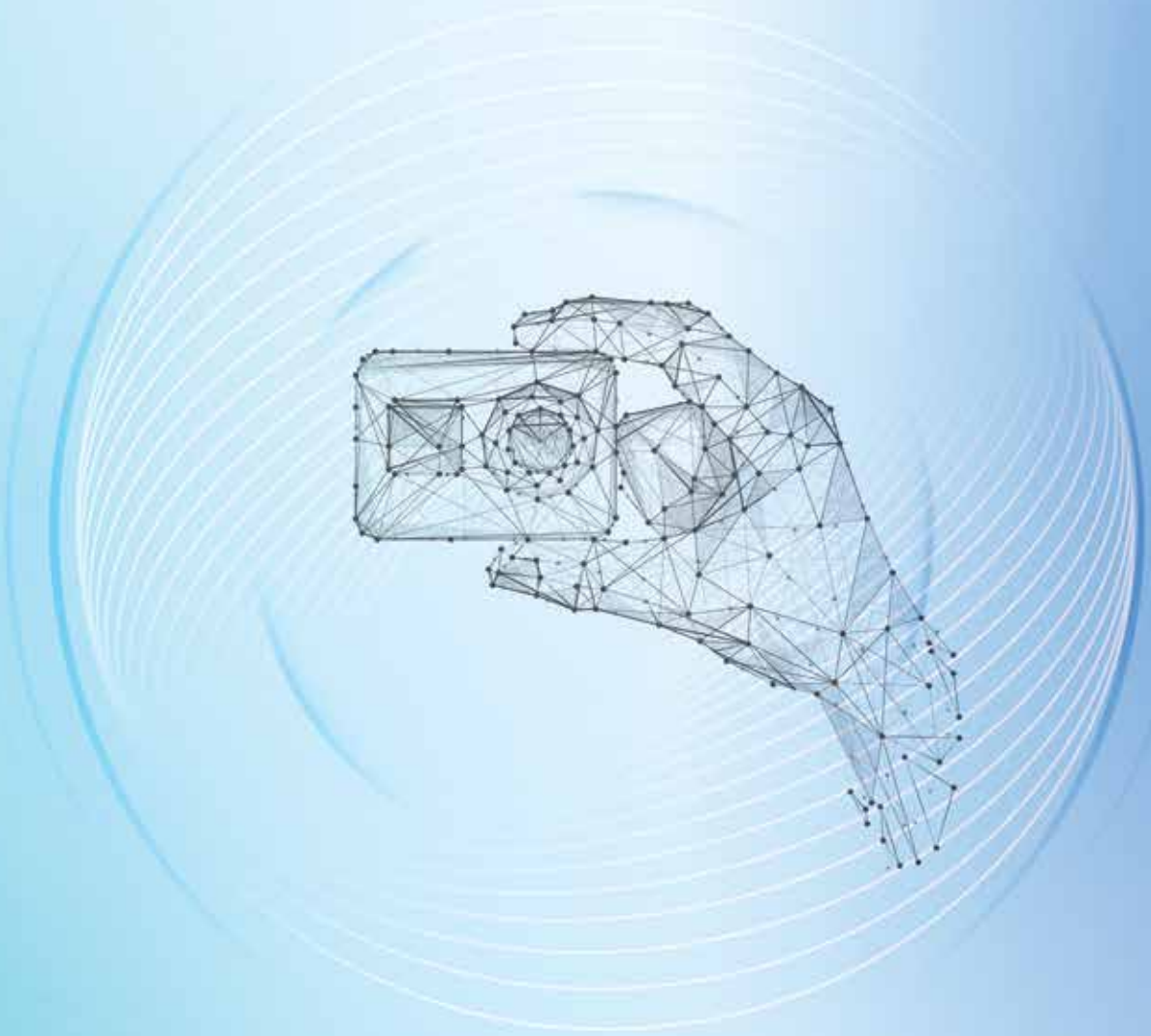


PHOTO GALLERY



NCC Bank received prestigious "Top Ten Remittance Award" from the Ministry of Expatriates' Welfare and Overseas Employment in recognition of exceptional performance in facilitating remittance collection during the fiscal year 2023-2024.



Annual Business Conference-2025



NCC Bank commemorated its 32nd anniversary on May 17, 2025, reaffirming its dedication to remaining a beacon of trust and reliability for clients.



NCC Bank has signed a Memorandum of Understanding (MoU) with Bangladesh Bank to implement the "Skills for Industry Competitiveness and Innovation Program (SICIP)," an entrepreneurship development initiative under the Finance Division of the Ministry of Finance.



BAMLCOs' Conference, 2024



Annual Risk Conference-2024



NCC Bank has launched VISA Debit, Credit & Prepaid card for women's. M. Shamsul Arefin, Managing Director of NCC Bank launched those three cards under women banking activities on 19 August, 2024 at Head Office premises.



NCC Bank has launched four new banking products aimed at empowering women and fostering financial inclusion within the national economy. The new offerings—Parama Nari Shomota, Parama Power Saver, Parama Payroll, and Parama Fixed Deposit—are designed to support women customers and entrepreneurs with attractive terms and conditions.



NCC Bank has introduced a new banking product called "Freelancer Account" to support freelancers. This account is designed to provide financial solutions that empower freelancers and contribute to financial inclusion in the national economy. The "NCC Freelancer Account" comes with attractive features, aimed at meeting the specific needs of freelancers.



A meeting of the Board of Directors of NCC Bank held at Bank's Board Room



A meeting of Shari'ah Supervisory Committee of NCC Bank PLC.



NCC Bank has embarked on an inspiring journey through a recent strategic partnership with Visa, a global leader in digital payments. This collaboration is set to significantly enhance the convenience and accessibility of digital payment services for NCC Bank's valued customers.



NCC Bank and Grameenphone have agreed to work collaboratively for digital transformation initiatives to enhance technological infrastructure and value added customer experience. This collaboration is set to significantly enhance the convenience and accessibility of digital payment services for NCC Bank's valued customers.



NCC Bank and iota Consulting BD have recently signed an Agreement under which iota Consulting BD will provide specialized services on "Sustainability Report" of the Bank.



NCC Bank PLC. and D Money Bangladesh Limited are excited to announce a new partnership for a range of digital services. The inauguration ceremony, held at the NCC Bank PLC.'s Head Office in Motijheel, Dhaka, was represented by M. Shamsul Arefin, Managing Director & CEO of NCC Bank PLC., and Mohammad Arif Hossain, CEO of D Money Bangladesh Limited.



NCC Bank PLC. has inked a remittance drawing agreement with Commerce Plex Ltd. (Simpaisa), UK on 03 March, 2025 for quick & safe remittance services of Bangladeshi expatriates located in UK and EU Zone.



NCC Bank signed a partnership agreement with Flora Systems Limited, announcing a landmark digital transformation initiative.



NCC Bank PLC. recently signed an agreement with Dhaka Mass Transit Company Ltd. (DMTCL) to install ATM/CRM machines at all stations under MRT-6 line of Metro Rail.



NCC Bank has signed a Supply Chain Finance Agreement with PRAN-RFL Group, aiming to strengthen the financial ecosystem for PRAN-RFL's suppliers under SME segment. Through this agreement, suppliers of PRAN-RFL Group will be able to access financing facilities on easy terms to meet their working capital requirements from NCC Bank Branches across the country.



NCC Bank PLC. and bKash Limited have entered into a strategic partnership by signing a Memorandum of Understanding (MoU) to offer 24/7 automated cash management services. This initiatives aims at enhancing financial transactions efficiency for bKash distributors, agents, and merchants. The new service enables bKash stakeholders with NCC Bank accounts to seamlessly add money and transfer e-money in real time, providing a secure and convenient platform for round-the-clock transaction management.



NCC Bank has formally inaugurated its 32nd Islamic Banking Window at 32 Branches across the country, aiming to expand its services based on Islamic Shari'ah principles.



NCC Bank has opened its Bhulta Upa-Shakha at Rupganj, Narayanganj on 22 December, 2024



NCC Bank has opened its KDA Avenue Upa-Shakha at Khulna.on 24 December, 2024



NCC Bank has formally opened its 129th Branch at Kaligonj, Gazipur on 26 December, 2024.



NCC Bank has signed a Memorandum of Understanding (MoU) with the National Pension Authority (NPA) as part of the implementation of the Universal Pension Scheme. Under this agreement, NCC Bank will assist customers in registering and depositing monthly contributions to four pension schemes: Progoti, Surakkha, Somota, and Probash.



NCC Bank arranged a day-long "Orientation Program" for its newly recruited 53 nos. Assistant Officers at NCC Bank Training Institute recently.



NCC Bank organized a daylong training titled "Skill Development on CMSME Financing" for its officers at Bank's Training Institute recently.



NCC Bank celebrated Financial Literacy Week 2025 with the theme "Think Before You Follow, Wise Money Tomorrow," which focused on integrating unbanked and marginalized people into the financial system. To mark the occasion, a discussion meeting was organized by the Financial Inclusion Cell of NCC Bank at its Head Office on 19 March, 2025.



NCC Bank has recently hosted the mark of its Islamic Banking Window at the Motijheel Main Branch with the aim of expanding its services based on Islamic Shari'ah.



NCC Bank celebrates "New Year-2025"



NCC Bank joyously welcomed the advent of spring by hosting the “Boshonto Boron-2025” festival at its head office, featuring a vibrant Pitha Utsav that reflected Bangladesh’s rich cultural heritage.



OUR CORPORATE CLIENTS







ACME Laboratories Ltd. is one of the leading Corporate Client of NCC Bank Shyamoli Branch









Incepta Pharmaceuticals is one of the leading Corporate Client of NCC Islamic Gulshan Branch







APTECH Group is one of the leading Corporate Client of NCC Bank Moghbazar Branch








Tag N Pac is one of the leading Corporate Client of NCC Islamic Gulshan Branch











AGI Flex Ltd. is one of the leading Corporate Client of NCC Bank Mitford Branch







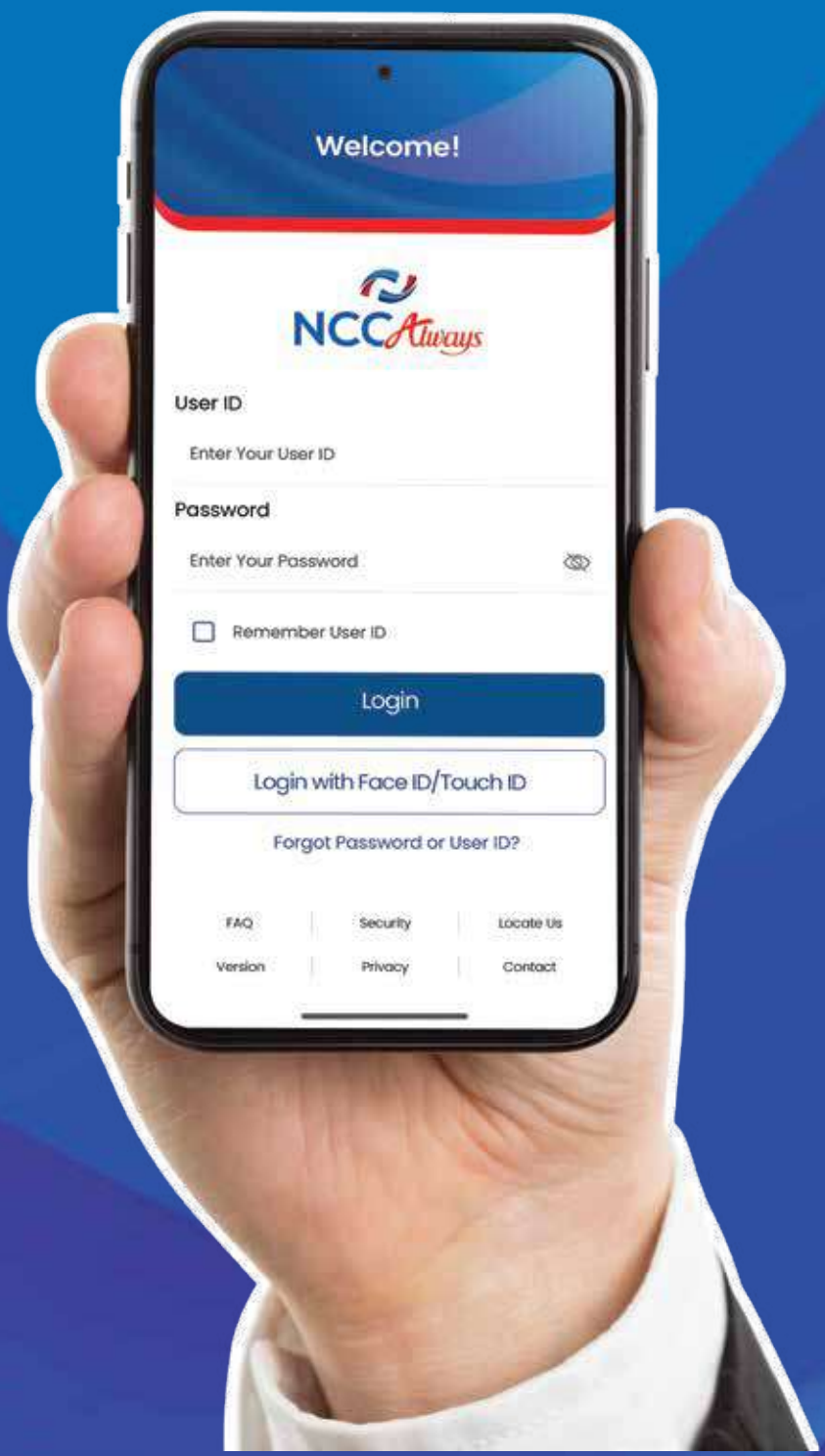




A.R. Jeans is one of the leading Corporate Client of NCC Bank Gulshan Branch

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রেমিট্যান্স সেবায়
আপনার বিশ্বস্ত প্রতিনিধি



এনসিসি ব্যাংকের রেমিট্যান্স সেবা

- ৫১টি এমটিও-এর সাথে বিশ্বব্যাপী অংশীদারিত্ব
- অন্যতম শীর্ষ রেমিট্যান্স সংগ্রহকারী ব্যাংক
- সারাদেশে ১৫০০+ পেমেন্ট লোকেশন
- দেশব্যাপি বিকাশ এজেন্টের মাধ্যমে মানিগ্রাম ও ওয়েস্টার্ন ইউনিয়ন এর রেমিট্যান্স প্রদান
- বিকাশ ও নগদের মাধ্যমে রেমিট্যান্স প্রদান
- ধারাবাহিক রেমিট্যান্স অ্যাওয়ার্ড

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Additional Managing Director

Mr. M. Khurshed Alam

Deputy Managing Director

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Mr. Md. Mahbub Alam
Mr. Mohammed Mizanur Rahman FCA
Mr. Md. Monirul Alam, FCS

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Mr. M. M. Emranul Hoque
Mr. M. Morshedul Quader Khalili

Executive Vice President

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Mr. Saif Uddin Ahmed
Mr. Ahsan Tariq
Mr. Mohammad Tariqul Amin
Mr. Mohammad Mohibullah Khan
Mr. Ali Tarek Parvez
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Mr. A.K.M. Ekhlasur Rahman
Mr. Md. Amzad Hossain
Mr. Md. Masudur Rahman
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Mr. Md. Masum Haider
Mr. Masood Mizan
Mr. Mohammed Didarul Alam
Mr. Mohammad Kamruzzaman
Mr. Md. Rashidul Hasan
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Mr. Md. Sajjadul Islam
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Mr. Md. Solaiman- Al- Raji
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Mr. Muhammad Mostafigur Rahman

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Mr. Iftekhar Ul Azim
Mr. Md. Faizur Rahman
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Mr. Mohammad Mahbubul Alam Biswas

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Mr. Md. Shakilur Rahman
Mr. Md. Shafiquzzaman Bhuiyan
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Mr. Mohammed Altaf
Mr. Emdadul Islam
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Mr. Mohammad Borhan Uddin
Mr. Mohammed Saiful Moin Chowdhury
Mr. Md. Meizanur Rahman
Mr. Sukumar Barua
Mr. Faruq Ahmed
Mr. Md. Omar Faruk
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Mr. Md. Qumrur Roshid
Mr. Shamsu Uddin
Mr. A.K.M. Badrul Hassan
Mr. Rajib Sarker

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Mr. Md. Al-Amin Mian

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Renewed Certificate

This is to certify that

NATIONAL CREDIT AND COMMERCE BANK PLC.

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December, 2025.

Ref. No: **CM-2025/201**

Date of issue : **April 30, 2025**

BAPLC

Secretary General

NATIONAL CREDIT AND COMMERCE BANK PLC.

Registered Office: NCC Bank Bhaban, 13/1 & 13/2. Toyenbee Circular Road, Motijheel C/A, Dhaka-1000, Bangladesh.
Phone: PABX: +880 2 223381902-4, 223383981-3, Email: boarddivision@nccbank.com.bd, Web: www.nccbank.com.bd

PROXY FORM

I/We _____

BO ID/Folio No.																

Mobile #												Email :

of (address)_____

being a member (Shareholder) of **National Credit and Commerce Bank PLC.** (the "Company") do hereby appoint Mr./Ms. _____

of _____

as my/our proxy to attend/participate and vote on my/our behalf at the **40th Annual General Meeting (AGM)** of the Company to be held on **July 02, 2025 at 12:00 Noon** and at any adjournment thereof.

Signed this _____ day of ..... 2025.

Signature of the Proxy	Mobile Number										
Email :											

Signature of the Member
No. of Shares held:

Note:

i) Signature of the member (shareholder) must be in accordance with specimen signature registered with the Company/Depository Participant (s).

ii) A Member of the company entitled to attend/participate and vote at the 40th AGM may appoint any person as a proxy to attend/participate and vote on his/her/their behalf. The proxy form duly signed with requisite stamp and must be submitted at the registered office of the company not later than 48 hours before the time fixed for the meeting.

Please affix Revenue Stamp

Signature Verified

Authorized Signatory
National Credit and Commerce Bank PLC.

NATIONAL CREDIT AND COMMERCE BANK PLC.

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MEMBERS ATTENDANCE SLIP

I hereby record my attendance at the **40th Annual General Meeting (AGM)** of the company being held on **July 02, 2025 at 12:00 Noon** at Dhaka.

Name of Member																		
BO ID/Folio No.																		
No. of Shares as on 26-05-2025 (Record Date)																		
Name of the Proxy (If any)																		
Mobile: Member/ Proxy													Email :					

Signature of the Member/ Proxy

SCAN ME!

NCC Bank
with you always

NATIONAL CREDIT AND COMMERCE BANK PLC.
Head Office: NCC Bank Bhaban,13/1-2 Toyenbee Circular Road
Motijheel C/A, Dhaka-1000, Bangladesh. G.P.O Box No. 2920
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