

Assessing regulatory capital in relation to overall risk exposure of a bank is an integrated and comprehensive process. JBL, through its Basel-II Supervisory Review Committee (B2SRC) and Risk Management Committee, is taking active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to. Assessment of Regulatory Capital will be in alignment with the findings of these exercises.

Quantitative Disclosures: Following table shows component wise allocation of capital to meet three risks and an amount of additional capital maintained over MCR i.e. 10% of RWA. As on the reporting date, JBL maintained a Capital Adequacy Ratio (CAR) of 11.14% on 'Consolidated Basis' and 11.10% on 'Solo Basis' against required minimum of 10%. We had an excess capital of BDT 94.96 crore (Consolidated) after meeting all three risks as on the reporting date as shown in the following table:

(Tk. in Crore)

Capital Adequacy	Consolidated	Bank (Solo)
a. Capital requirement for Credit Risk	688.50	692.47
b. Capital requirement for Market Risk	58.34	57.70
c. Capital requirement for Operational Risk	85.98	84.04
Capital maintained to meet credit, market and operational risks	832.82	834.21
d. Some additional capital over MCR maintained by the bank	94.96	91.77
Total Capital Maintained	927.78	925.98

CREDIT RISK

Qualitative Disclosures:

Definition of Credit Risk: Credit risk is the possibility that a borrower will fail to meet its obligation in accordance with agreed terms and conditions. That is credit risk is the risk of loss that may occur from the failure of any counterparty to make required payments in accordance with agreed terms and conditions and/or deterioration of credit worthiness. Credit risk is managed through a framework set by policies and procedures approved by the Board. The responsibility is clearly segregated between originator of business transaction and approver in the risk function.

Credit Risk Management Policies and Procedures: Credit risk management needs to be a robust process that enables Banks to proactively manage loan portfolio in order to minimize losses and earn an acceptable level of return for Shareholders. Central to this is a comprehensive IT system, which should have ability to capture all key customer data, risk management and transaction information. Jamuna Bank Ltd.

already has real time on-line Banking system which enables to capture all key customer data. Given the fast changing dynamic global economy and the increasing pressure of globalization, liberalization, consolidation and disintermediation, it is essential that Banks have robust Credit risk management policies and procedures that are sensitive and responsive to these changes.

Jamuna Bank Limited being a progressive and dynamic private sector Bank formulated its own Credit Policy Guidelines to efficiently and professionally manage risks arising out of its Credit operation. The Credit Policy Guidelines was initially approved by the Board of Directors in its 59th meeting held on 08.01.2006. As per Credit Risk Management Guidelines of Bangladesh Bank, the credit policy of JBL has been refined from time to time.

The Credit Policy Guidelines of JBL encompasses a wide range of issues related to credit operation. Jamuna Bank Limited continually updates by the bank to lead the ongoing improvement in the banking sector. The focal points of the JBL credit policy are:

1. Organizational Structure
2. Segregation of Duties
3. Implementation of the concept of Relationship Banking
4. Credit Principles
5. Credit Facilities parameter
6. Discouraged Business
7. Review of Mode-wise Credit Position
8. Review of Large Loan Concentration
9. Review of Classification Position and Target
10. Credit Budget with sectoral outlook
11. Procedure of Credit Operation including credit assessment
12. Credit Risk Grading System
13. Emphasizing on Secured Lending
14. Disbursement process and Documentation
15. Credit Monitoring
16. Policy for Delegation of Lending Authority

Methods used to measure Credit Risk: Credit risk grading is an important tool for credit risk measurement as it helps the Banks and financial institutions to understand various dimensions of risk involved in different credit transactions. The aggregation of such grading across the borrowers, activities and the lines of business can provide better assessment of the quality of credit portfolio of a bank or a branch. Well-managed credit risk grading systems promote bank safety and soundness by facilitating informed decision-making. Grading systems measure credit risk and differentiate individual credits and groups of credits by the risk they pose. This allows bank

management and examiners to monitor changes and trends in risk levels. The process also allows bank management to manage risk to optimize returns.

The credit risk grading is done by assigning weight-age accordance to the severity of risk. The primary risk areas are financial risk, business/ industry risk, management risk, security risk and relationship risk. These risk components are further subdivided.

A thorough credit risk assessment is being conducted prior to the sanctioning of credit facilities. Thereafter it is done annually for each relationship. The result of this assessment is presented in the credit proposal originated from the Relationship Manager.

Following risk areas are addressed and assessed in credit sanctioning process:

- a. Borrower Analysis: Reputation, education, experience, age and success history and net worth of the borrower are considered to analyze a borrower. Any issues regarding lack of management depth, complicated ownership structures or inter-group transactions are addressed in borrower analysis.
- b. Industry Analysis: To analyze an industry JBL considers industry position i.e. threat & prospect in the industry, risk factors pertaining to the industry, borrowers position or share in the industry.
- c. Historical financial analysis: An analysis of a minimum of 3 years historical financial statements of the borrower is being presented. The analysis addresses the quality and sustainability of earning, cash flow and the strength of the borrower's balance sheet.
- d. Projected financial Performance: Where term facilities are being proposed, a projection of the borrower's future financial performance is required to be provided.
- e. Others: Technical feasibilities/Infrastructural facilities, Seasonality of demand, Debt-Equity Ratio, Account conduct of the borrower, Security and other relevant factors are considered to assess credit risks.

Credit Risk Management System: Jamuna Bank Limited (JBL) has established a robust credit risk management system to proactively manage loan portfolio in order to minimize losses. It has significantly improved risk management culture and established standard for segregation of duties and responsibilities

relating to Credit Operation of the Bank.

The major steps taken by JBL to implement credit risk management guidelines are:

- i) It has formulated its own Credit Policy Guidelines in line with the core risk guideline of Bangladesh Bank.
- ii) The policy takes into account the sectoral concentration and specific industry exposure cap is set in the policy.
- iii) Head Office Organizational structure has been segregated in line with CRM Guideline (Credit Marketing, Credit Approval and Credit Administration activities have been separated).
- iv) Borrower's Risk Grade are assigned and mentioned in the credit proposal.
- v) All disbursement is authorized centrally in the computer system only after confirming fulfillment of documentation requirement as per sanction term. There is no scope of disbursement without approval of the competent authority.
- vi) Credit Approval Authority has been clearly defined in the policy.
- vii) Strong monitoring of loan portfolio is ensured by separate Credit Monitoring Department.

Asset Impairment Policy: JBL follows central bank guidelines as its asset impairment policy. Bangladesh Bank set loan impairment/classification criteria and provisioning policies vide BRPD Circular No.14 dated September 23, 2012. The summary of objective criteria of loan classification and provisioning requirement are as below :

Objective Criteria:

Type of Loan	Unclassified		Sub-standard	Doubtful	Bad/ Loss
	Standard	SMA			
Continuous	0<2	2<0<3	3<0<6	6<0<9	0>9
Demand	0<2	2<0<3	3<0<6	6<0<9	0>9
Fixed Term	0<2	2<0<3	3<0<6	6<0<9	0>9
Fixed Term (Up to Tk. 10.00 Lacs)	0<2	2<0<6	6<0<9	9<0<12	0>12
SAC/MC	0<12		12<0<36	36<0<60	0>60

Note: O = Overdue, SMA = Special Mention Account, SAC = Short term Agricultural Credit, MC = Micro Credit.

Rate of Provision:

Particulars	Short Term Agri. Credit	Consumer Financing			SMEF	Loans to BSMs/ MBs /SOs	All Other Credit	
		Other than HF, LP	HF	LP				
UC	Standard	5%	5%	2%	2%	0.25%	2%	1%
	SMA	-	5%	5%	5%	5%	5%	5%
Classified	SS	5%	20%	20%	20%	20%	20%	20%
	DF	5%	50%	50%	50%	50%	50%	50%
	B/L	100%	100%	100%	100%	100%	100%	100%

Base for Provision: Provision will be maintained at the above rate on the balance to be ascertained by

deducting the amount of 'Interest Suspense' and value of eligible securities from the outstanding balance of classified accounts.

Quantitative Disclosures:

Total gross credit risk exposures broken down by major types of credit exposure: Bangladesh Bank guidelines on RBCA, stipulated to segregate bank's asset portfolio into different categories and the following table shows our gross exposure in each asset category.

Major Types of Credit Exposure As on 31.12.2013

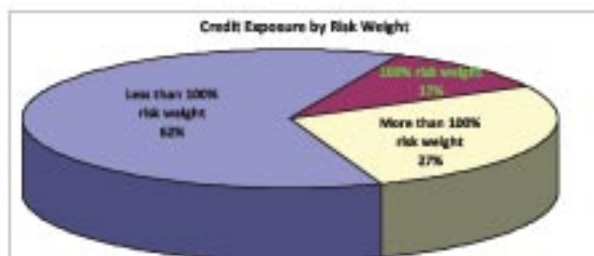
(Tk. In Crore)

Sl.	Exposure Type	Exposure	Risk Weighted Asset
1	Cash	127.25	-
2	Claims on Bangladesh Government and Bangladesh Bank	2573.76	-
3	Claims on Multilateral Development Banks (MDBs):	-	-
4	Claims on Public Sector Entities	-	-
5	Claims on Banks & NBFIS		
	Original Maturity over 3 months: BB's Rating Grade: 1	439.16	87.83
	2,3	173.57	86.78
	4,5	-	-
	6	-	-
	Unrated	20.67	20.67
	Original Maturity less than 3 months	196.34	39.27
6	Claims on Corporate		
	BB's Rating Grade: 1	536.92	107.38
	2	832.71	416.36
	3,4	451.83	451.83
	5,6	-	-
	Unrated	2175.51	2719.39
7	Claims under Credit Risk Mitigation	711.12	70.06
8	Claims categorized as retail portfolio & SME(excluding consumer loan)	788.87	591.65
9	Consumer Loan	64.06	64.06
10	Claims fully secured by residential property	55.99	27.99
11	Claims fully secured by commercial real estate	11.72	11.72
12	Past Due Claims	409.66	495.91
13	Capital Market Exposure	151.15	188.94
14	Unlisted equity investments and regulatory capital instruments issued by other banks (other than those deducted from capital) held in banking book	-	-
15	Investments in venture capital	-	-
16	Investments in premises, plant and equipment and all other fixed assets	248.20	248.20
17	Claims on all fixed assets under operating lease	-	-
18	All other assets:		
	i) Claims on GoB & BB	86.34	-
	ii) Staff Loan/Investment	15.66	3.13
	iii) Cash items in the Process of Collection	-	-
	iv) Claims on Off-shore Banking Unit (OBU)	57.95	57.95
	v) Other Assets (net off specific provision, if any)	143.08	143.08
	Grand Total	10271.51	5832.20

Credit Exposure by Risk Weight: Bank needs more capital for assets where risk weight is higher and the below table shows our assets under three main risk weight bands.

(Tk. In Crore)

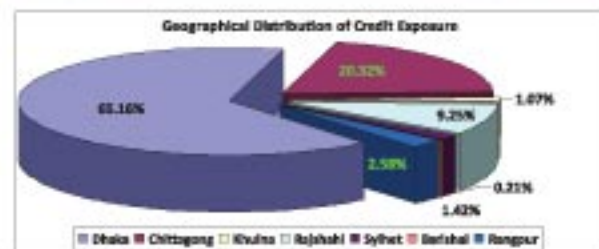
Particulars	Credit Exposure		
	Balance Sheet	Off-Balance Sheet	Total
Less than 100% risk weight	6,539.93	583.41	7,123.34
100% risk weight	1,144.33	74.18	1,218.51
More than 100% risk weight	2,587.25	543.92	3,131.17
Total	10,271.51	1,201.51	11,473.02



Geographical Distribution of Credit Exposure: Our business is concentrated in two major cities- Dhaka and Chittagong as country's business activities are concentrated in these two locations. The following table shows credit exposure in different divisions:

(Tk. In Crore)

Sl. No.	Divisions	Credit Exposure	Percentage
1	Dhaka	4409.06	65.16%
2	Chittagong	1374.76	20.32%
3	Khulna	72.41	1.07%
4	Rajshahi	626.10	9.25%
5	Sylhet	95.94	1.42%
6	Barishal	14.10	0.21%
7	Rangpur	174.56	2.58%
	Total	6766.93	100.00%



Credit Exposure by Major Industry or Sector: Major sector wise credit exposure as on 31 December, 2013 was as below and the exposure amount remained within the appetite of the bank.

(Tk. In Crore)

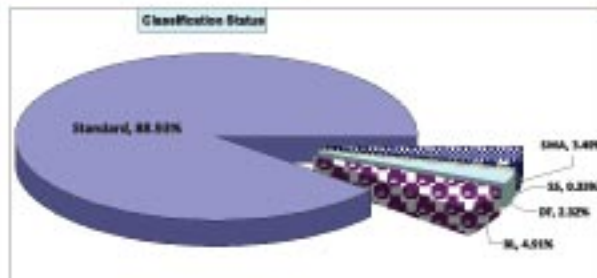
Sl. No.	Sectoral Structure of Lending	Outstanding as on 31.12.2013	As % of Total Loans & Advances
1)	Agriculture and Agro-based Industry	119.90	1.77%
2)	RWG	447.97	6.62%
3)	Textile	289.39	4.28%
4)	Ship Building	0.00	0.00%
5)	Ship Breaking	120.21	1.78%
6)	Other Manufacturing Industry	1335.01	19.73%
7)	SME Sector	404.89	5.98%
8)	Construction	504.00	7.45%
9)	Power, Gas	30.46	0.45%
10)	Transport, Storage and Communication	330.81	4.89%
11)	Trade Service	1760.61	26.02%
12)	Commercial real estate financing	85.94	1.27%
13)	Residential real estate financing	50.36	0.74%
14)	Consumer Credit (i.e. Auto/vehicle loans for personal use, personal loans, any purpose loans etc.)	246.79	3.65%
15)	Capital Market (loan provided for brokerage or merchant banking, to stock dealer or any kind of capital market activities)	74.03	1.09%
16)	Credit Card	17.33	0.26%
17)	Non-bank financial institutions	48.08	0.71%
18)	Bank Acceptance (i.e. LDBP, FDBP)	808.78	11.95%
19)	Others	92.36	1.36%
	Total Loans & Advances	6766.93	100.00%

Residual Contractual Maturity of Loans and Advances:

Particulars	Amount in Crore TK.
Up to 1 Month	1,683.81
More than 1 Month to 3 Months	1379.52
More than 3 Months but not more than 1 year	2,120.49
More than 1 year but not more than 5 years	1,316.32
More than 5 years	266.79
Total	6,766.93

Non Performing Assets: Total non-performing loans and advances was BDT 513.38 crore as on 31.12.2013 while it was BDT 533.79 crore in 2012.

(Tk. In Crore)		
Classification Status	% of Total Loans	Outstanding
Standard	88.93%	6017.56
Special Mention Account (SMA)	3.49%	236.00
Sub-standard (SS)	0.35%	23.83
Doubtful (DF)	2.32%	157.16
Bad/Loss (B/L)	4.91%	332.39
Total	100.00%	6766.93



Movement of Non Performing Assets: The closing volume of non performing loans and Advances was BDT 448.96 crore while it was BDT 533.79 crore in the opening balance of the year 2013. Movement of non performing assets during the year is presented in the following table:

Particulars	Tk in Crore
1. Opening balance as on 01 January 2013	533.79
2. Additions during the year	218.42
3. Reductions during the year	238.83
4. Closing balance as on 31 December 2013	513.38
Non Performing Assets (NPAs) to Outstanding Loans and advances	7.59%

Movement of specific provisions for NPAs is presented in following table:

Particulars	Tk in Crore
1. Opening balance	169.83
2. Provisions made during the period	55.67
3. Write-off	0.00
4. Write-back of excess provisions	0.00
5. Closing balance	225.50

EQUITY POSITION RISK

Equity Risk: Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money. Investment of JBL in equity securities is broadly categorized into two parts: Securities (Shares-common or preference, Mutual Fund) that are traded in the secondary market (trading book assets) and Un-quoted securities that are categorized as banking book assets.

The capital charge for equities would apply on their

current market value in bank's trading book. This capital charge for both specific risk and the general market risk will be at the rate of the required minimum capital adequacy ratio. This is applied to all instruments that exhibit market behaviour similar to equities. The instruments covered include equity shares, whether voting or non-voting, convertible securities that behave like equities, for example: units of mutual funds, and commitments to buy or sell equity.

Quantitative Disclosures:

Total Investment in Capital Market

Investment in Capital Market	Amount	Total of Capital Components as stated in the last audited Balance Sheet (31.12.2012)				% of Investment in Capital Market to total prescribed Capital Components
		Paid up	Statutory Reserve	Retain Earnings	Share Premium	
a) Shares	16.13					
b) Mutual Fund/Fund	0.67					
c) Bonds/Debtsecurities	-					
d) Loan to own subsidiary/subsidiaries	50.00					
e) Loan to others for merchant banking and brokerage activities	83.51	448.75	213.96	83.46	-	726.17 45.52%
f) Loan to Stock Dealer	-					
g) Placement/others	40.04					
h) Equity Investment in Subsidiary	140.00					
Total	330.55					

Capital requirements for equity position risk:

(Tk. In Crore)				
Sl. No.	Particulars	Amount (Market Value)	Weight	Capital Charge
		2	3	4=(2X3)
a)	Specific Risk :	20.17	10%	2.02
b)	General Market Risk:	20.17	10%	2.02
	Total			4.04

INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

Interest rate risk is the potential that the value of the on-balance sheet and the off-balance sheet positions of the bank would be negatively affected with the change in the interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa.

Interest rate risk in the banking book arises from mismatches between the future yield of an asset and their funding cost. The Bank assess interest rate risk in earning perspective which is traditional approach to interest rate risk assessment and obtained by measuring the changes in the Net Interest Income (NII) on Net Interest Margin (NIM) i.e. the difference between total interest income and the total interest expenses. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis. Duration Gap analysis is one of the technique by which JBL measures interest rate risk in the banking book on a quarterly basis. Duration is the measure of a portfolio's price sensitivity to changes in interest rates.

Quantitative Disclosures:

The impact of interest rate movement:

(Tk. In Crore)

Particulars	< 3 months	3-6 months	6-12 months
Total Rate Sensitive Assets	3090.49	1188.47	1279.33
Total Rate Sensitive Liabilities	4550.43	1652.11	625.06
Gap	-1459.94	-463.64	654.27
Cumulative Gap	-1459.94	-1923.58	-1269.31
Regulatory Capital	925.98	925.98	925.98
Total RWA	8342.14	8342.14	8342.14
CAR before Shock	11.10%	11.10%	11.10%

Interest Rate Stress Test	Minor	Moderate	Major
Assumed Increase in Interest Rate	1.00%	2.00%	3.00%
Net Interest Income Impact: <12 months	-12.69	-25.39	-38.08
Tax Adjusted Impact	-7.30	-14.60	-21.90
Capital after Shock	918.68	911.38	904.08
CAR after Shock	11.01%	10.93%	10.84%
Change in CAR after Shock	-0.09%	-0.17%	-0.26%
Duration GAP	1.04	1.04	1.04
Change in Market Value of Equity	-100.57	-201.14	-301.71
Tax Adjusted Loss	-57.83	-115.66	-173.48
Regulatory Capital (after shock)	868.15	810.32	752.50
Total RWA(after shock)	8073.53	8073.53	8073.53
CAR after Shock	10.75%	10.04%	9.32%

MARKET RISK

Market risk is the risk that the value of a portfolio, either an investment portfolio or a trading portfolio, will decrease due to the change in value of the market risk factors. The four standard market risk factors are stock prices, interest rates, foreign exchange rates and commodity prices. The objectives of our market risk policies and processes are to obtain the best balance of risk and return whilst meeting customers' requirements. The primary categories of market risk for the bank are:

Interest Rate Risk: The risk of loss resulting from changes in interest rates. As a result of mismatch of

interest rates on its assets and liabilities and/or timing differences in the maturity thereof.

Foreign Exchange Risk: It is the risk to earnings and capital arising from adverse movements in currency exchange rates. It refers to the impact of adverse movement in currency exchange rates on the value of open foreign currency position and. There are also the risk of default of the counter parties and settlement risk.

Equity Risk: It is risk that results from adverse changes in the value of equity related portfolios.

Commodity Price Risk: Commodity price risk arises from changes in commodity prices and implied volatilities in commodity options, covering energy, precious metals, base metals and agriculture. Currently we do not have any exposure in commodity financing.

Market Risk Management:

To manage, monitors & control the above risks the Bank has Risk Management Committee & Asset-Liability Committee comprising the Divisional Heads and Seniors Executives and Mid Office etc. They set in every month to discuss the matters and takes immediate steps as and when required to mitigate the issues.

To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Among the ratios, the key ratios that ALCO regularly monitors are Liquid asset to total assets, Volatile Liability dependency ratio, medium term funding ratio and short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio.

To manage exchange rate risk, bank always keep its net open position within the limit set by central bank. Also to manage exchange rate risk in cross currency, bank always square its position in cross currency or convert its exposure to USD. For monitoring and controlling the risk Bank has made contacts with several foreign banks and closely monitors the incoming and outgoing sources & payment schedule of foreign currency.

Quantitative Disclosure:

Capital Required for Market Risk:

(Tk. in Crore)

Particulars	Amount
Capital requirements for:	
- Interest rate risk;	46.05
- Equity position risk;	4.03
- Foreign exchange risk; and	8.26
- Commodity risk	-
Total Capital Required for Market Risk	58.34

OPERATIONAL RISK

Operational Risk is defined as the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputation risk.

The operational risk may be of this following category:

- Internal Fraud.
- External Fraud.
- Employment practices & work plan.
- Clients, products & business practice.
- Damage of physical assets.
- Business disrupt & system failure.
- Execution, delivery & process management.
- Legal risk.

Potential External Events:

External Events that means theft of information, Hacking Damage, Third party Theft & Forgery. The Risk Management Unit of our Bank reviews the external fraud monthly basis and takes necessary action against any of the above External events.

Policies and processes for mitigating operational risk:

The Bank developed a Risk Management Committee and Supervisory Review Committee for reviewing and managing operational risk as well as evaluating of the adequacy of capital. It includes policies outlining the bank's approach to identifying, assessing, monitoring and controlling/mitigating the risk.

Quantitative Disclosure:

Capital Required for Operation Risk:

Basic Indicator Approach As on 31.12.2013

(Tk. In Crore)

Sl.	Operational Risk	2013	2012	2011	Capital Charge (15% of Gross Income)
1.	Gross Income	645.78	573.01	500.78	85.98
2.	Last 3 years Average Annual Gross Income		573.19		



Corporate Governance

Jamuna Bank recognizes the importance of good corporate governance as a major factor in enhancing the efficiency of the organization. The Bank therefore conducts its business in line with the principles of good corporate governance, which form a basis for sustainable growth.

In order to maintain the Bank's solid financial status, to achieve ongoing positive performance results and to sustain its good reputation, the Bank is committed to conducting its business in a prudent manner by setting up sufficient and appropriate internal controls and risk management systems in accordance with the principles of good corporate governance.

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The board of Directors supports and encourages the adoption and implementation of good corporate governance principles in a prudent manner suited to the Bank's environment and situation, the monitoring of the implementation of the good corporate governance policy, together with the code of conduct and business ethics, as well as the review and revision of principles and relevant practical guidelines and directions so that they remain appropriate.

RIGHTS OF SHAREHOLDERS AND EQUITABLE TREATMENT OF SHAREHOLDERS

The Bank is fully committed to ensure that fair treatment is extended to all shareholders and proactive communications is practiced at all times with all shareholders. In this respect, it aims to ensure that shareholders have the opportunity to exercise their rights fully and fairly in an informed manner, such as the rights to sell, purchase, or transfer shares, access to the Bank's information, fair distribution of profits, and attendance of the meeting to cast votes, express opinions and comments, and to make decisions on important matters.

The Bank is holding its annual general meeting of shareholders within specified time. Meetings of shareholders other than general meeting are called extraordinary general meetings.

The Bank is holding its annual general meeting of shareholders within specified time. Meetings of shareholders other than general meetings are called extraordinary general meetings. The Board can convene extraordinary general meetings at any time it deems fit.

To convene Annual General Meeting of Shareholders, the Bank sent notice of meeting in which each agenda item was clearly identified whether it was for acknowledgement or consideration together with recommendations of the Board as well as information supporting documents which comprised of the criteria of the meeting attendance, voting, proxy granting of shareholders together with the annual report. This allows shareholders to have time to study the information before hand.

In accordance with the regulatory requirements, notice was published in the daily newspapers. On the day of the Meeting, various measures were taken to facilitate effective participation by the shareholders or proxy holders.

The Bank also published the annual report, notice and other supporting documents well ahead of the meeting as per prevailing laws/regulations on the Bank's website. Furthermore, in accordance with regulatory requirements, abridged version of annual half yearly financial statements, notice was published in the daily newspapers. On the day of the Meeting, various measures were taken to facilitate effective

participation by the shareholders or proxy holders, including assigning staff to verify their related credentials to preserve the rights and equitable treatment is offered to all shareholders. Registration of attendees was conducted through a computerized system. The shareholders and proxy holders had the opportunity to register. The Bank prepared proxy forms and details on proxy granting for shareholders who have appointed proxies to attend the Meeting on their behalf. The proxy form and details on proxy granting were submitted together with the meeting notice to all shareholders.

During annual general meeting, the Company Secretary read out the agendas and the Chairman of the Board provide assurance to the shareholders regarding their opportunity to speak, raise any issues or make recommendations. At the meeting, the Chairman of the Board and Managing Director answers or clarifies related issues clearly and comprehensively. The issues, which are raised and thereupon the recommendations in respect of such issues are recorded in the meeting report. After the Meeting of shareholders, the report of the Meeting are prepared in an accurate and precise manner, and included a summary of issues raised and clarifications or views provided. The reports are submitted to the regulatory bodies within specified time.

In relation to preventive measures against internal use of information by the Board, management and employees, the Board recognizes the importance of preventing the use of internal information of the Bank for personal gains.

In relation to preventive measures against internal use of information by the Board, management and employees, the Board recognized the importance of preventing the use of internal information of the Bank for personal gains. The Bank has put in place measures to prohibit unauthorized disclosure of material, which is non-public information. Members of the Board, Management and employees are to refrain from using information that has become privately known to them for personal gains or for the interest of other persons seeking information dishonestly to conduct competing business with the Bank.

ROLE OF STAKEHOLDERS

The Bank place great importance with regard to the rights of all stakeholders including directors, executives, officers, employees, shareholders, clients, business partners and the relevant authorities.

The Bank has developed processes and operating systems, using modern technology as appropriate, and has provided knowledgeable and skilled personnel to ensure that customers receive the best possible service.

CLIENTS

The Bank takes seriously its commitment to provide clients with high-quality products and services while safeguarding their interests and accord them fair treatment in all aspects of their dealings with the Bank. In this regard, the Bank has developed processes and operating systems, using modern technology as appropriate, and has provided knowledgeable and skilled personnel to ensure that customers receive the best possible service. The Bank is continually expanding its network of branches, ATMs nationwide, protecting customer information, and managing and duly rectifying complaints. The Bank is equipped to efficiently handle client complaints and queries through a 'Cell'. To effectively manage complaints, the Cell maintains a database of client complaints and classifies them according to source and type. A report is prepared and forwarded to the Office of the Managing Director, the Internal Control & Compliance Division and other relevant offices, to resolve any complaints in an effective, fair and coordinated and timely manner. Client confidentiality is strictly observed at all time.

REGULATORY BODIES & SHAREHOLDERS

The Bank recognizes the critical importance of ensuring systems and processes are in place to provide assurance of effective and efficient operations, internal controls and compliance with laws and regulations. Business conduct and ethics related policies are implemented and employees are governed by these policies. The Bank is focused on creating and delivering sustainable shareholder value, protection of assets and providing all shareholders with fair treatment whilst allowing them to exercise their rights fully and fairly in an informed manner.

JBL consistently offers training and support, provides staff with the opportunity to enhance their performance and career development options. Such efforts will support the Bank's sustainable growth and expansion plans in an increasingly competitive marketplace.

EMPLOYEES

The Bank believes in fair treatment accorded to all employees and is fully committed in enhancing the quality of its human capital. In this context, the Bank consistently offers training and support, provides staff with the opportunity to enhance their performance and career development options. Such efforts will support the Bank's sustainable growth and expansion plans in an increasingly competitive market place. To support sustainable development and growth of the Bank's operations, the guidelines are based on good relationships and cooperation between the Bank and staff.

The Bank provides good security for the premises using standard systems and equipment for security control and by providing appropriate security guards. The Bank provides suitable workplaces that encourage staff to perform their work efficiently and effectively taking into consideration workplace safety and health.

The Bank provides suitable workplaces that encourage staff to perform their work efficiently and effectively taking into consideration workplace safety and health.

The Bank provides various welfare systems such as healthcare (free of cost & reduced rate, in this respect corporate agreement with Popular diagnostic Center & Anwer Khan Modern Hospital has been made), gratuity fund and provident funds.

The Bank's Human Resource Management is charged with the duty of proposing human resource management policy as well as its opinions on enhancement of staff knowledge and potential including development, training, work rotation, promotion, development and human resource development plans. Staffs are provided with orientation and knowledge and skill development programs. The Bank allocates a budget for providing more than 100 internal and external training and development programs throughout the year to help enhance the knowledge, ability, working skills, and managerial and other technical skills of its staff. The Bank has developed its own care training courses to provide the necessary knowledge and skills required for most members of staff, and for certain key functions within the Bank. The Bank has also developed various courses for the development of employees such as:

- General development training courses, including techniques for effective leadership, time management, and analytical and report-writing techniques:
- Training courses for specific job positions, for example customer service officer, marketing officer, branch manager and credit officer. The courses arranged by the Bank covering all areas of banking

CREDITORS AND BUSINESS PARTNERS

The Bank is committed to maintaining high standards of business conduct in compliance with all applicable laws and regulations. The Bank conducts business with its creditors and business partners fairly and in compliance with the relevant laws and regulations.

JBL is committed to conduct business in a fair and confidential manner while protecting the reputation of its competitors and ensuring best legal and ethical practices in the Bank.

COMPETITORS

The Bank recognizes the importance of a fair and competitive business environment. It is committed to conduct business in a fair and confidential manner while protecting the reputation of its competitors and ensuring best legal and ethical practices in the Bank.

- The Role and Responsibilities of the Board of Directors
The Board of Directors is the body responsible for corporate governance, devising policies, determining objectives and playing a role of stewardship on behalf of shareholders to manage the Bank's operations smoothly, mitigate any untoward adverse situations and monitor the Bank's performance effectively and efficiently to maximize shareholders' wealth.

The functional areas of the Board include, but not limited to, approving suitable business policies, fixation of operational budgets, approval of financial statements, review of Bank's operational performance towards achievement of objectives and approval of policies and operational manuals to establish effective risk management in core banking areas.

The Board of Directors is the body responsible for corporate governance, devising policies, determining objectives and playing a role of stewardship on behalf of shareholders to manage the Bank's operations smoothly.

The functions of the Board also include reviewing company's corporate governance standard for further improvement, determining Bank's corporate social responsibility status and taking steps for its improvement, developing compliance culture in the Bank, approving proposals beyond the delegated business/financial/administrative powers of the Management, Executive Committee of the Board, appointment of the Chief Executive Officer and fixation of his benefits etc.

The directors of the Bank except the Managing Director retire by rotation in accordance with the provision of law.

- The basic responsibility of the Board is to exercise business judgment in good faith, in a manner that they reasonably believe to be in the best interests of the Bank, while complying with the applicable laws and regulations, the Bank's Articles of Association and resolutions adopted by the shareholders.

- To set the direction, vision and policies of the Bank and to determine objectives and strategies to ensure the effective discharge of the Bank's functions and the most efficient use of the Bank's resources.
- To seek individuals from diverse professional backgrounds combined with a broad spectrum of experience and expertise with a reputation for integrity for appointment to management positions.
- To review and approve, together with the Management, specific financial objectives such as budgets proposed by Management.
- To delegate responsibility for day-to-day management to the Management based on agreed targets and objectives except when the matter warrants the Board's attention.
- To determine issues to be brought to its attention by Management.
- To require the Management to discharge its duties based on the Bank's strategic objectives and to regularly communicate those strategic objectives to the staff at all levels.
- To require the Management to comply with all relevant laws and regulations as well as the terms and conditions of various agreements.
- To ensure that the Bank has in place effective systems of risk management.

To ensure that the Bank has in place effective internal controls; formulate and implement a well-defined conflict of interest policy; put in place policies and processes requiring Management and other concerned parties to refrain from using confidential information for personal gain; evaluate and provide assurance on the effectiveness of the Bank's internal controls at the end of every year.

It shall also be responsible for approving all matters which require its approval, or recommending them to the shareholders for approval, as it deems fit, based on the following principles:

- Act in the best interest of the Bank
- Exercise sound and prudent judgment; and
- Decide rationally and impartially without consideration of personal gain.
- Exercise due care and diligence by taking all the steps that he or she ought to take as a Director

- Make informed decisions; and
- Pose intelligent questions.
- Act in good faith
- Make impartial decisions, avoid the possibility of appearance of any conflict of interest and
- Avoidance of abuse of power or authority by using classified information for personal gain.

The Management and employees must comply with code of conduct when interacting with the Bank's clients, shareholders, employees, and business partners/debtors.

- Leadership and Vision

The Board of Directors consists of individuals from diverse professional backgrounds with a broad spectrum of experience, expertise and high standards of business ethics. The roles of the Board, including the appointment and removal of directors, are set out in the Articles of Association. The Board is committed to maintaining the highest standards of corporate governance and has a good understanding of the Bank's business and affairs.

It is responsible for ensuring independent oversight of internal control and risk management while providing an objective assessment of Management in the execution of the Bank's policies and strategies.

- Ethics and Conflict of Interests

The Management and employees must comply with code of conduct when interacting with the Bank's clients, shareholders, employees, and business partners/debtors.

Great emphasis is also placed on their responsibilities for environment, society and competitors, preservation of client confidentiality, honesty, fairness, professional integrity, business capacities, strict compliance with laws and regulations, as well as cooperation with regulatory agencies. In performing their duties, employees are required to adhere to the principles of good corporate governance, use good judgment, act in compliance to rules and regulations and ensure that the Bank discharges its legal and regulatory responsibilities accordingly. Alleged breaches are investigated in accordance with set procedures, and disciplinary penalties are imposed if any employee is found guilty of a breach of conduct.

The Bank has in place policies to prevent conflicts of interest, connected transactions or related-party transactions. These include:

- A policy for the consideration of the granting of credits and investments to and undertaking contingent of liabilities or other credit-like transactions with the Bank's major shareholders, or businesses with beneficial interest to directors or persons with managing authority of the Bank, which must adhere to the terms stipulated by the Bangladesh Bank, Any such grant must be approved unanimously by the Board and no director or person with managing authority who benefits from the granting of credits and investments and the undertaking of contingent liabilities or other credit-like transactions can take part in the decision-making process.
- A policy for undertaking major transactions. Major transactions include agreements to undertake connected transactions and/or agreements to undertake transactions to acquire or dispose of major assets and/or rights to acquire or dispose of the Bank's major assets. The Bank must comply with requirements of related regulatory bodies.
- Ensure that the transaction is legitimate and is in the best interest of the Bank, that the terms and conditions of the said transaction are not different from similar transactions entered into with unrelated parties; and
- Ascertain that the procedures for considering and approving any given transaction are fair, transparent, and verifiable.

Sufficient information on the transaction must also be disclosed to investors as per requirement of laws.

Connected transactions must be approved by the Board. Persons who review or recommend the transaction for approval must not have any interests in the said transaction. Directors with any material interest in the transaction are not allowed to take part in the discussion relating to such transaction or vote on the matter.

The Board conducts an annual evaluation of its performance, when it also reviews problems and obstacles, and makes suggestions to increase the Bank's operational efficiency.

- Related Transactions

As of 31 December 2013, the Bank recorded business

transactions with its Directors and subsidiary companies. These transactions have been concluded under commercial terms and based on mutual agreement on the criteria involved in the ordinary course of business between the Bank and its subsidiary company.

- Board Meeting

Board meeting are scheduled at least once in every month. In addition to the scheduled Board meeting, further Board meeting may also be held as and when they are required. The Board secretary is responsible for providing all Directors with the agenda, supporting papers and relevant information for each meeting seven days before the meeting, to give the Directors advance notice of the business to be transacted. The Secretary is also responsible for taking the minutes of each meeting and preparing the meeting report, which is signed by the Chairman of the Board and filed.

- Board Performance Review

The Board conducts an annual evaluation of its performance, where it also reviews problems and obstacles, and makes suggestions to increase the Bank's operational efficiency.

- Selection, Appointment and Removal of directors

The members of the Board of directors are elected as per Bank's Articles of Association. The members are appointed to take charge of selecting and nominating qualified persons who have no disqualifications according to the law for appointment as directors before submitting to the meeting of the shareholders for approval and appointment. This is compliant with the rules and procedures on appointment and removal of directors as specified in the Bank's Articles of Association as well as guidelines of regulatory bodies time to time issued in this respect.

- Remuneration of Directors

The Bank discloses information on the remuneration of its Directors and Senior Executives in compliance with the circular/notification time to time issued by the regulatory bodies. Each Board member get Tk. 5,000.00 (five thousand) only as Meeting Attendance Fee and members who are living outside Dhaka get Traveling & Daily Allowance as per policy approved by the Board.

JBL discloses information on the remuneration of its Directors and Senior Executives in compliance with the circular/notification time to time issued by the regulatory bodies.

- Internal Controls

The Bank has implemented various initiatives in order to establish an internal control system which is in line with the International Standards on Auditing (ISA), International Financial Reporting Standards (IFRS) & International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as per Bangladesh Bank core risk guideline. The Bank has prescribed duties for its committees and units as follows:

The Internal Control & Compliance Division is responsible for auditing the various Branches and Divisions /Departments of Head Office of the Bank under the supervision of the Audit Committee.

The Compliance Unit is responsible for providing clarification of the rules and regulations issued by relevant authorities as well as ensuring that the Bank complies with relevant laws and regulations.

With regard to risk management, the Bank recognizes the importance of controlling and managing risks that may arise in the course of doing business and has followed the risk management policy and guidelines as recommended by the Bangladesh Bank. The Bank's Risk Management Committee is charged with the responsibility of establishing and proposing to the Board of Directors the policy for overall risk management as well as supervising and monitoring to ensure that the management of risks is within the guidelines of the established policy.

To undertake the regular task of managing the Bank's assets and liabilities in such a way that market risk-which arises from the movement of interest rates, exchange rates and prices - is maintained within an acceptable level with minimal volatility.

COMMITTEES

The Board of Directors has set up committees to closely monitor and oversee the Bank's operations, and reports the progress to the Board of Directors on a regular basis. These committees include the Executive Committee, Audit Committee & Risk Management Committee :

The Bank recognizes the importance of controlling and managing risks that may arise in the course of doing business and has followed the risk management policy and guidelines as recommended by the Bangladesh Bank.

EXECUTIVE COMMITTEE

The Board has set up the Executive Committee as per Guideline of Bangladesh Bank to deliberate important management issues and matters for execution of operations of the Bank. The Committee performs

within the power delegated to it by the Board of Directors. The Committee is composed of 7 (seven) members. The Chairman of Executive Committee has been selected from the members of the said Committee for a period of two months.

Details of Members of Executive Committee along with their duration are given here:

From January, 2013 to May, 2013

Engr. A. K. M. Mosharraf Hussain	-
Engr. Md. Atiqur Rahman	-
Mr. Md. Tajul Islam	Chairman for January to May
Mr. Md. Belal Hossain	-
Mr. Md. Mahmudul Hoque	-
Mr. Shaheen Mahmud	-
Mr. Gazi Golam Murtoza	-

From June, 2013 to October, 2013

Al-haj M. A. Khayer	-
Engr. A. K. M. Mosharraf Hussain	-
Engr. Md. Atiqur Rahman	-
Mr. Md. Tajul Islam	Chairman for June to October
Al-haj Md. Razaul Karim Ansari	-
Mr. Md. Mahmudul Hoque	-
Mr. Gazi Golam Murtoza	-

From November, 2013 to December, 2013

Al-haj M. A. Khayer	Chairman for November & December
Engr. Md. Atiqur Rahman	-
Al-Haj Nur Mohammed	-
Mr. Md. Tajul Islam	-
Mr. Sakawat, Abu Khair Mohammad	-
Mr. Md. Belal Hossain	-
Mr. Shaheen Mahmud	-

AUDIT COMMITTEE

Objective

To assist the Board of Directors with regard to the auditing of financial reports, internal controls and work in co-ordination with the Bank's external auditors.

Composition and Qualifications

The Audit Committee constituted with 5 (five) members of the Board as per BRPD Circular Letters of Bangladesh Bank. All the members of the Audit Committee are professionally sound, having understanding and profound knowledge in accounting, finance & banking. Chairman of the Committee is an Independent Director as on latest BSEC guideline.

From January, 2013 to October, 2013

Mr. A. S. M. Abdul Halim	Independent Director	Chairman (AC)
Mr. Kanutosh Majumder	Chairman (BOD)	Member
Al-Haj Nur Mohammed Mr. Sakhawat,	Director	Member
Abu Khair Mohammad	Director	Member
Mr. Md. Sirajul Islam Varosha	Director	Member

From November, 2013 to December, 2013

Mr. A. S. M. Abdul Halim	Independent Director	Chairman (AC)
Mr. Golam Dastagir Gazi, Bir Protik	Director	Member
Al-haj Md. Rezaul Karim Ansari	Director	Member
Mr. Md. Sirajul Islam Varosha	Director	Member
Mr. Md. Rafiqul Islam	Independent Director	Member

Authority and Responsibility

The Audit Committee is charged with the duty and responsibility of reviewing the Bank's financial reports to ensure that they are accurate and is adequately disclosed and to work in coordination with the external auditors and the executive in charge of financial reports preparation.

- It is responsible for ensuring that the Bank's internal control and audit systems are adequate, appropriate and effective by reviewing those systems with external auditors as well as internal auditors.
- Review quarterly, half yearly & annual financial statements.
- The internal Control & Compliance Division is responsible for auditing the various Branches and

Divisions/Departments of Head Office of the Bank under the supervision of the Audit Committee.

- The Compliance Unit is responsible for providing clarification on the rules and regulations issued by relevant authorities as well as ensuring that the Bank complies with relevant laws and regulations.
- Review statement of significant related party transactions submitted by the management.
- Review management letters/Letter of Internal Control weakness issued by statutory auditors.
- With regard to risk management, the Bank recognizes the importance of controlling and managing risks that may arise in the course of doing business and has followed the risk management policy and guidelines as recommended by the Bangladesh Bank. The Bank's Risk Management Committee is Charged with the responsibility of establishing and proposing to the Board of Directors the policy for overall risk management as well as supervision and monitoring to ensure that the management of risks is within the guidelines of the established policy.
- To undertake the regular task of managing the bank's assets and liabilities in such a way that market risk - which arises from the movement of interest rates, exchange rates and prices is maintained within an acceptable level with minimal volatility.

Meetings

The Audit Committee schedules meetings depending on circumstances to scrutinize matters as assigned by the Board of Directors. The Audit Committee held 14 meetings in 2013.

Reporting

The Audit Committee has a duty to report its performance to the Board of Directors, and produce and publish its report as part of the Bank's Annual Report.

The Audit Committee is primarily responsible for internal control, audit and financial reporting. It monitors implementation of policies on internal control and compliances and management actions to rectify audit objections. It actively reviews appropriateness of the accounting policies, annual internal audit plan, audit report, risk management of the Bank and Bank's technological needs. It also oversees the discharge of responsibilities of the external

auditors. The Committee time to time reports on its activities to the Board of Directors. If any significant deviation (s) was/were come to the notice of the Committee including the following findings, inform the Board of Directors of the Bank immediately upon receiving such findings.

- a. Report on Conflicts of interests.
- b. Suspected or presumed fraud or irregularity or material defect in the internal control system.
- c. Suspected infringement of laws, including securities related laws, rules and regulations.
- d. Any other matter, which should be disclosed to the Board of Directors immediately.

Risk Management Committee

To implement strategies, policies, action plans etc. effectively and efficiently, the board has constituted a Risk Management Committee (RMC) to assist the Board as per guideline of Bangladesh Bank. It monitors management's actions as regards to proper identification of risks as well as to ease the credit risk, foreign exchange risk, transactional risk, internal control and compliance risk, information & communication technology risk, operational risk, interest rate risk, liquidity risk and all other risk relating to Bank's operation by implementing the methodology/policy of measuring such risks. It also keeps close monitoring as regards to maintaining of capital adequacy, provision etc. against those risks.

The Risk Committee consists of five members. Pursuant to guideline of Bangladesh Bank and as approved by the Board, The current members are:

Sl. Name	Designation/Status in Board	Position in RMC
1. Mr. Kanutosh Majumder	Chairman	Chairman
2. Engr. A.K.M. Mosharrar Hussain	Director	Member
3. Mr. Fazlur Rahman	Director	Member
4. Mr. Md. Mahmudul Hoque	Director	Member
5. Mr. Gazi Golam Murtoza	Director	Member

As per guideline the Risk Committee requires to hold at least four meetings a year. In addition, the Risk Committee usually may convene additional meeting (s) throughout the year in order to appropriately discharge its responsibilities, if deem fit. The Chairman of the Risk Committee invites members of management or others to attend the committee meetings, as appropriate.

The Risk Committee's main duties are to assist the Board in assessing the different types of risk to which we are exposed, as well as our risk management structure, organization and processes. The Risk

Committee approves selected risk limits and makes recommendations to the Board regarding all its risk-related responsibilities, including the review of major risk management and capital adequacy requirements. The Risk Committee going to perform a self-assessment once a year where it would review its own performance and objectives and determines any special focus objectives for the coming year.

Risk management committee shall cover how to effectively and efficiently monitor the evolution of the company's risk management process, especially focusing on new and emerging risks and annually approve the corporation's risk policy, and annually review the corporation's risk management governance overview, liquidity and interest rate sensitivity risk policy, market risk policy, credit risk policy, and operational risk policy.

Risk committee, at least annually, reviews and approves the charters of the ALCO, credit committee, risk management committee. The committee shall also review and approve the company's significant risk assessment and risk management policies. In addition, the committee retains the ability to authorize management to develop and implement any additional policies relating to risk assessment and risk management.

Risk management committee in exercising its oversight role of financial, liquidity, market and operational risks, the committee is entitled to rely on management to assume the primary risk management function, including the responsibility to establish appropriate policies, practices and procedures.

Risk committee is responsible for activities such as risk framework, governance, firm appetite and profile, policies, and receiving and reviewing risk reports.

INDEPENDENT DIRECTORS

At the end of December 2013, the Board of Directors comprised 19 (nineteen) members, 4 (four) of whom was independent directors. The independent directors of the Bank are directors who have qualifications as specified in the Notification of the BSFC No. SFC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012. As per BSEC guideline, at least one fifth (1/5) of the Total number of directors in the company's board shall be independent directors and the independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM). In this respect, the recommendation of Board, the shareholders have appointed 4 (Four) nos. of Independent Directors in the 12th Annual General Meeting as per guideline, which also meets the requirement of the Bank Company Act, 1991 (Amended up to 2013).

BOARD STRUCTURE

Members of the Board comprise of professionals with diversified background. At present, there are 19 (Nineteen) Board members including 4 (Four) Independent Directors and Managing Director (ex-officio Director), which is within the framework set by the Bangladesh Securities & Exchange Commission (BSEC) in its revised guideline on Corporate Governance released on August 07, 2012. The election of Board members is done following the resolution of the Shareholders' Meetings, as set out in the bank's Articles of Association. The number of directors on the Board is determined by the meeting of shareholders and should not be less than 7 or more than 20. The structure of the Board of Directors and Board Committees is set in accordance with the laws/notifications issued by the regulatory bodies.

The Board appoints one of its directors to be the Chairman. In the interest of good governance, the roles of Chairman and Managing Director are separate, with each of them bearing clear and defined roles and responsibilities. The Board is responsible for the Bank's goals, policies and strategic direction while the Management assumes responsibility for the day-to-day operations.

Each director has a term of office as prescribed in the Articles of Association, i.e. at every annual general meeting; one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire. The retired directors may be re-elected.

MANAGEMENT COMMITTEES

The Bank is manned and managed by a team of efficient professionals headed by Mr. Shafiqul Alam, the Managing Director & CEO who has long 33 years' banking experience (both at home and abroad). The functions of the Board and the Management are clearly defined and sharply bifurcated. The Management implements and acts within the policies and manuals approved by the Board. A clearly defined organizational structure with definite lines of responsibility and delegation of powers to different echelons of the management are in place in the Bank. The management enjoys full freedom in conducting the business of the Bank within the scope of the policy guidelines of the Board and the regulatory bodies. However, the Board and the Management work in unison for the continued well being of the Bank. To streamline the functions of different

divisions/departments of the Bank, the following committees are actively working in the Bank:

Management Committee (MANCOM)

To address general issues of importance, evaluate different types of risks, monitor internal control structure and to review effectiveness of the internal control system, a management Committee (MANCOM) is working in the bank. It is composed of senior members of the Management. The Managing Director is the Chairman of MANCOM. The meeting of the MANCOM is held every month.

Management Committee (MANCOM) consists of:

Designation/Division	Status With the committee
Managing Director	Chairman
Deputy Managing Director	Member
Deputy Managing Director	Member
Deputy Managing Director	Member
Head of Credit Risk Management Division	Member
Head of Corporate Division	Member
Head of Human Resources Division	Member
Company Secretary	Member
Head of Internal Control & Compliance Division	Member
Head of Information & Communication Technology Division	Member
Head of Financial Administration Division	Member
Head of Treasury Division	Member
Head of International Division	Member
Head of Banking Operation Division	Member-Secretary

ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

The Committee consists of the Managing Director, Additional Managing Director, the Deputy Managing Directors and strategically important Divisional Heads of Head Office.

The Managing Director and in his absence the Additional/Deputy Managing Director (s) chairs the meeting of the Asset Liability Management Committee. The Committee is responsible for managing Balance sheet gap (minimize the mismatching between deposits and Loans & Advances), interest rate risk and liquidity risk of the Bank. The meetings of the Asset Liability Management Committee are held every month.

Name	Designation/ Position	Status
Mr. Shafiqul Alam	Managing Director & CEO	Chairman
Mr. Mirza Elias Uddin Ahmed	Deputy Managing Director	Member Secretary
Mr. Moslehuddin Ahmed	Deputy Managing Director	Member
Mr. A.K.M. Saifuddin Ahmed	Deputy Managing Director	Member
Mr. Md. Habibur Rahman	Sr. Executive Vice President	Member
Mr. Ahmed Sufi	Senior Vice President	Member
Mr. Ashim Kumar Biswas	Senior Vice President	Member
Mr. Md. Shah Alam	Vice President	Member
Mr. Md. Mehedi Hasan	Asstt. Vice President	Member

Details of the duties and responsibilities are as follows:

- * Ensure that the Bank is able to meet its cash flow obligations in a timely and cost effective manner even in times of financial market stress;
- * Ensure there is diversification of funding source and to avoid over dependence on volatile sources of funding;
- * Decide on the level of liquidity Reserves that needs to be maintained in the form of liquid Assets;
- * Ensure Compliance with the bangladesh Bank liquidity requirements and to periodically review all assumptions made as a consequence of this;
- * Approve the contingency funding plan and thereafter to monitor the liquidity management action triggers and the Early warning system of the Contingency Funding plan (CFP). periodically to review the CFP and ensure Operational readiness and testing;
- * Oversee the development of the stress test and the stress scenarios for Liquidity Risk and to ensure the Bank is able to meet its obligations under the stress situation;
- * Review all new product programs to ensure that the Liquidity Risk and Market Risk reflected in the banking books associated with such new products are properly recognized and managed;
- * Recommend the Risk and Returns objectives for the Banking Balance sheet to the Board and thereafter to approve the entire balance sheet subject related matters;
- * Review, evaluate and approve strategic hedging proposals within limits approved by the Board;
- * Provide guidelines for determining special interest rates for Business Groups, with the exception of Capital Markets and Treasury products,
- * Deliberate and decide on all FTP matters;
- * Analyze, review and evaluate the performance of each product focusing on profitability, volume and market share;

- * Review and track the performance of deposits based on accumulation of initiatives against targets for Retail Banking, SMF Banking and Corporate Banking;
- * Review and recommend the liquidity risk management policies for managing interest rate risk on banking books to the Board for approval.

CREDIT COMMITTEE (CC)

A Credit Committee headed by the Deputy Managing Director of the Bank has been constituted in the Head Office of the Bank for minute appraisal and quick disposal of credit proposals. The Head of Credit Division in Head Office plays an important role in the meetings of the Credit Committee.

Credit proposals that do not merit considerations are declined. Credit proposals that merit considerations in the opinion of the Credit Committee are presented before the Managing Director of the Bank for approval. The credit proposals that are beyond the delegated business power of the Managing Director are placed before the Executive Committee / Board of Directors for consideration/approval.

Credit Committee Consists of:

Name	Designation/ Position	Status
Mr. Mirza Elias Uddin Ahmed	Deputy Managing Director	Chairman
Mr. Moslehuddin Ahmed	Deputy Managing Director	Member
Mr. A.K.M. Saifuddin Ahmed	Deputy Managing Director	Member
Md. Habibur Rahman	Senior Executive Vice President	Member Secretary

RISK MANAGEMENT COMMITTEE (RMC)

The Bank has realized the significance of risk management covering both internal and external risk factors. Risk Management Committee has been appointed by the Board of Directors with relevant roles, duties and responsibilities defined and operations of which assessed to ensure conformity with the risk management plan in place. Risk Management Group is in charge of formulating risk management policy and procedures of the Bank.

Name	Designation/ Position	Status
Mr. Mirza Elias Uddin Ahmed	Deputy Managing Director	Chairman
Mr. Moslehuddin Ahmed	Deputy Managing Director	Member
Mr. A.K.M. Saifuddin Ahmed	Deputy Managing Director	Member
Mr. Md. Habibur Rahman	Sr. Executive Vice President	Member
Mr. Kh. Khalidur Rahman	Executive Vice President	Member
Mr. Md. Mukhlesur Rahman	Executive Vice President	Member
Mr. Ahmed Sufi	Senior Vice President	Member
Mr. Ashim Kumar Biswas	Senior Vice President	Member
Mr. Ahmed Nawaz	Senior Vice President	Member
Mr. Md. Shah Alam	Vice President	Member Secretary

Powers, Duties and Responsibilities

- * Allocation of risk capital and determination of global risk limits. Allocation of capital at risk (CAR) for different lines of businesses and for different categories of risks. In the process of allocating capital, the Committee seeks to ensure adequate diversification of risk and that the Bank has sufficient capital to cushion against stress scenarios;
- * Enhancing shareholder value through evaluation of risk-return profiles of business activities and ensuring that they are within the parameters set by the Board of Directors;

Risk Management policies

- * Review and recommend to the Executive Committee and Board of Directors for approval of appropriate risk policies so that the risk management framework is in line with corporate plans, best practices, and conforms to legal and regulatory requirements;
- * Recommendations on appointment of members to the various risk committees for Board's approval;
- * Evaluate and review proposals on new products, investments, businesses and product variations, and subsequently grant the approval in principle prior to operational readiness or recommendation to the Board of Directors for approval;
- * Establish and revise guidelines on operational risk management and to approve tools and methodologies for risk assessment and risk controls; also to review the adequacy of resources to manage operational risk.
- * Approve the guidelines and conditions for approval of any credit-related products of Corporate Banking, SME Banking, Retail Banking and subsidiaries; and the guidelines and conditions for investment in debt instruments or other financial instruments (the guidelines and conditions for investment in debt instruments with embedded derivatives must be proposed to the Board of Directors for approval);
- * Compliance, Enforce compliance with all risk policies and limits allocated by the various risk committees.
- * Risk identification and Measurement
- * Deployment of proper methodologies to identify and measure risks for all positions;
- * Set strategies to evaluate, monitor and control risks to be within a reasonable level;

- * Approve methodologies and loots for the measurement of credit risk, market risk and operational risk.
- * Maintenance of Asset Quality, Ensure to maintain asset quality through close monitoring of the processing and approval of new loans and the prompt recovery of Non-performing Loans;
- * Review contingency plans/business continuity management plans including business continuity plans of various departments of the Bank and its subsidiaries for implementation whenever necessary and to propose to the Board of Directors for approval;
- * Review and recommend the risk-related delegated authorities for the Bank to the Board for approval;
- * Review and recommend investment policies related to investment in equity, debt or other securities, to the Board for approval.

BASEL-II SUPERVISORY REVIEW COMMITTEE

Basel II supervisory Review Committee consists of the Managing Director, the Deputy Managing Director, Head of Treasury, Head of FAD, Head of Anti Money Laundering, Head of ICCD, Head of ID, Head of ICI and Head of Credit Division. The Committee is exclusively be assigned for reviewing the nature and level of risk relates to banking assets and planning for adequate capital framework, For this, the unit has developed their own review process document. A sound risk management process is the foundation for an effective assessment of the adequacy of a bank's capital position.

Basel-II Supervisory Review Committee consists of:

Name	Designation/ Position	Status
Mr. Shafiqul Alam	Managing Director & CEO	Chairman
Mr. Mirza Elias Uddin Ahmed	Deputy Managing Director	Member Secretary
Mr. Moslehuddin Ahmed	Deputy Managing Director	Member
Mr. A.K.M. Saifuddin Ahmed	Deputy Managing Director	Member
Mr. Md. Habibur Rahaman	Sr. Executive Vice President	Member
Mr. K.H. Kalidur Rahaman	Executive Vice President	Member
Mr. Ahmed Sufi	Senior Vice President	Member
Mr. Ahmed Nawaz	Vice President	Member
Mr. Ashim Kumar Biswas	Senior Vice President	Member
Mr. Md. Shah Alam	Vice President	Member
Mr. Abdul Awal Khan	Vice President	Member

Basel-II supervisory Review Committee (B2SRC) is performing the following factors;

- * Review the nature and level of risk being taken by the bank and how this risk relates to adequate capital levels.
- * Liable for ensuring that the formality and sophistication of the risk management processes are appropriate in light of the risk profile and business plan.
- * Analyze bank's current and future capital requirement in relation to its strategic objectives
- * Adopt strategic planning process for bank's capital needs, anticipated capital expenditures, desirable capital level, and external capital sources.
- * The Board and senior management reviews the capital planning to achieve its desired strategic objectives.
- * Responsible for setting the bank's tolerance for risks, establishes a framework for assessing the various risks.
- * Develops a system to relate risk to the bank's capital level, and establishes a method for monitoring compliance with internal policies.

COMPANY SECRETARY AND SECRETARY TO THE BOARD OF DIRECTORS

The Board has appointed Mr. Malik Muntasir Reza, Senior Vice president as the Company Secretary and Secretary to the Board of Directors and its Committees to assist the Board in fulfilling its tasks. Duties of the Secretary include providing advice and ensuring compliance with the applicable laws and regulations, which is consistent with the Corporate Governance Notification, as well as the following services;

- * Providing preliminary advice and recommendations pertaining to legal, regulatory, and governance issues and practices related to the Board.
- * Arranging Board and Shareholders' Meetings in accordance with the laws and the Bank's Articles of Association, preparing minutes of these meetings and monitoring compliance with the resolutions passed at those meetings.
- * Ensuring that corporate information disclosures to regulatory agencies are in accordance with laws and regulations.
- * Communicating with shareholders.
- * Maintaining the register of directors, shareholders, reports of Board meetings, stakeholder's reports and meeting notices.
- * Ensuring compliance with other rules and procedures as required by relevant laws and regulations.

- * Ensure of payment of dividend/fractional dividend/refund warrant to the respective accounts as per instructions.
- * Assist the regulatory bodies for conducting/discharging their duties (Bangladesh bank, BSEC, DSE, CSE, CDBL, NBR etc.).
- * Timely submission of regulatory compliances.

CHIEF FINANCIAL OFFICER (CFO)

The Board has appointed Mr. Ashim Kumar Biswas, Senior Vice President as the Chief Financial Officer (CFO) of the Bank. He attends the meetings of the Board of Directors as and when required. Duties of the CFO include the following, ensuring compliance with the applicable laws and regulations and Corporate Governance Notification:

- * Participate in developing new business, specifically: assist the CEO in identifying new funding opportunities, the drafting of budgets, and determining cost effectiveness of prospective service delivery.
- * Oversee the management and coordination of all fiscal reporting activities for the Bank including: organizational revenue/expense and Quarterly, Half yearly & Annual Accounts of the Bank/Financial statements, The Securities & Exchange Commission, Bangladesh Bank, sending of Statements and preparation of Returns to submit to the National Board of Revenue & VAT authority and other regulatory bodies and monitoring of organizational budgets.
- * Oversee all purchasing, payment of Bills.
- * Prepare and manage Employees' provident Fund, FGruity Fund, Social Security Fund.
- * Serve as one of the trustees and oversee administration and financial reporting of the organization's Savings and Retirement Plan.
- * Assist in the design, implementation, and timely calculations of incentives, festival bonus and salaries for the employees.
- * Oversee Accounts payable and Accounts Receivable.
- * Working as a Banker to the issue.
- * Ensure of payment of dividend/fractional dividend/refund warrant to the respective accounts as per instructions.
- * Working as a joint custodian of cash to meet up day-to-day expenses.
- * Assist the auditors of Bangladesh Bank, Statutory Auditors, Rating Agency, Income Tax & VAT officials and other regulatory bodies for conducting audit/discharging their duties etc.

HEAD OF INTERNAL CONTROL & COMPLIANCE DIVISION

Mr. Ahamed Sufi, Senior Vice President has been appointed as the Head of Internal Control & Compliance Division as per compliance of the applicable laws and regulations and Corporate Governance Notification. ICCD of the Bank comprises three departments (i) Audit and inspection Department, (ii) Monitoring Department and (iii) Compliance Department. As Head of ICCD he reviews and monitors Bank's internal Control and Compliance Risk.

Audit & inspection Department conducts inspection on Branches & different Divisions of Head Office as per Audit Plan duty approved by the Board of Directors. Monitoring Department reviews Quarterly Operation Reports, Loan Documentation Checklists etc. Compliance ensures full compliance of regulatory requirements including the directives of Bangladesh Bank (regulatory body), National Board of Revenue, the Securities and Exchange Commission, Registrar of Joint Stock Companies and firms, Ministry of Finance etc.

HOLDING OF POSITIONS IN SUBSIDIARY COMPANIES BY DIRECTORS OF HIGH-LEVEL EXECUTIVES

The bank complies with the regulation of the BSEC, which specifies that the Bank's not more than 50% of directors and senior executives must not hold positions in its subsidiaries. The Bank also requires its executives to seek approval from the Board for taking up a directorship in its subsidiaries. The Bank is going to appoint at least 1 (one) independent director on the Board of Directors of the subsidiary companies after appointment of independent director (s) by the shareholders in ensuing Annual General Meeting. The minutes of the Board meeting of the subsidiary companies are being reviewed by the Board of the Bank on regular interval.

Members of Jamuna Bank Capital Management Limited (Merchant Bank & a subsidiary of JBL), JBCML consists of:

Name	Designation/ Position in JBL	Status in JBCML	Remarks
Mr. Mirza Elias Uddin Ahmed	Deputy Managing Director	Chairman	Nominated by Bank
Mr. Chowdhury Mohammad Mohsin	Independent Director	Director	Nominated by Bank
Mr. Erfan Uddin Ahmed	-	Independent Director	Nominated by Bank
Mr. Chowdhury Golem Kibria	-	-	-
Mr. M.M. Mostafa Bilal	Vice President	Md. & CEO	Nominated by Bank

Members of Jamuna Bank Securities Limited (Brokerage House & a subsidiary of JBL), JBSL Consists of:

Name	Designation/ Position in JBL	Status	Remarks
Mr. Shafiqul Alam	Managing Director & CEO, JBL	Chairman	Nominated by Bank
Mr. Narayan Chandra Saha	Independent Director	Independent Director	Nominated by Bank
Mr. A.K.M. Saifuddin Ahamed	Deputy Managing Director	Director	Nominated by Bank
Mr. A.F Nurul Azem Khan	-	Independent Director	Ex-Managing Director Bangladesh Commerce Bank Ltd.
Mr. Mohammed Ali Chowdhury	-	Independent Director	Ex-General Manager, Pubail Bank Ltd.
Mr. Mohammad Senawar Hossain	CEO, JBL &	Managing Director & CEO (Acting)	Ex-Officio Director (Acting)

ORGANIZATION AND ENVIRONMENT

The Bank has structured its organization taking into account proper segregation of duties that will contribute to effective risk management and internal control as well as monitoring and audit systems. It has also consistently monitored the operations of its staff to be in line with the code of ethics and best practice in business operations with fair treatment of its customers. Short and medium-term business plans have been worked out to determine business strategy and framework, which are communicated to the staff at managerial levels bank-wide for their awareness and implementation to achieve the plans and targets set forth.

OVERSIGHT OF EXECUTIVE MANAGEMENT

The Bank has clearly defined, documented and regularly reviewed the scope of authority and responsibilities conferred on or delegated to executive officers at different levels. A clear division of responsibility between various management positions provides a mechanism for checks and balances between senior executives. Executive Management is required to bring to the attention of the Board any transactions that concern major shareholders, director, and senior executives or parties related to them. In addition, the Bank has put in place policies and procedures governing the approval of loans for or investment in businesses in which the Bank or its senior executives have material interest, including in relation to shareholders or senior executives. In addition to the above, the Bank has established the Compliance Department to provide oversight and support to ensure that the Bank conducts its businesses in compliance with all applicable laws and regulatory requirements. The applicable laws and regulatory requirements. The Internal Control & Compliance Division has been set up as an independent unit to examine and ensure all Bank activities are effectively and efficiently managed and operated.

INFORMATION AND COMMUNICATION INFRA-STRUCTURE

The Bank has established its accounting policies and procedures in line with Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS) as adopted by Institute of Chartered Accountants of Bangladesh (ICAB) that support the Bank's business requirements. It has developed and managed its information and database systems consistently so that significant information is accessible on an adequate and timely basis.

The document management system provides an effective tool for retrieving and storing important electronic documents appropriately and safely. In addition, The policies and procedures have been communicated to relevant staff at all levels.

FOLLOW-UP AND MONITORING SYSTEM

The Bank has put in place processes for monitoring and reviewing the implementation of activities against the bank's strategic objectives, procedures, relevant laws, regulations and internal control systems. The Bank prepares an annual business plan, which is periodically reviewed to ensure its effectiveness in a rapidly changing environment. The Audit Committee is committed to ensure that concrete actions are taken to execute recommendations and regularly monitors resolutions to ensure that any identified issues are brought to a satisfactory conclusion.

SUCCESSION PLAN

The bank is well aware of the necessity to operating the business efficiently and continuously. Thus, Human Resources Management Division is responsible for providing Succession Plans to ensure that the Bank identifies executives or talents as successors with appropriate training and development plans to prepare identified individuals to succeed key positions in case of unexpected conditions/situations with immediate effect.

ORGANIZATION & EMPLOYEES

As at 31 December 2013, the total staff strength of the bank amounts to 2178 employees.

Staff Development Programs and Human Resources Management Plans

The Bank will begin operation of its human Resource (HRM) software very shortly to manage key administrative processes in human resource management such as attendance Register, leave plans of the employees/applications, end service benefit, claim submissions, training, transfer & posting, salary and performance appraisals, The paperless system will

improve work efficiency. In addition to that, the Bank's HR Division has analyzed skills, knowledge, and capabilities of employees in different areas by making development plans together between staff and the Training team. This also includes development plans for the management.

Employee Benefits

Staff welfare and benefits have been significantly enhanced in 2013, in order to retain outstanding talent. This enhancement is also aimed at ensuring that benefits offered by the Bank-housing loan facilities, car loan facilities, personal loan facilities and other loan facilities are in line with other banks. To be an employer of Choice, The bank continues to develop more improvements in staff benefits, which are currently in the pipeline.

Training Course and Human Resources Development

In 2013, the Training Academy imparted training to 753 executives & officers and arranged workshops on different topics to 674 executives & officers, Alongside, Institute also arranged sessions on code of conduct of employees, manners, etiquettes and ethics in banking.

Responsibility towards the community and the environment

The Bank recognizes the importance of putting into practice the corporate social responsibility guidelines and principles generally accepted to be suitable for the economic and social environment of the country and the region. The Bank therefore supports undertakings, which contribute to the public, to the community and to society as a whole. The Bank is actively involved in a range of CSR activities, including blood donation, relief for affected people from natural disaster, distribution of blankets to the cold stricken people, free eye camp, Seminar on Anti Drug movement, Anti Drug Rally, Seminar on Importance of Holly Ramadan, Qiral Competition Program, Scholarship & Crest Awarding program among unprivileged but meritorious students and off springs of JBL employees who got GPA-5 in SSC & HSC, establishment of Jamuna Bank Old Home & Old Aged Rehabilitation Complex, establishment of Jamuna Bank After Care Centre, establishment of Sewing Machin Training Centre etc.

Disclosure and Transparency

The Board of Directors is responsible for the preparation of consolidated financial statements of the Bank and its subsidiary companies. It has assigned the Audit Committee to review the Bank's financial statements to ensure that they are accurate, credible and in line with accounting standard. A report from the Audit Committee on the financial statements has been included in this Annual Report.

The Bank recognizes the significance of the disclosure of important financial and non-financial information, including the Annual Report. The Bank has disclosed such information to investors and involved parties across a variety of channels and media, namely sending information to shareholders by director mail, holding press conferences and sending out press releases, including disseminating information through the Stock Exchanges and on its website. These initiatives include:

Dissemination of Bank's information and maintaining good communications with investors/stakeholders through media and other ways. Reports on financial results and material transactions are made in an accurate, fair, and transparent manner and in compliance with the applicable laws and regulatory requirements.

The dissemination of information to the general public via the media when financial results are announced.

Counter parties

The bank believes that counterparties play a significant role in supporting its business, and undertakes to honor its trade conditions and agreements with counterparties based on mutual good understanding and cooperation together with recognition of the basis for fair competition and market practice, as well as other widely accepted practices relating to the bank's business undertakings.

Certificate on Compliance of Conditions of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission to the Shareholders of Jamuna bank Limited and its Subsidiaries

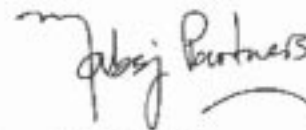
We have examined the compliance of conditions of Corporate Governance Guidelines of Jamuna Bank Limited and its Subsidiaries, for the year ended 31 December 2013, as set by Bangladesh securities and exchange Commission August 2012 and subsequently amended through their notification SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2cc of the Securities and Exchange Ordinance, 1969.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the bank and its subsidiaries for ensuring the compliance of the conditions of Corporate Governance Guidelines it is neither an audit nor an expression of opinion on the financial statements of the bank and its subsidiaries.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the bank and its subsidiaries have complied with the conditions of Corporate Governance guidelines. It is neither an audit nor an expression of opinion on the financial statements of the bank and its subsidiaries.

We further state that such compliance is neither an assurance as to the future viability of the bank and its subsidiaries nor the efficiency or effectiveness with which the management has conducted the affairs of the bank and its subsidiaries

Dhaka, 06 April 2014



MABS & J Partners
Chartered Accountants

ANNEXURE- I

21 Nos. of Board Meetings were held in 2013. Details of attendance of Directors in the Board meetings are as follows:

Sl. No	Name of the Member	Total Meeting Held	Meeting Attended
1.	Mr. Kanutosh Majumder, Chairman (BOD)	21	18
2.	Al-Haj M. A. Khayer, Director	21	14
3.	Engrt. A. K. M. Mosharraf Hussain, Director	21	20
4.	Engr. Md. Atiqur Rahman, Director	21	20
5.	Mr. Golam Dastagir Gazi, Bir Protik, Director	21	19
6.	Mr. Fazlur Rahman, Director	21	11
7.	Al-Haj Nur Mohammed, Director	21	20
8.	Mr. Md. Tajul Islam, Director	21	20
9.	Mr. Sakhawat, Abu Khair Mohammad, Director	21	12
10.	Al-Haj Md. Rezaul Karim Ansari, Director	21	17
11.	Mr. Md. Belal Hossain, Director	21	14
12.	Mr. Md. Mahmudul Hoque, Director	21	17
13.	Mr. Shaheen Mahmud, Director	21	12
14.	Mr. Md. Sirajul Islam Varosha, Director	21	19
15.	Mr. Gazi Golam Murtoza, Director	21	9
16.	Mr. A. S. M. Abdul Halim, Independent Director	21	18
17.	Mr. Narayan Chandra Saha, Independent Director	21	9 (Elected on 06-06-2013)
18.	Mr. Chowdhury Mohammad Mohsin, Independent Director	21	9 (Elected on 06-06-2013)
19.	Mr. Md. Rafiqul Islam, Independent Director	21	10 (Elected on 06-06-2013)

COMPLIANCE REPORT ON SEC'S NOTIFICATION

ANNEXURE- II

The Pattern of Shareholdings:

The Authorized Capital of Jamuna Bank Ltd. is Tk. 10,000,000,000.00 divided into 1,000,000,000 ordinary shares of Tk. 10.00 each. The Paid-up Capital of the Bank is Tk. 4,487,536,620.00 divided into 4,487,536,62 ordinary shares. As per Section 1.4 (k) of SEC Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006 the pattern of shareholding is given below:

- i) Parent/Subsidiary Associated companies and other related parties: N/A
- ii) Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children are as follows:

a) Shares held by the Directors and their spouses as on 31 December 2013:

Sl. No.	Name of Directors	Status	No. of Shares	Name of Spouse	No. of shares
1.	Mr. Kanutosh Majumder	Chairman	8,998,508	Dr. Pratima Paul Majumder	1,300,079
2.	Al-Haj M.A. Khayer	Director	1,230,000	Mrs. Nilufar Khayer	Nil
3.	Engr. A. K. M. Mosharraf Hussain	Director	8,975,073	Mrs. Husna Ara Begum	3,848,277
4.	Engr. Md. Atiqur Rahman	Director	17,333,248	Mrs. Mahmuda Begum	1,560,082
5.	Mr. Golam Dastagir Gazi, Bir Potik	Director	8,975,953	Mrs. Hasina Gazi	1,565,268
6.	Mr. Fazlur Rahman	Director	8,975,622	Mrs. Hamida Rahman	2,734,909
7.	Al-Haj Nur Mohammed	Director	13,261,001	Mrs. Monsura Begum	500,079
8.	Mr. Md. Tajul Islam	Director	10,140,732	Mrs. Fouzia Islam	1,300,078
9.	Mr. Sakhawat, Abu Khair Mohammad	Director	9,000,568	Mrs. Petra Sakhawat	Nil
10.	Al-Haj Md. Rezaul Karim Ansari	Director	9,043,298	Mrs. Mariuam Akhter	Nil
11.	Mr. Md. Belal Hossain	Director	8,975,953	Mrs. Laily Hossain	800,079
12.	Mr. Md. Mahmudul Hoque	Director	8,978,632	Mrs. Hubbun Nahar	2,710,201
13.	Mr. Shaheen Mahmud	Director	21,269,102	Mrs. Tasmin Mahmud	22,557,136
14.	Mr. Md. Sirajul Islam Varosha	Director	8,125,283	Mrs. Hasina Siraj	1,175,206
15.	Mr. Gazi Golam Murtoza	Director	11,440,851	Mrs. Sania Gazi	Nil
16.	Mr. A.S.M. Abdul Halim	Independent Director	Nil	Ms. Sufia Begum	Nil
17.	Mr. Narayan Chandra Saha	Independent Director	Nil	Mrs. Laxmi Rani Saha	Nil
18.	Chowdhury Mohammad Mohsin	Independent Director	Nil	Mrs. Mamtaz Begum	Nil
19.	Md. Rafiqul Islam	Independent Director	Nil	Mrs. Habiba Rafique	Nil

b) Shares held by the Chief Executive Officer, Company Secretary, Head of ICCD and Chief Financial Officer as on 31 December 2013:

Sl. No.	Name of Executives	Status	Number of Shares
1.	Mr. Shafiqul Alam	Managing Director	Nil
2.	Mr. Malik Muntasir Reza	Company Secretary	Nil
3.	Mr. Ahamed Sufi	SVP & Head of ICCD	Nil
3.	Mr. Ashim Kumer Biswas	Chief Financial Officer	Nil

c) Shares held by top five salaried employees other than the Chief Executive Officer, Company Secretary, Head of ICCD and Chief Financial Officer as on 31 December 2013:

Sl. No.	Name of Executives	Status	Number of Shares
1.	Mr. Mirza Elias Uddin Ahmad	Deputy Managing Director	Nil
2.	Mr. Mosleh Uddin Ahmed	Deputy Managing Director	Nil
3.	A. K. M. Saifuddin Ahamed	Deputy Managing Director	Nil
4.	Mr. Md. Habibur Rahman	Senior Executive Vice President	Nil
5.	Md. Md. Mofazzal Hossain	Senior Executive Vice President	Nil

d) Share holdings 10% or more voting interest in the Company: N/A

ANNEXURE - III

Statement of Compliance of Corporate Governance Guidelines

Status of compliance with the conditions of Corporate Governance Guidelines as set by Bangladesh Securities & Exchange Commission (BSEC) by the notification# SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1	BOARD OF DIRECTORS			
1.1	Board's Size: Board members should not be less than 5 (five) and more than 20 (twenty).	✓		
1.2	Independent Directors			
1.2 (i)	All companies shall encourage effective representation of independent directors on their Board of Directors so that the Board, as a group, includes core competencies considered relevant in the context of each company. For this purpose, the companies shall comply with the following:- (i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		
1.2 (ii) a)	For the purpose of this clause "independent director" means a director- a) 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;	✓		
1.2 (ii) b)	who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		

1.2 (ii) c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2 (ii) d)	who is not a member, director or officer of any stock exchange;	√		
1.2 (ii) e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	√		
1.2 (ii) f)	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;	√		
1.2 (ii) g)	who shall not be an independent director in more than 3 (three) listed companies;	√		
1.2 (ii) h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (ii) i)	who has not been convicted for a criminal offence involving moral turpitude.	√		
1.2 (iii)	the independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1.2 (iv)	the post of independent director(s) can not remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	√		
1.3	Qualification of Independent Director (ID)			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		

1.3 (ii)	The person should be a Business Leader/ Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/ professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	√		
1.4	Chairman of the Board and Chief Executive Officer The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	The Directors' Report to Shareholders			
1.5 (i)	The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):- (i) Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risks and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		

1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	√		
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to directors including independent directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	√		
1.5 (xiii)	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)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), 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)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts 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 thereof should be disclosed.	√		
1.5 (xvii)	(xvii) Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		

1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	√		
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi) a)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:- a)Parent/Subsidiary/Associated Companies and other related parties (name wise details);	√		
1.5 (xxi) 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 (xxi) c)	Executives;	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1.5 (xxii) a)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:- a) a brief resume of the director;	√		
1.5 (xxii) b)	nature of his/her expertise in specific functional areas;	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2.	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS):			
2.1	Appointment: The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	√		

2.2	Requirement to attend the Board Meetings The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√		
3.	AUDIT COMMITTEE:			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors 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.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of the Audit Committee			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until 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 of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	√		Noted, but no such cases were required so far.

3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee			
3.3 (i)	Role of audit committee shall include the following:- Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		

3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	√		
3.4	Reporting of the Audit Committee			
3.4.1 (i)	Reporting to the Board of Directors: The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-	√		
3.4.1 (ii) a)	report on conflicts of interests;	√		
3.4.1 (ii) b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	√		
3.4.1 (ii) c)	suspected infringement of laws, including securities related laws, rules and regulations;	√		
3.4.1 (ii) d)	any other matter which shall be disclosed to the Board of Directors immediately.	√		
3.4.2	Reporting to the Authorities If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors 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 of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	√		Noted, but no such cases were required so far.

3.5	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		
4.	EXTERNAL/STATUTORY AUDITORS:			
4 (i)	The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:- (i) Appraisal or valuation services or fairness opinions.	√		
4 (ii)	Financial information systems design and implementation.	√		
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	√		
4 (iv)	Broker-dealer services.	√		
4 (v)	Actuarial services.	√		
4 (vi)	Internal audit services.	√		
4 (vii)	Any other service that the Audit Committee determines.	√		
4 (viii)	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.	√		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7	√		
5	SUBSIDIARY COMPANY:			
5 (i)	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.	√		
5 (ii)	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.	√		

5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	√		
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		
6	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):			
6 (i)	The 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:	√		
6 (i) a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
6 (i) b)	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.	√		
6 (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 violation of the company's code of conduct.	√		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√		



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

SHARIAH SUPERVISORY COMMITTEE'S REPORT For The Year Ended 31 December 2013.

Honorable Shareholders of Jamuna Bank Limited
Assalamu Alaikum Wa Rahmatullahi Wa Barakatuhu.

All praises are due to Allah, the Lord of the Universe, the Beneficent, the Merciful. Durud and Salaam is for our Prophet Mohammad (SM.) who is Rahmat for the creatures of the world.

We take this opportunity to express our appreciation to the Board of Directors, the Managing Director and all members of the Management team of Jamuna Bank Limited for their continuous support. We are grateful to our shareholders and clients for their confidence reposed on us. Without their confidence and support, we could not be able to perform our activities properly.

The Shariah Supervisory Committee of Jamuna Bank Limited through different meetings held during the year 2013 reviewed different operational activities in respect of the Islami Shariah principles and regulations. Islami Banking Division of the Bank inspected the two Islami Banking Branches of the Bank during the year and submitted their reports to the Shariah Supervisory Committee. Islami Banking Division is working & conducting Shariah inspection of the said branches independently. If any violation or irregularity is found, the same is reported directly to the Shariah Supervisory Committee for information and necessary measures and disseminate the decision of

the committee accordingly to the respective branches for compliance/ non-recurrence of the said violation / irregularity.

The duty of the Shariah Supervisory Committee is to give independent opinions & necessary guidelines upon observing and reviewing the activities of the Bank and also to conduct Shariah related training for the manpower of the Bank and to make the clients aware of Shariah compliance. On the other hand the responsibility of the Islami Banking Branches is to ensure that the businesses are carried in accordance with the rules and principles of Islami Shariah. As per Shariah Supervisory Committee's recommendation specific marks are reserved for questions relating to Islami Banking to be asked to the Bank's Officials during interview at the time of promotion.

Following issues were also discussed in the meeting of Shariah Supervisory Committee of Jamuna Bank Limited during 2013:

- Shariah Inspection Report of Islami Banking Branches.
- Actualization of Profit Rate for the Mudaraba Depositors of Islami Banking Branches.
- Different policies for Islami Banking Branches.
- Awareness for compliance with Islami Shariah.
- Organizing workshop/training programs for the officials of Islami Banking Branches and Al-Ihsan Islami Banking Service Centers.

Shariah Supervisory Committee is furnishing the following suggestions:

- To take effective measures to operate investment in Musharaka and Mudaraba mode which are superior modes of investment in Islami Banking system.
- To take comprehensive initiative to train adequately all levels of manpower related with Islami Banking services.

May Allah (SWT) give us tawfiq in granting His satisfaction to help in establishing Shariah based banking in the country and have His blessings in all spheres of life.

Ma-assalam.



Professor Mowlana Md. Salahuddin
Chairman, Shariah Supervisory Committee



Corporate Social Responsibility

As a part of commitment to the society, Jamuna Bank undertakes a number of welfare oriented programs. In the discharge of corporate social responsibilities, the bank has earned name and fame in the banking arena. A sizeable portion of its profit is spent for unprivileged, downtrodden segment of the society.



“CSR activities are getting momentum and accelerated pace day by day to unveil more potential deserving areas.”

A few words from the
**Chairman
of Jamuna Bank
Foundation**

Jamuna Bank Foundation has been playing pivotal role in the CSR activities since its inception in the year-2007. Continued, uninterrupted efforts are being undertaken to concentrate on socially responsible issues. CSR activities are getting momentum and accelerated pace day by day to unveil more potential deserving areas. Among the CSR activities done by Jamuna Bank Foundation, I am highlighting a few of them. Scholarship is given to the unprivileged and meritorious students for higher study, voluntary blood donation program by the bank's executive, officer and staff in every year, Qirat Competition, Free Eye Camp, Mobile Medical Treatment, Providing relief assistance to the affected and distressed people due to natural calamity, Distribution of Blanket to the distressed people to get rid of cold from winter, according reception and giving crest to the eminent citizens, establishment of old home, Seminar on Anti-drug and drug free society (June 26), arrangement of anti-drug seminar every year throughout the country for establishment of drug free society in the country through active participation of Executives, Officers and Staff of the Bank, establishment of Medical Center in Mirpur area of Dhaka City for the drug addicted persons, distribution of grant to the Prime Minister Relief fund for help of Peel Khana BDR killing/carnage tragedy, grant to the Prime Minister's Relief fund for the burnt people at Nimtoly, Grant for the establishment of Liberation War Museum, establishment of Jamuna Bank free Primary School and Madrasha, Providing medical services through medical team to the musallis/religious minded people in the Biswa Iztema at Tongi, providing financial assistance to Sk. Jamal Dhanmondi Club Ltd. for development of sports, Financial Assistance to SA Games, Medicines and other assistance to Rana Plaza victims, etc. Besides, arrangement of free plastic surgery by the foreign (Netherland) expert/specialist medical team for the (poor patient having cleft Lip & cleft

Palate) in different districts of the country. This noble program is continuing throughout the country for last few years. Establishment of model village at Sena Para remote area under Thakurgaon district by Jamuna Bank Foundation as a part of Corporate Social Responsibilities.

Besides, establishment of solar village at char Tertakia, P.S. Pakundia under Kishoregonj district by Jamuna Bank Foundation. Char Tertakia is the remotest char area where no electricity is available, poor and meritorious students of the village cannot even study due to paucity of kerosene oil. We have arranged solar light for every family in this village. Since then the students of that village are able to study at night by using solar light, the villagers can perform all works during the night and without any hindrance/ difficulty, Land has been purchased and foundation stone has been laid for establishment of international standard Medical College at Rupshi, Rupgonj near Dhaka, where all sorts of medical services will be provided at free of cost/nominal cost for the poor patient and also arrangement of medical study for the poor meritorious students. Besides, many items like sewing machine, Van, Rickshaw are provided for the rehabilitation of disabled and freedom fighters.

We have many more extensive and exhaustive planning to be implemented in near future. Inshaallah! these would be implemented gradually with the increase of financial strength of Jamuna Bank Foundation. We think the activities undertaken by Jamuna Bank Foundation are exceptional & exemplary, which is shining example for others to follow. Mentionable that all these remarkable initiatives have in the meantime received applause and Bangladesh Bank has highly appreciated our endeavors. International bodies have also admired our benevolent activities.

If these examples are followed by different Corporate bodies of the country as well then unprivileged people would be highly benefited in particular and the whole nation would be benefited in general.



Al-Haj Nur Mohammed
Founder Chairman
Jamuna Bank Foundation

CSR Responsibility of Jamuna Bank Foundation



Lakho Konthay Sonar Bangla

Jamuna Bank Limited donated Tk. 1.00 Crore in the event of "Lakho Konthay Sonar Bangla" for writing historical name in the Guinness World Record. Mr. Golam Dastagir Gazi, Bir Protik, MP and Mr. Md. Tazul Islam, MP, Director, Jamuna Bank Limited & Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation handed over the cheque to the Hon'ble Prime Minister Sheikh Hasina.



Donation for Rana Plaza Victims

In the year of 2013 Rana Plaza Tragedy in Savar, Dhaka caused death of at least 1200 people. Jamuna Bank Foundation came forward to help the distressed people & donated medicines, essential household items to the aid giving agencies.



Free Eye Camp

A free eye and medical camp was organized at Barura, Comilla under the auspices & funding of Jamuna Bank Foundation. Engr. Md. Atiqur Rahman, Director, JBL, inaugurated the camp as the chief guest of the program. Al-Haj Nur Mohammed, Chairman of JBF presided over the program. Mr. M. A. Shahjahan, the then Managing Director (CC) was also present. A total of 1,800 patients were selected for operation and medicare.

CSR Responsibility of Jamuna Bank Foundation



Medical Treatment at Biswa Ijtema 2013

On the occasion of Biswa Ijtema-2013, Jamuna Bank Foundation arranged a medical camp for the Musullis at Biswa Ijtema. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad inaugurated the program as the chief guest.



Donation of blanket among the Poor

Under the auspices of Jamuna Bank Foundation blankets were distributed among the winter distressed people in Tangail. Chairman of Jamuna Bank Foundation, Al-Haj Nur Mohammad presided over the program. Mr. Shafiqul Alam, Managing Director, Mr. A.K.M. Saifuddin Ahamed, Deputy Managing Director were present on the occasion. 1500 blankets were given to the poor in the program.



Distribution of free blankets

Jamuna Bank Foundation distributed Free Blanket at Patchgachi, Jatrapur, Ghogadoha, Moghalbasa, Holokhana, Thetrai, Neowasi, Santoshpur, Ramkhana and Raigonj Union Parishad of Kurigram District. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation was present in the program as the Chief Guest. Besides Md. Imtiaz Hossain, ADC of Kurigram district, Mirza Elias Uddin Ahmed, Deputy Managing Director of Jamuna Bank Limited and Md. Mostafizur Rahman, UNO of Kurigram Sadar were present on the occasion. 2500 blankets were distributed among the winter distressed people of the kurigram district.

CSR Responsibility of Jamuna Bank Foundation



Anti drug Seminar in Dhaka by Jamuna Bank Foundation

Jamuna Bank Foundation organized a seminar on "Drug menace & our role" in Dhaka. Chairman of Jamuna Bank Ltd Kanutosh Majumder was the chief guest of the program. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad presided over the program. Shafiqul Alam, Managing Director of Jamuna Bank was present as special guest. Besides, Deputy Managing Directors of Jamuna Bank Ltd Mirza Elias Uddin Ahmed & Mosleh Uddin Ahmed, managers and executives of different branches of Dhaka were present in the program.



Anti Drug Seminar-2013

Jamuna Bank Foundation organized a seminar on "Drug menace & our role" in Chittagong. Chairman of Jamuna Bank Ltd Kanutosh Majumder was the chief guest of the program. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad presided over the program. Chairman of Executive Committee of Jamuna Bank Limited Md. Tajul Islam MP, Golam Dastagir Gazi, Bir Protik, MP, Director of Jamuna Bank Limited and Shafiqul Alam, Managing Director of Jamuna Bank were present as special guest. Besides, Deputy Managing Directors of Jamuna Bank Ltd Mirza Elias Uddin Ahmed & Mosleh Uddin Ahmed, managers and executives of different branches of Chittagong were present in the program.



Anti Drug Seminar-2013

Jamuna Bank Foundation organized a seminar on "Drug menace & our role" in Bogra. Chairman of Jamuna Bank Ltd Kanutosh Majumder was the chief guest of the program. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad presided over the program. Md. Belal Hossain, Director of Jamuna Bank Limited and Shafiqul Alam, Managing Director of Jamuna Bank were present as special guest. Besides, Deputy Managing Director of Jamuna Bank Ltd Mirza Elias Uddin Ahmed, managers & executives of different branches of Rajshahi zone were present in the program.

CSR Responsibility of Jamuna Bank Foundation



Free eye camp in Sirajgonj

Jamuna Bank Foundation organized and financed a free eye camp at R.D. High School, Sirajgonj. Engr. Mosharraf Hossain, Director of Jamuna Bank inaugurated the camp as the chief guest. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad presided over the program. Mr. Md. Abul Shahjahan, Managing Director (CC) of Jamuna Bank and Engr. Tanvir Shakil Joy, MP, Kazipur were present as special guests. 1050 patients received treatment in the camp and 426 patients were selected for operation.



Medical Treatment at Biswa Ijtema 2013

On the occasion of Biswa Ijtema-2013, Jamuna Bank Foundation arranged a medical treatment camp for the Muslims. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad inaugurated the program as the chief guest.



Free eye camp in Brahmanbaria

Jamuna Bank Foundation organized and financed a free eye camp at Islamia Preparatory School, Shalimabad, Bancharampur, Brahmanbaria. Mr. Kanutosh Mazumder, Chairman of Jamuna Bank inaugurated the camp as the chief guest of the program. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad presided over the program. In the camp, treatment of eye, gynae & general medical complications were dealt with. Shafiqul Alam, Managing Director of Jamuna Bank was present as special guest. 600 patients received treatment in the camp and 65 patients were selected for optical operation.

CSR Responsibility of Jamuna Bank Foundation



Inauguration of Plastic Surgery Camp at Barisal at the initiative and finance of JBF

A Plastic Surgery Camp was inaugurated at Barisal on 09.03.2014 for 13 days at the initiative and finance of Jamuna Bank Foundation in collaboration with Dokters Van De Wereld (MdM, Netherlands) and with the assistance of Sher-E-Bangla Medical College Hospital & Barisal Metropolitan Chamber of Commerce and Industry. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited inaugurated the Plastic Surgery Camp as the Chief Guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the program. Johanna De Vries, Medical Coordinator, Dokters Van De Wereld and Md. Nizam Uddin, President, Barisal Metropolitan Chamber of Commerce and Industry were present as guests of honour.



Land registration for Jamuna Bank Medical College and Hospital

Land registration for Jamuna Bank Medical College and Hospital has been completed in Ruppongi, Narayan-gonj. A program was arranged at Jamuna Bank Foundation Office. Mr. Golam Dastagir Gazi, Bir Protik, MP, Director of Jamuna Bank was present as chief guest. Chairman of Jamuna Bank Foundation, Alhaj Nur Mohammad presided over the program. Md. Abul Shahjahan, Managing Director(CC) of Jamuna Bank, the land owner Principal Abdul Majid and senior executives of Jamuna Bank were present in the program.



Blood Donation program in Bogra

At its initiative and finance, Jamuna Bank Foundation organized a voluntary Blood donation program at Hotel Naz Garden, Bogra. Chairman of Jamuna Bank Ltd. Mr. Kanutosh Majumder was the chief guest of the program. Alhaj Nur Mohammad, the chairman of Jamuna Bank Foundation presided over the program. Mr. Md. Belal Hossain, Director & Mr. Shafiqul Alam, Managing Director of Jamuna Bank Ltd were present as the special guests. In the program, 60 executives and officers donated blood. Deputy Managing Director Mirza Elias Uddin Ahmed, other executives and officers of Rajshahi region were present on the occasion.

CSR Responsibility of Jamuna Bank Foundation



Inauguration of New Premise of Jamuna Bank DP Primary School

At its initiative and finance, Jamuna Bank Foundation inaugurated news premise of Jamuna Bank DP Primary School at Doricharitalook, Bholab, Rupgonj, Narayanganj. Mr. Golam Dastagir Gazi, Bir Protik, MP inaugurated the new premise as the chief guest. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited (JBL) was present in the ceremony as special guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the ceremony and Mr. Shafiqul Alam, Managing Director, JBL was guest of honor. Besides distinguished personalities of Rupgonj were present on the occasion.



Jamuna Bank Foundation sponsored Art Competition

Jamuna Bank Foundation organized an Art Competition at Bangladesh Sfishu Academy, Dhaka on the occasion of Victory day 2013. 280 students of 25 no schools of Dhaka city participated at the competition. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited was present as the Chief Guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the ceremony and Mr. Shafiqul Alam, Managing Director of Jamuna Bank Limited was present as the guest of honour. Besides, Md. Motior Rahman, Director General, Jamuna Bank Training Academy, Mirza Elias Uddin Ahmed, Mosleh Uddin Ahmed and A. K. M. Saifuddin Ahamed, Deputy Managing Director of Jamuna Bank Limited were present on the occasion.



Scholarship giving ceremony by Jamuna Bank Foundation

At the initiative and finance of Jamuan Bank Foundation, Scholarship giving ceremony was organized for helpless and physically handicapped students who got GPA-5 in S.S.C & Dakhil Exam. Chairman of Jamuna Bank Limited awarded scholarship to 65 students as the chief guest. Al-Haj Nur Mohammed; Chairman of the Bank Foundation presided over the program.

CSR Responsibility of Jamuna Bank Foundation



Donation for the victims of BDR mutiny

In the year 2009, a tragic mutiny occurred in the BDR headquarter, Pilkhana, few unruly BDR mutineer soldiers killed 57 army officers & some of their family members. Jamuna Bank Foundation has donated one-time 2.5 million BDT to Prime minister relief fund. Moreover, the foundation is donating BDT 40,000 to three victim families. This donation will continue for 10 years.



Jamuna Bank Foundation shifts 05 entities

Jamuna Bank Foundation shifted 05 entities at its own Complex, Mohammadpur, Dhaka. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited (JBL) was the Chief Guest at the shifting ceremony. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the program. Engr. Md. Atiqur Rahman, Director and Mr. Shafiqul Alam, Managing Director of Jamuna Bank Limited were present as guests of honour at the shifting ceremony. Besides, Mirza Elias Uddin Ahmed, Muslesh Uddin Ahmed, A. K. M. Saifuddin Ahmed DMD of JBL and elites of the city were present on the occasion. Before shifting ceremony a Seminar on Severity of Narcotics and our responsibilities for combating it was also held.



Qirat Competition in Dhaka organized by Jamuna Bank Foundation

At its initiative and finance, Jamuna Bank Foundation organized discussion meeting on significance of Ramadan & life of Prophet and Rasuls and Qirat Competition for the children of Executives, Officers and Staffs of Jamuna Bank Limited. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation was present in the program as the Chief Guest. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited was present as guest of honour. Mr. Shafiqul Alam, Managing Director of the bank presided over the program. Besides, Deputy Managing Directors Mirza Elias Uddin Ahmed and Moseh Uddin Ahmed, divisional heads of Head Office, head of the branches and employees of Dhaka Zone were present in the program.

CSR Responsibility of Jamuna Bank Foundation



Jamuna Bank Foundation organized Seminar at Chittagong

At its initiative and finance, Jamuna Bank Foundation organized Seminar on International Mother Language at Jamuna Bank, Agrabad Branch, Chittagong. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited (JBL) was present in the seminar as chief guest. Engr. A. K. M. Mosharraf Hussain, Director of JBL was present as special guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the seminar and Mr. Shafiqui Alam, Managing Director & CEO, JBL was guest of honor. Besides all executives and officers of Chittagong zone were present on the occasion.



Jamuna Bank Foundation organized Seminar at Comilla

At its initiative and finance, Jamuna Bank Foundation organized Seminar on International Mother Language at Jamuna Bank, Comilla Branch, Comilla. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited (JBL) was present in the seminar as chief guest. Mr. Md. Tazul Islam, MP, Director of JBL was present as special guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the seminar and Mr. Shafiqui Alam, Managing Director & CEO, JBL was guest of honor. Besides Mr. A. K. M. Saifuddin Ahamed, Deputy Managing, JBL and all executives and officers of Comilla zone were present on the occasion.



Voluntary Blood Donation & Seminar in Chittagong

A "Voluntary Blood Donation program & Seminar on Role of CSR on Banking & Human service" was organized by Jamuna Bank Foundation at Jamuna Bank Limited, Agrabad Branch, Chittagong. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited (JBL) was present as the Chief Guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the programs. Besides, Mr. Mirza Elias Uddin Ahmed, Mr. Mosleh Uddin Ahmed, Deputy Managing Director of JBL and all the employees of JBL under Chittagong district were present on the occasion. 22 employees of JBL donated blood at the Voluntary Blood Donation program.

CSR Responsibility of Jamuna Bank Foundation



Blood Donation program in Dhaka

Jamuna Bank organized and financed Blood Donation campaign at National Press Club, Dhaka. Chairman of Jamuna Bank Ltd Mr. Kanutosh Majumder was the chief guest of the program. Alhaj Nur Mohammad, the chairman of Jamuna Bank Foundation presided over the program. Mr. Shafiqul Alam, the managing director of Jamuna Bank Ltd was present as the special guest. In the program, 54 officers and executives donated blood. Besides, Deputy Managing Directors Mr. Mirza Elias Uddin Ahmed & Mr. Mosleh Uddin Ahmed, other executives and officers of Dhaka region were present there.



Voluntary Blood Donation and Free Eye Camp by Jamuna Bank Foundation

A Voluntary Blood Donation Program and Free Eye Camp, Gynae and General Treatment was held at Lauachhara, Sreemongol, Moulvibazar under the auspices and finance of Jamuna Bank Foundation. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited inaugurated the ceremony as the Chief Guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the program. Engineer Mosharrif Hussain and Engineer Md. Atiqur Rahman were present as special guests & Mr. Shafiqul Alam, Managing Director, Jamuna Bank was guest of honour. 23 nos bag blood was donated by the employees of Sylhet zone of Jamuna Bank and 566 nos patient were treated in the camp also 52 nos eye patients were selected for operation.



Anti drug Seminar in Feni by Jamuna Bank Foundation

A Seminar on "Severity of Narcotics and our Responsibilities for Combating it" was organized by Jamuna Bank Foundation at Jamuna Bank Limited, Feni Branch, Feni. Mr. Kanutosh Majumder, Chairman, Jamuna Bank Limited (JBL) was present as the Chief Guest. Al-Haj Nur Mohammed, Chairman, Jamuna Bank Foundation presided over the Seminar. Besides, Mr. Mirza Elias Uddin Ahmed, Mr. Mosleh Uddin Ahmed, Deputy Managing Director of JBL and all the employees of JBL under Feni, Laxmipur & Noakhali district were present on the occasion.

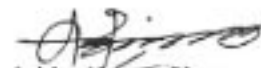
March 27, 2014

The Board of Directors
Jamuna Bank Limited
Hadi Mansion
2 Dilkusha Commercial Area
Dhaka-1000

Subject: CEO/CFO's declaration to the Board.

In accordance with the notification of Bangladesh Securities and Exchange Commission no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012, we declare that for the financial year ended December 31, 2013:

- i) We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and laws;
- ii) There are, to the best of knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or violation of the Bank's code of conduct.



Ashim Kumar Biswas
Chief Financial Officer



Shafiqul Alam
Managing Director & CEO

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JAMUNA BANK LIMITED

We have audited the accompanying consolidated financial statements of Jamuna Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Jamuna Bank Limited (the "Bank"), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2013, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note 2.01.1 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also the separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Companies 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also the separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2013, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.01.1.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Companies Act, 1991 as amended and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' 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:
 - i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in note 2.01.2 appeared to be adequate with immaterial control deficiencies as identified in management report.
 - ii) 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 Bank and its related entities.
- (c) financial statements of subsidiary companies of the Bank namely Jamuna Bank Capital Management Limited has been audited by ACNABIN, Chartered Accountants and Jamuna Bank Securities Limited has been audited by S. H. Khan & Co., Chartered Accountants. These accounts have been properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) 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 dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) 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 Bangladesh Financial Reporting Standards as explained in note 2.01.1 as well as with related guidance, circulars issued by Bangladesh Bank and decision taken in tripartite meeting amongst Inspection Team of Bangladesh Bank, External Auditors and the Management, Jamuna Bank Limited held on March 06, 2014.
- (h) adequate provisions have been made for loans & advances, other assets and off balance sheet items which are, in our opinion, doubtful of recovery in compliance with the letter no. DBI-1/125/2014-694 dated 19 March 2014 of Bangladesh Bank;
- (i) in our opinion, proper books of accounts as required by law have been kept by Jamuna Bank Limited so far as it is appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from 75 branches not visited by us;
- (j) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (k) the information and explanation required by us have been received and found satisfactory;
- (l) Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) with Bangladesh Bank have been maintained as per rule;
- (m) The capital adequacy ratio (CAR), as required by law, have been maintained adequately during the year; and
- (n) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 2,900 person hours for the audit of the books and accounts of the Bank.

Date: March 27, 2014
Place: Dhaka



Syful Shamsul Alam & Co
Chartered Accountants

Jamuna Bank Limited and its Subsidiaries

Consolidated Balance Sheet As at 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
PROPERTY AND ASSETS			
Cash	4(a)	6,650,521,134	6,962,970,338
Cash in hand (including foreign currencies)	4.1(a)	1,272,521,264	1,031,726,728
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	4.2(a)	5,377,999,871	5,931,243,610
Balance with other banks and financial institutions		4,278,985,192	3,522,002,491
In Bangladesh	5.1(a)	4,090,850,520	2,282,895,656
Outside Bangladesh	5.2(a)	188,134,672	1,239,106,835
Money at call on short notice	6.(a)	-	570,000,000
Investments	7.(a)	31,494,780,430	39,175,415,359
Government	7.1(a)	30,716,749,320	38,792,095,089
Others	7.2(a)	778,031,110	383,320,271
Loans and advances	8.(a)	68,439,839,534	55,441,731,188
Loans, Cash credit, Overdrafts, etc.	8.1(a)	60,352,010,715	46,136,914,169
Bills purchased & discounted	8.2(a)	8,087,828,819	9,304,817,019
Fixed Assets including premises, furniture and fixtures	9.(a)	2,481,998,870	2,368,064,303
Other assets	10.(a)	2,294,323,491	1,216,113,859
Total assets		115,640,448,653	109,256,297,539
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.(a)	3,677,276,377	17,088,212,575
Deposits and other accounts	12.(a)	97,083,288,114	79,024,515,024
Current/Al-wadeeah current accounts and other accounts		9,586,841,312	8,741,877,729
Bills payable	12.3	1,274,219,899	1,211,965,015
Savings/Mudaraba savings bank deposits		5,835,906,062	5,046,423,127
Fixed/Mudaraba fixed Deposits	12.(b)	54,729,538,647	44,101,064,200
Bearer certificates of deposit		-	-
Short notice deposits	12.(c)	4,077,140,114	3,810,472,072
Deposit under special scheme		21,282,435,543	15,915,005,992
Foreign currency deposit		297,206,536	197,706,889
Other liabilities	13.(a)	5,984,368,456	4,813,447,518
Total Liabilities		106,744,932,946	100,926,175,117
Capital / shareholders' equity			
Paid up capital	14	4,487,536,620	4,487,536,620
Statutory reserve	15	2,596,542,060	2,139,563,521
Other reserve	16.(a)	1,117,606,141	1,068,436,230
Minority interest	16.(b)	1,823	2,108
Retained earnings		693,829,064	634,583,943
Total shareholders' equity		8,895,515,707	8,330,122,422
Total liabilities and shareholders' equity		115,640,448,653	109,256,297,539

Jamuna Bank Limited and its Subsidiaries

Consolidated Balance Sheet As at 31 December 2013

OFF-BALANCE SHEET ITEMS	Notes	31.12.2013 Taka	31.12.2012 Taka
Contingent liabilities	18.(a)		
Acceptances & endorsements		3,225,832,370	2,266,309,998
Letters of guarantee		7,161,098,410	4,410,779,895
Irrevocable letters of credit		14,058,237,736	16,162,152,362
Bills for collection		4,457,821,967	4,958,366,722
Other contingent liabilities		331,236,473	358,386,473
		29,234,226,956	28,155,995,450
Other commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Indrawn note issuance and revolving underwriting facilities		-	-
Indrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities		29,234,226,956	28,155,995,450

The annexed notes 01 to 50 form an integral part of the financial statements



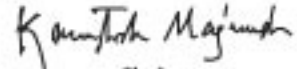
Managing Director



Director



Director



Chairman

As per our report of the same date.

Dhaka,
27 March 2014



Sayful Shamsul Alam & Co
Chartered Accountants

Jamuna Bank Limited and its Subsidiaries


Consolidated Profit and Loss Account For the year ended 31 December 2013

	Notes	2013 Taka	2012 Taka
Interest Income & profit on investment	20.(a)	9,863,160,502	9,674,316,015
Less: Interest/profit on deposits and borrowings, etc.	21.(a)	8,738,145,648	7,757,633,973
Net interest income/net profit on investments		1,125,014,854	1,916,682,043
Investment income	22.(a)	3,250,565,906	1,988,140,221
Commission, exchange and brokerage	23.(a)	1,055,956,273	1,163,593,401
Other operating income	24.(a)	349,905,211	307,375,803
		4,656,427,390	3,459,109,425
Total operating income (A)		5,781,442,244	5,375,791,467
Salary and allowances	26.(a)	1,708,504,880	1,315,054,511
Rent, Taxes, Insurance, Electricity, etc.	27.(a)	348,905,120	263,390,538
Legal expenses		7,489,892	4,975,351
Postage, Stamps, Telecommunication, etc.	28.(a)	80,596,513	68,483,067
Stationery, Printings, Advertisements, etc.	29.(a)	91,084,726	74,879,429
Managing Director's salary & fees	30.(a)	10,114,839	10,487,097
Directors' fees	31.(a)	5,929,108	6,750,909
Auditors' fees	32.(a)	474,950	423,950
Charges on loan losses		-	-
Depreciation and repairs of bank's assets	33.(a)	148,547,815	117,864,956
Other expenses	34.(a)	287,052,950	234,931,007
Operating expenses (B)	25.(a)	2,688,700,794	2,097,240,815
Profit before provision (C = A-B)		3,092,741,450	3,278,550,652
Provision for loans and advances/investments	35.(a)	709,911,751	1,000,049,860
Provision for off balance sheet exposures	36.(a)	10,782,314	93,601,145
Other provisions		1,936,000	213,980
Provision for diminution in value of investments	37.(a)	(2,501,816)	54,071,617
Total provision (D)		720,128,249	1,147,936,602
Profit before taxation (C-D)		2,372,613,202	2,130,614,050
Contribution to Jamuna Bank Foundation @ 1% of Pre-tax Profit	38.(a)	22,848,927	20,805,210
Provision for taxation			
Current tax	13.6(a)	1,202,546,271	1,066,263,423
Deferred tax	13.6.2	2,739,070	3,228,539
		1,205,285,341	1,069,491,962
Net profit after taxation Attributable to:		1,144,478,934	1,040,316,878
Shareholders of JBL		1,144,478,786	1,040,316,772
Minority interest		147	106
Appropriations:			
Statutory reserve		456,978,539	416,104,192
Retained surplus during the year		687,500,395	624,212,686
Earnings per share (EPS)	39.(a)	2.55	2.47

The annexed notes 1 to 50 form an integral part of the consolidated profit and loss account


Managing Director


Director


Director


Chairman

As per our report of the same date.

Dhaka,
27 March 2014


Sayful Shamsul Alam & Co
Chartered Accountants


Jamuna Bank Limited and its Subsidiaries

Consolidated Cash Flow Statement For the year ended 31 December 2013

<u>Particulars</u>	2013 Taka	2012 Taka
Cash flows from operating activities		
Interest receipts	9,863,160,502	9,691,505,341
Interest payments	(8,738,145,648)	(7,791,538,170)
Dividend receipts	7,856,325	86,662,893
Fees and commission receipts	1,055,956,273	1,163,593,401
Payments to employees	(1,718,619,719)	(1,325,541,608)
Payments to suppliers	(813,366,610)	(670,604,377)
Income taxes paid	(1,434,173,592)	(1,047,572,886)
Receipts from other operating activities	349,905,211	307,375,803
Payments to other operating activities	(287,052,950)	(234,931,007)
(i) Operating profit before changes in operating assets and liabilities	(1,714,480,208)	178,949,390
Increase /Decrease in operating assets & liabilities		
Loans and advances	(12,998,108,345)	1,358,512,246
Other assets	(1,078,209,632)	(814,972,431)
Deposit from other banks	1,542,428,000	2,503,592,000
Deposit from customers	16,516,345,089	6,609,862,483
Other current liabilities	903,828,213	22,229,297
(ii) Cash received from operating assets and liabilities	4,886,283,325	9,679,223,595
Net cash flow from operating activities (A)=(i+ii)	3,171,803,117	9,858,172,985
Cash flows from investing activities		
Income received from investments	2,827,772,385	1,826,349,654
Proceeds from sale of securities (gain)	414,937,196	161,842,456
Payments for purchase of securities	(394,710,839)	(438,323,765)
Purchase of property, plant & equipment	(244,273,053)	(422,299,904)
Preliminary expenses	106,045	96,046
Net cash flow from investing activities (B)	2,603,831,735	1,127,664,488
Cash flows from financing activities		
Increase/ (Decrease) of long term borrowings	(13,410,936,198)	11,337,499,341
Cash dividend paid	(628,255,127)	665,998,304
Net cash flow from financing activities (C)	(14,039,191,324)	12,003,497,645
Net Increase/ Decrease in cash and cash equivalents D = (A+B+C)	(8,263,556,473)	22,989,335,118
Cash and cash equivalents at beginning of the year (E)	49,859,812,120	26,870,477,002
Cash and cash equivalents at end of the year (D+E) (*)	41,596,255,647	49,859,812,120
(*) Closing cash & cash equivalent		
Cash in hand (including foreign currency)	1,272,521,264	1,031,726,728
Balance with bangladesh bank and its agent banks	5,377,999,871	5,931,243,609
Balance with other bank's and financial institutions	4,278,985,192	3,534,746,693
Money at call on short notice	-	570,000,000
Prize bond in hand	1,416,400	1,920,000
Government securities	30,665,332,920	38,790,175,089
	41,596,255,647	49,859,812,120

The annexed notes 1 to 50 form an integral part of the consolidated cash flow statement.


Managing Director


Director


Director


Chairman

Jamuna Bank Limited and its Subsidiaries

Consolidated Statement of Changes in Equity
For the year ended 31 December 2013

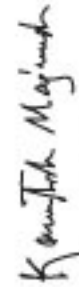
Particulars	Paid up Capital	Statutory Reserve	Revaluation Reserve of Securities	Assets Revaluation Reserve	Retained Earnings	Total	Minority Interest	Total Equity
Balance as at 01 January 2013	4,487,536,620	2,139,563,521	4,938,676	1,063,497,554	634,582,377	8,330,118,748	3,674	8,330,122,422
Changes in accounting policy					1,566	1,566	(1,566)	
Adjustment for prior year error*								
Restated balance as at 01 January 2013	4,487,536,620	2,139,563,521	4,938,676	1,063,497,554	634,583,943	8,330,120,314	2,108	8,330,122,422
Surplus/deficit on account of revaluation of properties			49,169,911			49,169,911		49,169,911
Surplus/deficit on account of revaluation of Investments								
Currency translation reserve								
Net gains and losses not recognized in the income statement			49,169,911			49,169,911		49,169,911
Dividend (cash)					(628,255,127)	(628,255,127)		(628,255,127)
Interim dividend (cash)								
Adjustment for ownership changes							(132)	(132)
Net profit for the year					1,144,478,786	1,144,478,786	(300)	(300)
Statutory reserve		456,978,539			(456,978,539)		147	1,144,478,934
Issue of share capital								
Balance as at 31 December 2013	4,487,536,620	2,596,542,060	54,108,587	1,063,497,554	693,829,064	8,895,513,884	1,823	8,895,515,707
Balance as at 31 December 2012	4,487,536,620	2,139,563,521	4,938,676	1,063,497,554	634,582,377	8,330,118,748	3,674	8,330,122,422

* Minority interest for the year 2012 was overstated erroneously for the amount of Tk. 1,566


Managing Director


Director


Director


Chairman

Dhaka,
27 March 2014

Jamuna Bank Limited

Balance Sheet As at 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
PROPERTY AND ASSETS			
Cash	4	6,650,506,484	6,962,961,050
Cash in hand (including foreign currencies)	4.1	1,272,506,614	1,031,717,440
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	4.2	5,377,999,871	5,931,243,610
Balance with other banks and financial institutions	5	4,278,985,192	3,512,002,491
In Bangladesh	5.1	4,090,850,520	2,272,895,656
Outside Bangladesh	5.2	188,134,672	1,239,106,835
Money at call on short notice	6	-	570,000,000
Investments:	7	31,392,195,516	39,118,933,310
Government	7.1	30,666,749,320	38,792,095,089
Others	7.2	725,446,195	326,838,222
Loans and advances	8	67,669,376,700	54,887,033,981
Loans, Cash Credit, Overdrafts, etc.	8.01	59,581,547,881	45,582,216,962
Bills purchased & discounted	8.02	8,087,828,819	9,304,817,019
Fixed assets including premises, furniture and fixtures	9	2,195,054,539	2,082,030,781
Other assets	10	3,495,522,852	2,545,547,127
Non-banking assets		-	-
Total assets		115,681,641,283	109,678,508,741
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,677,276,377	17,088,212,575
Deposits and other accounts	12	97,485,614,200	79,623,134,457
Current/Al-wadeeah current accounts and other accounts	12.2	9,576,970,169	8,738,371,151
Bills payable	12.3	1,274,219,899	1,211,965,015
Savings/Mudaraba savings bank deposits		5,835,906,062	5,046,423,127
Fixed/Mudaraba fixed deposits		55,112,239,898	44,680,759,023
Bearer certificates of deposit		-	-
Short notice deposits		4,106,636,093	3,832,903,260
Deposit under special scheme		21,282,435,543	15,915,005,992
Foreign currency deposit		297,206,536	197,706,889
Other liabilities	13	5,637,815,488	4,642,332,794
Total liabilities		106,800,706,065	101,353,679,826
Capital/shareholders' equity			
Paid up capital	14	4,487,536,620	4,487,536,620
Statutory reserve	15	2,596,542,060	2,139,563,521
Other reserve	16	1,117,606,141	1,068,436,230
Retained earnings	17	679,250,398	629,292,544
Total shareholders' equity		8,880,935,218	8,324,828,915
Total liabilities and shareholders' equity		115,681,641,283	109,678,508,741

Jamuna Bank Limited

Balance Sheet As at 31 December 2013

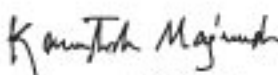
<u>OFF-BALANCE SHEET ITEMS</u>	Notes	31.12.2013 Taka	31.12.2012 Taka
Contingent liabilities			
Acceptances & endorsements		3,225,832,370	2,266,309,998
Letters of guarantee		7,161,098,410	4,410,779,895
Irrevocable letters of credit	18.2	14,058,237,736	16,162,152,362
Bills for collection	18.3	4,457,821,967	4,958,366,722
Other contingent liabilities		331,236,473	358,386,473
Total		29,234,226,956	28,155,995,450
Other commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
Total Off-Balance sheet items including contingent liabilities		29,234,226,956	28,155,995,450

The annexed notes 01 to 50 form an integral part of the financial statements


Managing Director


Director


Director


Chairman

As per our report of same date

Dhaka,
27 March 2014


Syful Shamsul Alam & Co
Chartered Accountants

Jamuna Bank Limited

Profit and Loss Account For the year ended 31 December 2013

	Notes	2013 Taka	2012 Taka
Interest income/profit on investment	20	9,702,019,809	9,626,677,157
Less: Interest/profit paid on deposits and borrowings, etc.	21.	8,752,189,892	7,787,482,156
Net interest income		949,829,917	1,839,195,002
Investment income	22	3,330,359,597	2,007,153,898
Commission, exchange and brokerage	23.	1,006,755,626	1,132,434,749
Other operating income	24	348,712,803	306,336,324
Total operating income (A)		5,635,657,943	5,285,119,972
Salary and allowances	26	1,696,825,647	1,304,226,855
Rent, Taxes, Insurance, Electricity, etc.	27	345,960,916	261,298,422
Legal expenses		7,179,761	4,909,393
Postage, Stamps, Telecommunication, etc.	28	80,308,608	68,337,853
Stationery, Printings, Advertisements, etc.	29	90,493,372	74,415,009
Managing Director's salary & fees	30	10,114,839	10,487,097
Directors' fees	31	5,823,308	6,712,959
Auditors' fees	32	345,000	345,000
Charges on loan losses		-	-
Depreciation and repairs of bank's assets	33	147,526,100	117,082,085
Other expenses	34	282,171,572	230,405,776
Total operating Expenses (B)		2,666,749,124	2,078,220,449
Profit/(loss) before provisions (C=A-B)		2,968,908,819	3,206,899,523
Provision for loans, advances	35	670,636,000	987,156,602
Provision for off balance sheet exposures	36	10,782,314	93,601,145
Others provision		1,936,000	213,980
Provision for diminution in value of investments	37	661,813	45,406,835
Total provision (D)		684,016,127	1,126,378,562
Total profit before taxes (D-E)		2,284,892,693	2,080,520,961
Contribution to Jamuna Bank Foundation @ 1% of Pre-tax Profit	38	22,848,927	20,805,210
Provision for taxation for the period			
Current tax	13.6.1	1,124,113,176	1,014,434,632
Deferred tax	13.6.2	2,739,070	3,228,539
		1,126,852,246	1,017,663,171
Net profit after taxation		1,135,191,520	1,042,052,580
Appropriations:			
Statutory reserve (20% on pre-tax profit)		456,978,539	416,104,192
Retained Surplus during the year	17	678,212,981	625,948,388
Earnings per share (EPS)	39	2.53	2.32

The annexed notes 01 to 50 form an integral part of the financial statements


Managing Director


Director


Director


Chairman

As per our report of same date

Dhaka,
27 March 2014


Syful Shamsul Alam & Co
Chartered Accountants

Jamuna Bank Limited

Cash Flow Statement For the year ended 31 December 2013

	Notes	2013 Taka	2012 Taka
Cash flows from operating activities			
Interest receipts		9,702,019,809	9,626,677,157
Interest payments		(8,752,189,892)	(7,787,482,156)
Dividend receipts		95,856,325	86,662,893
Fee and commission receipts		1,006,755,626	1,132,434,749
Recoveries on loans previously written off		-	-
Payments to employees		(1,706,940,486)	(1,314,713,952)
Payments to suppliers		(229,949,755)	(212,481,527)
Income taxes paid		(1,427,977,639)	(1,047,572,886)
Receipts from other operating activities	40	348,712,803	306,336,324
Payments for other operating activities	41	(600,542,112)	(450,713,011)
(I) Operating profit before changes in operating assets and liabilities		(1,564,255,322)	339,147,591
Increase/Decrease in operating assets & liabilities			
Statutory deposit		-	-
Loans and advances		(12,782,342,718)	1,724,758,799
Other assets		(949,975,725)	(1,103,554,376)
Deposit from other banks		1,542,428,000	2,503,592,000
Deposit from customers		16,320,051,743	6,611,496,525
Other current liabilities	42	638,912,943	1,463,374
(II) Cash received from operating assets and liabilities		4,769,074,242	9,737,756,322
Net cash flow from operating activities (A)=(I+II)		3,204,818,920	10,076,903,913
Cash flows from investing activities			
Income received from investments		2,821,480,664	1,758,648,549
Proceeds from sale of securities (gain)		413,022,609	161,842,456
Payments for purchase of securities		(398,607,974)	(18,995,577)
Purchase of property, plant & equipment		(242,340,528)	(210,626,324)
Net cash flow from investing activities (B)		2,593,554,771	1,690,869,104
Cash flows from financing activities			
Increase/ (Decrease) of long term borrowings		(13,410,936,198)	11,337,499,341
Cash dividend paid		(628,255,127)	-
Net cash flow from financing activities (C)		(14,039,191,324)	11,337,499,341
Net increase/ Decrease in cash and cash equivalents D= (A+B+C)		(8,240,817,633)	23,105,272,358
Cash and Cash Equivalents at beginning of the year (E)		49,837,058,630	26,731,786,273
Cash and cash equivalents at end of the year (D+E) (*)		41,596,240,997	49,837,058,630
(*) Closing cash & cash equivalent			
Cash in hand (including foreign currency)		1,272,506,614	1,031,717,440
Balance with Bangladesh Bank and its agent banks		5,377,999,871	5,931,243,610
Balance with other bank's and financial institutions		4,278,985,192	3,512,002,491
Money at call on short notice		-	570,000,000
Prize bond in hand		1,416,400	1,920,000
Government securities		30,665,332,920	38,790,175,089
		41,596,240,997	49,837,058,630

The annexed notes form an integral part of the cash flow statement.


Managing Director


Director


Director


Chairman

Jamuna Bank Limited

**Statement of Changes in Equity
For the year ended 31 December 2013**

(Amount in Taka)

Particulars	Paid up Capital	Statutory Reserve	Revaluation Reserve of Securities	Assets Revaluation Reserve	Retained Earnings	Total
Balance as at 01 January 2013	4,487,536,620	2,139,563,521	4,938,676	1,063,497,554	629,292,544	8,324,828,915
Changes in accounting policy	-	-	-	-	-	-
Restated balance as at 01 January 2013	4,487,536,620	2,139,563,521	4,938,676	1,063,497,554	629,292,544	8,324,828,915
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	49,169,911	-	-	49,169,911
Currency translation difference	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	49,169,911	-	-	49,169,911
Net Profit for the year	-	-	-	-	1,135,191,520	1,135,191,520
Dividend (cash)	-	-	-	-	(628,255,127)	(628,255,127)
Statutory reserve	-	456,978,539	-	-	(456,978,539)	-
Issue of share capital	-	-	-	-	-	-
Balance as at 31 December 2013	4,487,536,620	2,596,542,060	54,108,587	1,063,497,554	679,250,398	8,880,935,218
Balance as at 31 December 2012	4,487,536,620	2,139,563,521	4,938,676	1,063,497,554	629,292,544	8,324,828,915


Managing Director


Director


Director


Chairman

Dhaka,
27 March 2014

Jamuna Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2013

Particulars	(Amount in Taka)					
	Upto 1 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
Assets.						
Cash in hand	6,650,506,484	-	-	-	-	6,650,506,484
Balance with other banks & financial institutions	366,865,697	3,212,119,495	700,000,000	-	-	4,278,985,192
Money at call on short notice	-	-	-	-	-	-
Investment	726,862,595	-	200,000,000	6,168,987,700	24,296,345,220	31,392,195,515
Loans & Advances	16,819,882,000	11,635,964,713	19,131,591,368	12,715,060,846	7,366,877,773	67,669,376,700
Fixed assets including premises, furniture and fixtures	-	-	-	1,813,719,876	381,334,663	2,195,054,539
Other Assets	1,002,113,061	966,966,019	-	1,523,792,232	2,651,540	3,495,522,852
Total assets	25,566,229,838	15,815,050,226	20,031,591,368	22,221,560,654	32,047,209,196	115,681,641,282
Liabilities.						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	-	-	3,677,276,377	-	-	3,677,276,377
Deposits and other accounts	20,183,300,000	19,219,136,512	25,705,796,967	19,289,623,669	13,087,817,051	97,485,614,199
Other liabilities	125,791,360	-	4,752,230,388	759,793,740	-	5,637,815,488
Total liabilities	20,309,091,360	19,219,136,512	34,135,243,733	20,049,417,409	13,087,817,051	106,800,706,065
Net liquidity	5,257,138,478	(3,404,086,286)	(14,103,652,365)	2,172,143,245	18,959,392,145	8,880,935,217

* As a primary dealer we have invested in long term government securities as well as we have managed counter fund from inter-bank or customers as short term settlement. In this regard, our 1-3 and 3-12 months bucket gap is negative.

Dhaka,
27 March 2014

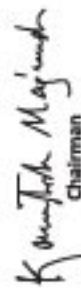
Managing Director



Director



Director



Chairman

The following assumptions have been applied in preparing the maturity analysis:

- Balance with other banks and financial institutions, Money at call on short notice are on the basis of their maturity.
- Investments are on the basis of their maturity.
- Loans and advances are on the basis of their maturity.
- Fixed assets including premises land & buildings, furniture & fixtures are on the basis of their useful life.
- Other assets are on the basis of their adjustment.
- Borrowings from Bangladesh Bank, other banks, financial institutions and agents are on the basis of their payment.
- Deposits and other accounts are on the basis of their maturity and payment.
- Provision and other liabilities are on the basis of their adjustment.

Jamuna Bank Limited and its Subsidiaries

Notes to the Financial Statements For the year ended 31 December 2013

1.00 Reporting entity

1.01 Legal status and nature of the company

Jamuna Bank Limited (the "Bank") was incorporated in Bangladesh on 02 April 2001 as a public limited company under the Companies Act, 1994. The Bank within the stipulations laid down by the Bank Companies Act, 1991 & amended Act, 2013 and directives as received from Bangladesh Bank and applicable to it from time to time provides all types of commercial banking services. The registered office of the Bank is located at Hadi Mansion, 2 Dilkusha C/A, Dhaka-1000. The Bank has ninety one (91) branches (including 2 Islamic Banking Branches) and four (4) SME centers, with no overseas branches as at 31 December 2013. The consolidated financial statements of the Bank as at and for the year ended 31 December 2013 comprise financial statements of the Bank and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

1.02 Nature of the business

The principal activities of the bank are providing all kinds of commercial banking services to its customers. The other activities of the bank are providing of all kinds of islamic banking services to its customers through Islamic Banking branches.

1.03 Jamuna Bank Capital Management Limited

Jamuna Bank Capital Management Limited is a subsidiary company of Jamuna Bank Limited holding 99.99984% of total paid-up capital incorporated as a private limited company on 23 December 2009 with the Registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation no. C-81290/09. The main objectives of the company for which it was established are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting etc.

1.04 Jamuna Bank Securities Limited

Jamuna Bank Securities Limited is a subsidiary company of Jamuna Bank Limited holding 99.99995% of total paid-up capital incorporated as a private limited company on February 07, 2011 with the Registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation no. C-90274/11. The main objectives of the company for which was established for brokerage services to the investors.

1.05 Off-shore banking unit

Off-shore Banking Unit (OBU) is a separate business unit of Jamuna Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission vide Bangladesh Bank's letter no. BRPD (P-3) 744 (107)/ 2009-4642 dated 22 December 2009. The Bank commenced operation of this unit from 22 April 2010 and its office is located at Land View Commercial Center, 28 Gulshan North C/A, Gulshan, Dhaka. Separate financial statements for Off-shore Banking Unit are enclosed in Annexure- G.

1.06 Islamic Banking

The Bank obtained the Islamic Banking branches permission vide letter no. BRPD(P)745(55)/2003-3220 and BRPD(P)745(55)/2005-235 The bank operates Islamic Banking in 2 (two) branches designated for the purpose of complying with the rules of Islamic Shariah. The financial statements of the branches have also been prepared as per the Bank Companies Act, 1991, Bangladesh Accounting Standards/ Bangladesh Financial Reporting Standards and guidelines issued by the Accountancy & Auditing organization for Islamic Financial Institutions for which a separate set of books and records are being maintained. As per Bangladesh Bank BRPD circular no. 15, dated 09 November 2009, separate statements of accounts of consolidated accounts of 2 (two) Islamic Banking branches are enclosed in Annexure- H.

2.00 Basis of preparation of the financial statements

2.01 Statement of compliance

2.01.1 Departures from BFRS

The financial statements of the Bank are prepared on a going concern basis under historical cost convention and in accordance with First Schedule (Sec-38) of the Bank Companies Act, 1991, as amended by Bangladesh Bank (Central Bank) vide BRPD Circular No. 14 dated 25 June 2003, other circulars of Bangladesh Bank, Bangladesh Accounting Standards (BAS), the Companies Act, 1994, the Listing Rules of the Stock Exchange, the Securities and Exchange Rule 1987 and other laws and regulations applicable in Bangladesh. In case any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Group and the Bank have departed from those contradictory requirements of BFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i) Investment in shares and securities

BFRS: As per requirements of BAS 39 Investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve 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 book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at costs.

ii) Revaluation gain/loss on Government securities

BFRS: As per requirement of BAS 39 where securities T-bills and T-bonds will fall under the category of "held for trading", any change in the fair value of held for trading assets is recognized through profit and loss account.

Securities T-bills designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit & 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. Interest on HFT securities including amortisation of discount are recognised 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.

iii) Provision on loans and advances

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 05 dated 29 May 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

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 recognised 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.

iv) Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income (OCI) Statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

v) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such some disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the accounts.

vi) Repo transactions

BFRS: 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 or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expense.

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 a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

vii) Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity 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 terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as L/C, L/G will be treated as Off-Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

viii) Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice presented on the face of the balance sheet, and Treasury bills, Prize bonds are shown in Investments.

ix) Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD 14, there must exist a face item named Non-banking asset.

x) Cash flow statement

BFRS: Cash flow statement can be prepared using either in direct method or in 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 method.

xi) Balance with Bangladesh Bank: (CRR)

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xii) Presentation of intangible asset

BFRS: Intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD 14.

xiii) Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement of 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 in face of balance sheet.

xiv) Disclosure of appropriation of profit

BFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD 14, an appropriation of profit should be disclosed in the face of profit and loss account.

xv) Loans and advance (net of provision)

BFRS: Loans and advances should be presented net of provisions.

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.

The financial statements of the Islamic banking branches have also been prepared as per Bank Companies Act 1991, BFRSs and other prevailing laws and regulations applicable in Bangladesh.

The consolidated financial statements were authorised for issue by the board of directors on 27 March 2014

2.01.2 The Bank's compliance with related pronouncements by Bangladesh Bank:

i) Internal control

The objective of internal control is to ensure that management has reasonable assurance that (i) operations are effective, efficient and aligned with strategy, (ii) financial reporting and management information is reliable, complete and timely accessible, (iii) the entity is in compliance with applicable Laws and Regulations as well as its internal policies and ethical values including sustainability, and (iv) assets of the company are safeguarded and frauds, forgeries & errors are prevented or detected.

Jamuna Bank 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 has designed to develop a high level risk culture among the personnel of the Bank, establish 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 Jamuna Bank, through its Audit Committee, periodically 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. The 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.

During the year 2013, ICCD conducted inspection on most of the Branches/ Divisions of Head Office of the Bank and submitted reports presenting the findings of the audits/ inspections. The bank conducted the risk grading of branches as per Bangladesh Bank guideline. The ICCD plan and perform the audit accordingly. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports. The reports or key points of the Reports have also been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the said Committee for correct functioning of Internal Control & Compliance.

ii) 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 officers. Internal Auditor works as the Eyes & Ears of the Management.

Internal Audit Mechanism is used as an important element to ensure good governance of JBL. Internal Audit Activity of JBL is effective and it provides Senior Management with a number of important services. These include detecting and preventing fraud, testing internal control, Monitoring and compliance with own policies & procedures, applicable rules & regulations, instructions/guidelines of Regulatory Authority etc. Our team carry out Comprehensive inspection, Special inspection & Surprise inspection and investigation, etc. in order to help avoiding any fraudulent activities which in turn would strengthen the bank to set up sound structural base.

iii) Fraud and forgeries

Fraud can happen anywhere. Though, only relatively few major frauds are picked up by the media, huge sums are lost by all kinds of businesses against large number of frauds. The risks of fraud is increasing day by day as a result of growing globalization, more competitive markets, rapid developments in technology, periods of economic difficulty, etc. Banks by virtue of the nature of activities undertaken and its operating environment are vulnerable to frauds, which takes place when aggressive business strategy and process for quick growth is adopted without adequate/ appropriate internal controls or non-adhering to operating standards/ controls. In the recent past, incidence of frauds in the Banking industry has increased to some extent, which calls for concerted steps in investigating the frauds and identifying the fraudsters for eventual criminal prosecution and internal punitive action.

It will never be possible to eliminate all frauds and no system is completely fraud proof, since many fraudsters are able to bypass control systems put in place. JBL pays attention on anti-fraud internal controls for prevention of fraud and forgery. JBL assesses /evaluates the effectiveness of its Anti-Fraud Internal Control measures on quarterly basis as per the items/ areas mentioned in the prescribed checklist of Bangladesh Bank.

iv) Risk management

The risky nature of Banking business has caused the Central Bank to be much concerned about the risk factors affecting the financial position of the banks. In this connection every Central Bank has come forward to establish a general framework to defeat risk factors considering the laws of the land. Bangladesh bank has also undertaken an overall core-risk management project under which every bank is bounded to the authoritative covenants to install risk management system.

Jamuna Bank Limited has established approved policies in compliance with Central bank's guidelines covering major areas such as (i) Credit risk management (b) Foreign exchange risk management (c) Asset liability management (d) Money laundering risk (e) Internal control & compliance (f) information and communication technology security risk.

Jamuna Bank Limited has adopted Risk Management Guidelines formulated by Bangladesh Bank. The purpose of the guidelines is to inform management about the loopholes of full fledged implementation of Core risks management, improve risk management culture, restructure minimum standards and assist in the ongoing improvement.

In compliance with the requirements of Bangladesh Bank guidelines, Risk Management Division monthly prepare Risk Management Paper (RMP) and the paper is reviewed in the meeting of Risk Management Committee to have their opinion/decision on the issues identified in RMP.

2.02 Functional and presentation currency

These financial statements are presented in Bangladesh Taka, which is the Bank's functional currency. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

2.03 Use of estimates and judgments

The preparation of financial statements requires management 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 estimates is revised and in any future periods affected.

2.04 Reporting period

These financial statements cover one calendar year from 01 January 2013 to 31 December 2013.

2.05 Statement of cash flows

Cash flow statement has been prepared in accordance with the BRPD circular no. 14, Dated: 25 June 2013 issued by the Bankign Regulations and Policy Department of Bangladesh Bank.

2.06 Foreign currency conversion

Transaction in Foreign Currencies are translated into Bangladesh Taka and recorded at the ruling Exchange rates applicable on the dates of transactions in accordance with Bangladesh Accounting Standards (BFRS/BAS) – 21 “The Effects of Changes in Foreign Exchange Rates”. As such -

- i) Assets and liabilities denominated in foreign currency are translated into Bangladesh Taka at the balance sheet date at mid rates.
- ii) Transactions in foreign currencies are converted into Bangladesh Taka currency at average exchange rate of such transactions and any gains or losses thereon are adjusted to revenue through foreign exchange trading account.

2.07 Statement of liquidity

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities for the year ended 31 December 2013.

3.00 Significant Accounting Policies

3.01 Consolidation Procedure

The consolidated financial statements include the financial statements of Jamuna Bank Limited and its subsidiaries- Jamuna Bank Capital Management Limited and Jamuna Bank Securities Limited made up to the end of the financial year.

The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard 27: Consolidated and Separate Financial Statements. The consolidated financial statements are prepared to a common financial year ended 31 December 2013.

3.01.1 Transactions eliminated on consolidation

Intra-group balances, and income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.01.2 Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- at fair value; or
- at their proportionate share of the acquiree’s identifiable net assets, which are generally at fair value.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Subsidiaries are the entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

3.02 Assets and basis of their valuation

3.02.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice, investments in treasury bills and prize bond.

3.02.2 Investments

All investment securities are initially recognised at cost, including acquisition charges associated with the investment. Premiums are amortised and discounts are accredited.

Held to maturity

Investments which have, 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'.

Held for trading

Investment 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.

Re-measured bond

As per DOS circular letter no. 2 dated 19 January 2012, Treasury bond held in HFT category by the Primary Dealer (PD) may be re-measured at amortized cost instead of fair value.

Revaluation

As per the DOS Circular letter no. 5 dated 26 May 2008, HFT securities are revaluated each week using Marking to Market concept and HTM securities are amortised once a year according to Bangladesh Bank guidelines.

Value of investments has been shown as under:

<u>Items</u>	<u>Assessment of accounting</u>
Bangladesh Bank bills	Amortized value
Government treasury bills-HTM	Amortized value
Government treasury bills-HFT	Market value
Government treasury bonds-HTM	Amortized value
Government treasury bonds-HFT	Market value
Prize bond & other bonds	Cost price
Shares & debentures	Cost or market price whichever is lower

3.02.3 Loans & advances and provision

Interest is calculated on daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans is kept in interest suspense account as per Bangladesh Bank guidelines and such interest is not accounted for as income until realized from borrowers. Interests are not charged on bad / loss loans as per instructions of Bangladesh Bank. Advances are stated at gross value.

Provision for loans and advances is made on the basis of year-end review by the management and on the basis of instructions contained in Bangladesh Bank BCD Circular No- 34 of 1989, BCD Circular No. 20 dated 27 December 1994, BRPD Circular No-12 dated 04 September 1995, BRPD Circular No- 16 dated 06 December 1998, BRPD Circular No-9 dated 14 May 2001, BRPD Circular No-8 of 2005 and BRPD Circular No-14 dated 23 September 2012, BRPD Circular No-19, dated 27 December 2012, BRPD Circular No-5, dated 29 May 2013 at the following rates:

Particulars	Rate
General provision on	
a. Consumer financing (House financing and loans to professional)	2%
b. Consumer Financing (Other than 'a')	5%
c. Small and medium enterprise financing (SMEF)	0.25%
d. Short term agriculture & micro credit	5%
e. Loans to BHs/ MBs/ Sds against shares etc	2%
f. All other credit	1%
Specific provision on	
a. Substandard loans and advances	
i. Short term agri. credit & micro credit	5%
ii. Other than short term agri. credit & micro credit	20%
b. Doubtful loans and advances	
i. Short term agri. credit & micro credit	5%
ii. Other than short term agri. credit & micro credit	50%
c. Bad/Loss loans and advances	
	100%

Loans and advances are written off to the extent that there is no realistic prospect to recovery as per guideline of Bangladesh Bank. However, write off will not reduce the claim against the borrower. Detailed records for all such write off accounts are maintained.

3.02.4 Property, plant and equipment and their depreciation

Recognition and measurement

Items of fixed assets excluding land are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost/revaluation.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognised in other income/other expenses in profit or loss.

Property, Plant and Equipment are recognized as assets in accordance with Bangladesh Accounting Standards (BAS) 16 "Property Plant and Equipment".

Subsequent costs

The cost of replacing a component of an item of fixed assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of fixed assets are recognised in profit or loss as incurred.

Depreciation

During the period under audit, depreciation is charged at the following annual rates on straight-line method on all fixed assets except land. Depreciation has been charged on addition during the period when respective assets put into use and in case of sale, up to the date of sale.

<u>Name of the assets</u>	<u>Rate of depreciation</u>
Building	2.50%
Furniture & fixture	10%
Office equipment	15%
Motor vehicle	20%
Books	20%

3.03 Liabilities and basis of their valuation

3.03.1 Deposits and other accounts

Deposits by customers and banks are recognized when the bank enters into contractual provisions of the arrangements with the counter parties, which is generally on trade date, and initially measured at the consideration received.

3.03.2 Provision for liabilities

A provision is recognized in the balance sheet when the bank 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 BAS - 37 "Provisions, Contingent Liabilities and Contingent Assets".

3.04 Minority interest in subsidiaries

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 minority interest in the subsidiary company is always less than 50% of the outstanding shares, else the corporation would cease to be a subsidiary of the parent. Minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

3.05 Statutory reserve

The Bank Companies Act, 1991 requires the bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital. The Bank transferred 20% of its profit before tax for the year 2013 to statutory reserve account.

3.06 Contingent liabilities, commitments and other off-balance sheet settlements

A contingent liability is -

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

A present obligation that arises from past events but it is not recognised because:

- * it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- * the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

3.07 Revenue recognition

The revenue during the period under audit is recognized satisfying the conditions as specified in Bangladesh Accounting Standards (BAS) 18 "Revenue Recognition". Details are as under:

3.07.1 Interest/profit income

- i. Interest is calculated on daily product on unclassified loans and advances but charged on quarterly and monthly basis, where applicable.
- ii. Interest is charged on classified loans and advances by crediting interest suspense account as per BRPD Circular No 16 of 1998 and such interest is taken into income account upon realization. Interest on credit card outstanding is calculated on daily product but charged on monthly basis.
- iii. Commission and discounts on bills purchased and discounted are recognized at the time of realization.
- iv. For Islamic Banking, profit is charged on unclassified investments on daily product basis and charged to the clients on quarterly and monthly basis, where applicable.
- v. Islamic Banking branches calculate profit on classified investments and credits the same to profit suspense account until realization.

3.07.2 Fees, commission and discounts income

Fees, commission and discounts on bills purchased and discounted are recognized at the time of realization.

3.07.3 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.

3.08 Interest/profit paid and other expenses

In terms of the provisions of BAS-1 "Presentation of Financial Statements" interest/profit and other expenses are recognized on accrual basis.

3.09 Taxation

a) Current tax

Provision for current tax has been made @ 42.50% as prescribed in the Finance Act, 2013 of the profit made by the Bank considering major taxable allowances and disallowances.

b) Deferred tax

Deferred tax is calculated on the taxable/deductible temporary differences between tax base amount and carrying amount of assets and liabilities as required by Bangladesh Accounting Standard (BAS)-12 "Income Taxes".

3.10 Provision for nostro accounts

As per instruction contained in the circular letter no. FEPD (FEMO)/01/2005-677 dated September 13, 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, Bank are required to make provision regarding the un-reconciled debit balance of nostro account over more than 3 months as on the reporting date in these financials. Since there is no un-reconciled entries which are outstanding more than 3 months. As such, the Bank does not require to make provision.

3.11 Employee benefits

The retirement benefits accrued for the employees of the Bank during reporting period have been accounted for in accordance with the provisions of BAS-19 "Employees Benefit".

3.11.1 Provident fund

Provident Fund benefits are given to the employees of the Bank in accordance with the locally registered Provident Fund Rules. This Fund is being operated under a Trustee Board. This fund got approval from the National Board of Revenue (NBR) on 28 August 2002. All employees of the bank are contributing 10% of the basic salary as subscription to the fund. The bank also contributes equal amount to the fund.

3.11.2 Superannuation fund

The Bank operates a Social Security Superannuation Fund and it is operated by a separate Board of Trustees and Superannuation Fund Rules of the Bank. This fund got approval from the National Board of Revenue (NBR) on 04 January 2004.

3.11.3 Gratuity

The Bank operates a funded gratuity scheme approved by the National Board of Revenue (NBR) on 04 April 2010. In the Bank gratuity scheme covers all permanent employees of the Bank. The company made provision to meet-up claim of out going employees. The gratuity is calculated on the basis of last basic pay and is payable at the rate of two months basic pay for every completed year of service. No actuarial valuation has been done as per the requirements of BAS 19 for the year 2013.

3.11.4 Workers participation fund and welfare fund

SRO-336-AIN/2010 dated 5-10-2010 issued by the Ministry of Labour and Employment and published in Bangladesh gazette on 07-10-2010 declaring 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 purpose of Chapter-xv of the Bangladesh Labor Act, 2006 which deals with the workers participation in company's profit by way of Workers Participation Fund and Welfare Fund (WPFWF). The Bangladesh Labor Act, 2006 requires the "Industrial Undertakings" to maintain provision for workers profit participation fund @5% on net profit. However, we have obtained legal opinion from Legal advisor in this regard where it has been stated that Jamuna Bank Limited does not fall under this category. Therefore, no provision in this regard has been made in the financial statements during the year under audit.

3.12 Number of employees

The number of employees engaged for the whole year or part thereof who received a total yearly remuneration of Tk 36,000 or above were 2,206 in 2013 and 2,006 in 2012.

3.13 Earnings per share (EPS)

Earnings per share have been calculated in accordance with BAS-33:"Earnings per Share". The Group and the Bank present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group/Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

3.14 Reconciliation of inter-bank/books of accounts

Books of Accounts with regard to inter-bank (in Bangladesh & out side Bangladesh) and inter-branch have been reconciled and there is no material difference, which might effect the financial statements significantly.

3.15 Risk management

In banking organization, risk is the possibility that outcome of an action or event could bring up adverse impact. Such outcome could either result in a direct loss of earnings/capital or may result in imposition of constraints on banks' ability to meet their business objectives. Risk is the outcome of losses due to sudden downturn in economy or falling interest rates. Banks have to rely on their capital as a buffer to absorb such losses. The types and degree of risks an organization may be exposed depend upon a number of factors such as its size, complexity business activities, volume etc. Initially Bangladesh Bank has issued guidelines on six core risk areas and accordingly scheduled banks operating in Bangladesh has implemented the guidelines for better risk management practice. Implementation of core risk management guidelines by Jamuna Bank Limited (JBL) and its status are discussed below.

3.15.1 Credit risk management

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 JBL 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.

Credit rating and measurement

Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. It is a primary area for sustained investment and senior management attention. The standard credit risk grading (CRG) system is used in both Corporate and SME Banking. The grading 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 ratings agencies.

Credit approval

Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by the Head Office Credit Committee (HOCC) and HOCC recommend the loan to the approval authority. 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.

Credit monitoring

We regularly monitor credit exposures, portfolio performance, and external trends through relationship and corporate 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 and loan impairment performance; as well as credit grade migration are presented to risk committees (HOCC and PAMC). The HOCC & PAMC 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, for example, where there is a decline in the customer's position within the industry, a breach of covenants, non-performance of an obligation, or there are issues relating to ownership or management. Such accounts and portfolios are subjected to a dedicated process overseen by the Monitoring & Recovery Division. Account plans are re-evaluated and remedial actions are agreed and monitored. Remedial actions include, but are not limited to, exposure reduction, security enhancement, exiting the account or immediate movement of the account into the control of Recovery unit. In Retail/Consumer 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.

Concentration risk

Credit concentration risk is 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.

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 mitigants 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 credit policy, 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.

3.15.2 Foreign exchange risk

Foreign exchange risk is the risk that an investment's value changing due to changes in currency exchange rates. The risk that an investor will have to close out a long or short position in a foreign currency at a loss due to an adverse movement in exchange rates. The risk is most acute for businesses that deal in more than one currency. However, other businesses are indirectly exposed to foreign exchange risk if, for example, their business relies on imported products and services.

Foreign exchange risk should be managed where fluctuations in exchange rates impact the business profitability.

Sources of foreign exchange risk :

Foreign exchange risk for a business may arise from a number of sources, including:

- where the business is
- where other costs, such as capital expenditure, are denominated in foreign currency
- where export bill is received in foreign currency
- where other income, such as royalties, interest, dividends etc, is received in foreign currency
- where the loans are denominated (and therefore payable) in foreign currency
- where the business has offshore assets such as operations or subsidiaries that are valued in a foreign currency, or foreign currency deposits.

Methods of measuring foreign exchange risk:

There are many ways to measure foreign exchange risk, ranging from simple to complex measures. Following are some of the examples of the simpler measures which can be applied and understood by most businesses :

- MIS of foreign currency exposures
- Table of projected foreign currency cash-flows
- Sensitivity analysis
- Value at risk

Like other banks and financial institutions, Jamuna Bank Ltd. is also exposed to Foreign Exchange Risk that sprouts externally due to convergence and divergence of many factors in the international market. The foreign exchange business of the bank, fully backed by the underlying transactions, is well-managed as per Bank's internal risk management policies and guidelines and the guidelines of Bangladesh Bank (Central Bank of Bangladesh) . The Asset Liability Management Committee (ALCO) of the bank, headed by the Managing Director & CEO, reviews the risk management position of the bank on regular intervals and provides insights and guidelines to the Treasury Division to manage the foreign exchange risk of the Bank with minimum financial impact.

3.15.3 Asset Liability Management Risk

The Bank has established an Asset Liability Committee (ALCO) contains 10 (ten) members headed by Managing Director. The committee meets at least once in every month. The main responsibilities of ALCO are to look after the Financial Market activities, manage liquidity and interest rate risk, understand the market position and competition etc. The Asset Liability Management Committee also monitored the balance sheet risk. The balance sheet risk is defined as potential changes in earnings due to change in rate of interest and exchange earnings which are not of trading nature. To support ALM process, the most important strategy of the ALM of the Bank is medium to short-term funding and adequate liquidity both in local and foreign currency all time at the most appropriate funding cost. An important objective of ALCO is to provide cost effective funding to finance the asset growth and trade related transactions, optimize the funding cost, increase spread with the lowest possible liquidity, maturity, foreign exchange and interest rate risks.

3.15.4 Internal control and compliance risk:

Internal controls are the policies and procedures established and implemented alone, or in concert with other policies or procedures, to manage and control a particular risk or business activity, or combination of risks or business activities, to which the Bank is exposed to or in which it is engaged.

Objective of internal control:

The primary objective of internal control system in a bank is to help the bank perform better through the use of its resources. Through internal control system bank identifies its weaknesses and takes appropriate measures to overcome the same. The main objectives of internal control are as follows :

- Efficiency and effectiveness of activities (performance objectives)
- Reliability, completeness and timelines of financial and management information (Information objectives)
- Compliance with applicable laws and regulations (compliance objectives), Risk Recognition and Assessment:
- Internal control system has been designed in such a way to recognize and assess all of the material risks that could adversely affect the achievement of the Bank's goals.
- Effective risk assessments identify and consider both internal and external factors.
- Risk assessment by Internal Control System differs from the business risk management process which typically focuses more on the review of business strategies developed to maximize the risk/reward trade-off within the different areas of the Bank. The risk assessment by Internal Control focuses more on compliance with regulatory requirements, social, ethical and environmental risks those affect the banking industry.

3.15.5 Money laundering risk:

Money Laundering Risk is one of the 6(six) core risk elements in banking business. Money Laundering Risk is defined as reputational and legal risk under operational risk and expenses incurred as penalty for being non-complied in prevention of money laundering. In order to manage the AML risk, the bank has set up an effective Anti-Money Laundering programme in line with Anti-Money Laundering Act, 2012 and Bangladesh Bank guidance which has been updated through inclusion of Anti-Terrorist Act, 2012. The Bank has developed manuals for prevention of money laundering and introduced know Your Customer (KYC) program and Transaction Profile (TP) including uniform A/c opening form at branch level for meticulous compliance. The Bank recognizes this risk as a separate classification emphasizing due importance for being compliant on it by way of making conversant of all Executives/Officers through issuing Circulars and providing necessary training of AML and CFT issues by AML Division of the Bank.

Designation of anti money laundering compliance officers (AMLCO):

The Bank has designated a Chief Anti-Money Laundering Compliance Officer (CAMLCO) at its Head Office who is empowered with sufficient authority to implement and enforce anti-money laundering policies, procedures and measures and who reports directly to Senior Management and the Board of Directors. This provides evidence of Senior Management's commitment to efforts to combat money laundering and terrorist financing and more importantly, provides added assurance that the officers have sufficient clout to investigate potentially suspicious activities.

3.15.6 Information communication technology risk

In the year 2013 Bank has taken different initiatives to minimize ICT risks. Throughout the year Bank has initiated different projects considering Risk Management into consideration.

In the year 2012, the ICT Policy of the Bank was revised and amended to cope up with the recent ICT trends and risks. IT Audit Team performed comprehensive IT Audit on different aspects of IT for the Data Centre, Disaster Recovery Site and also for branches. The audit recommendations and suggestions were considered and accordingly steps were taken to minimize associated ICT Risks.

Bank has arranged awareness programs and trainings on the field of ICT Risk and its mitigation for both business and technical human resources, from top management to the trainee officers. The idea behind this practice was to increase average ICT knowledge of the Bank through which probability of occurrence of policy noncompliance in the Bank will be minimized. A special session on ICT Risk Management was organized by Information Technology Division of the Bank.

Bank has amended its Risk Management Policy as per the standard Risk Management frameworks, which has been approved by the Board of Directors of the Bank. Practice of this Risk Management Policy has already been started in the organization in ICT fields in the vision of minimizing the ICT Risks.

Fault tolerant hardware along with high availability infrastructure was considered during procurement of different hardware for commenced Projects of 2013. This will ensure hardware failure risks to minimize.

The pursuit to control ICT risks was repeated throughout the year. This endeavor will further continue in the year 2014.

3.16

Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). While preparing the financial statements, the Bank applied most of the BASs and BFRSs as applicable.

Name of the BAS	BAS No	Status
Presentation of Financial Statements	1	Complied with some departure (Note 2.01.1)
Inventories	2	N/A
Cash Flow Statements	7	Complied with some departure (Note 2.01.1)
Accounting Policies, Changes in Accounting	8	Complied
Events after the Reporting Period	10	Complied
Construction Contracts	11	N/A
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Lease	17	N/A
Revenue	18	Complied
Employee Benefits	19	Complied with some departure (Note 3.11.3)
Accounting for Government Grants and	20	N/A
The Effects of Changes in Foreign Exchange	21	Complied
Borrowing Costs	23	Complied
Related Party Disclosures	24	Complied
Accounting and Reporting by Retirement Benefit Plans	26	Complied
Consolidated and Separate Financial	27	Complied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Complied with some departure (Note 2.01.1)
Earning Per Share	33	Complied
Interim Financial Reporting	34	Complied
Impairment of Assets	36	Complied
Provisions, Contingent Liabilities and	37	Complied
Intangible Assets	38	Complied
Financial Instruments: Recognition & Measurement	39	Complied with some departure (Note 2.01.1)
Investment Property	40	N/A
Agriculture	41	N/A
Name of the BFRS	BFRS No.	Status
First-time adoption of Bangladesh Financial	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	Complied
Insurance Contract	4	N/A
Non-current Assets Held for sale and	5	N/A
Exploration for and Evaluation of Mineral	6	N/A
Financial Instrument Disclosures	7	Complied with some departure (Note 2.01.1)
Operating Segments	8	Complied with some departure (Note 2.01.1)
Consolidated Financial Statements	10	Complied
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied

* N/A = Not Applicable

** Relevant disclosures are made according to the requirement of Bangladesh Bank.

3.17 General

- i) Figures of previous periods have been rearranged wherever considered necessary to conform to the current period's presentation.
- ii) Figures have been rounded off to the nearest Taka.
- iii) Expenses are shown including Value Added Tax (VAT) where applicable.

		31.12.2013 Taka	31.12.2012 Taka
4	Cash		
	Cash in hand (Note: 4.1)	1,272,506,614	1,031,717,440
	Balance with Bangladesh Bank and its agent banks (Note: 4.2)	5,377,999,871	5,931,243,610
		6,650,506,484	6,962,961,050
4(a)	Consolidated Cash		
	Jamuna Bank Limited	6,650,506,484	6,962,961,050
	Jamuna Bank Capital Management Limited	7,484	9,288
	Jamuna Bank Securities Limited	7,166	-
		6,650,521,134	6,962,970,338
4.1	Cash in hand (including foreign currencies)		
	Local currency	1,257,224,265	1,014,340,105
	Foreign currency	15,282,349	17,377,335
		1,272,506,614	1,031,717,440
4.1(a)	Consolidated Cash in hand		
	Jamuna Bank Limited	1,272,506,614	1,031,717,440
	Jamuna Bank Capital Management Limited	7,484	9,288
	Jamuna Bank Securities Limited	7,166	-
		1,272,521,264	1,031,726,728
4.2	Balance with Bangladesh Bank and its Agent Bank		
	Balance with Bangladesh Bank		
	Local currency	5,194,684,178	4,658,016,296
	Foreign currency	129,329,331	1,154,827,314
		5,324,013,510	5,812,843,610
	Balance with Sonali Banks		
	Local currency	53,986,361	118,400,000
		5,377,999,871	5,931,243,610
4.2(a)	Consolidated Balance with Bangladesh Bank and its agent bank(s)		
	Jamuna Bank Limited	5,377,999,871	5,931,243,610
	Jamuna Bank Capital Management Limited	-	-
	Jamuna Bank Securities Limited	-	-
		5,377,999,871	5,931,243,610
4.3	Statutory Deposits		
	Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) have been calculated and maintained as per Section 33 of the Bank Company Act, 1991 & amended Act 2013 and BCD Circular No. 13 dated 24 May 1992, BRPD Circular No. 22 dated 06 November 2003 and BRPD Circular No. 11 & 12 dated 25 August 2005, MPD circular No. 01 dated 4 May 2010 and MPD circular No. 04 and 5 dated 01 December 2010.		
	The Cash Reserve Requirement on the Bank's time and demand liabilities of October'2013 at the rate of 6% has been calculated and maintained with Bangladesh Bank in current account and 19% Statutory Liquidity Ratio, including CRR, on the same liabilities has also been maintained in the form of treasury bills, bonds and debentures including FC balance with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:		
(a)	Cash Reserve Requirement (CRR): 6% of Average Demand & Time Liabilities		
	Required Reserve	4,877,163,310	4,203,616,380
	Actual Reserve held with Bangladesh Bank:		
	Balance with Bangladesh Bank current account	4,490,188,683	4,475,498,358
	Reverse REPO with Bangladesh bank	450,000,000	-
	Surplus / (deficit)	63,025,373	271,881,978
	Maintained (%)	6.08	6.39

	31.12.2013 Taka	31.12.2012 Taka
(b) Statutory Liquidity Requirement (SLR): 19% of Average Demand & Time Liabilities		
Required Reserve	15,444,350,490	13,311,451,870
Actual Reserve held	31,599,958,949	30,825,733,720
Surplus / (deficit)	16,155,608,459	17,514,281,850
Maintained (%)	38.88	44.00

Statutory Liquidity Requirement (SLR) required of Tk.15,444,350,490 but we maintained Tk.31,599,958,949. We have to maintain surplus amount of Tk.16,155,608,459 as Jamuna Bank Ltd involved in Primary Dealing (PD) operation and secondary trading activities.

5 Balance with Other Banks and Financial Institutions

In Bangladesh	(Note: 5.1)	4,090,850,520	2,272,895,656
Outside Bangladesh *	(Note: 5.2)	188,134,672	1,239,106,835
		4,278,985,192	3,512,002,491

* Details are given in Annexure-A

5.1 In Bangladesh

In Current & SB Deposit Account

AB Bank Limited CD A/c	1,077,303	1,076,728
Janata Bank Limited CD A/c	20,596,405	14,177,039
National Bank Limited, CD A/c	237,086	1,239,006
Social Islami Bank Limited	866,925	800,846
Sonali Bank Ltd.	145,344,096	60,872,577
Standard Chartered Bank	10,364,044	8,984,267
The City Bank Limited	245,167	233,003
	178,731,025	87,383,467

In Short notice deposit Account

AB Bank Limited	697,298	853,732
Agrani Bank Limited	23	23
Bank Al- Falah	31,336	-
Export Import Bank Limited	377,974	369,276
IFIC Bank Limited	-	99,843
Mercantile Bank Limited	4,177,446	7,079,064
National Bank Limited	13,120,169	38,012,935
Prime Bank Limited	130,001	128,136
Shajalal Islami Bank Limited	12,199,981	91,510,464
The Trust Bank Limited	952,281	17,052,346
Uttara Bank Limited	415,231	400,782
	32,101,741	155,506,602

In Fixed Deposit with Other Banks

Al-Arafah Islami Bank Limited	2,500,000,000	800,000,000
The City Bank Limited	250,000,000	200,000,000
First Security Bank Limited	400,000,000	400,000,000
Southeast Bank Limited	10,000,000	200,000,000
Commercial Bank of Ceylon	20,000,000	-
	3,180,000,000	1,600,000,000

	31.12.2013 Taka	31.12.2012 Taka
<u>In Fixed Deposit with Other Financial Institutions</u>		
National Housing Finance & Investments Limited	600,000,000	330,000,000
Lanka Bangla Finance Limited	100,000,000	100,000,000
	700,000,000	430,000,000
Offshore Banking unit	17,754	5,587
	4,090,850,520	2,272,895,656
5.1(a) Consolidated Balance - in Bangladesh		
Jamuna Bank Limited	4,090,850,520	2,272,895,656
Jamuna Bank Capital Management Limited	309,450,990	472,411,203
Jamuna Bank Securities Limited	103,645,203	140,027,822
	4,503,946,713	2,885,334,681
Less: Inter-company transaction		
Jamuna Bank Capital Management Limited	309,450,990	462,411,203
Jamuna Bank Securities Limited	103,645,203	140,027,822
	4,090,850,520	2,282,895,656
5.2 Outside Bangladesh		
AB Bank Limited Mumbai India	1,290,676	20,511,097
Axix Bank Ltd, Mumbai, India	6,864	7,116
Bank of Bhutan, Bhutan	11,311,289	13,524,725
Bank Al Bilad, Riyadh, KSA	243,342	455,585
Citi Bank N.A, New York	-	(8,179,513)
Commerzbank AG, Germany	14,029,870	(4,822,961)
Emirates NBD Bank PJSC	529,769	-
Habib American Bank, New York, NY USA	17,081,926	102,752,835
Habib Bank AG Zurich, Switzerland	5,171,529	1,314,875
HSBC Bank, USA, NY	31,110,432	142,788,256
ICIC Bank Limited, Mumbai	25,676,343	26,560,998
ICIC Bank Limited, Hong Kong	9,322,280	14,407,827
Jpmorgan Chase Bank N.A., USA	7,424,195	182,885,614
Mashreq Bank Mumbai, India	9,043,162	10,769,077
Mashreqbank psc - IBF Limited New York	18,593,146	538,281,799
Nepal Bangladesh Bank Limited Katmandu, Nepal	3,035,800	17,982,643
Standard Chartered Bank, Colombo-Srilanka	1,252,319	4,259,736
Standard Chartered Bank, Karachi, Pakistan	3,342,503	3,457,934
Standard Chartered Bank, Mumbai -India	(7,526,028)	4,106,469
Standard Chartered Bank, London	4,516,348	5,746,029
Standard Chartered Bank, New York	11,357,671	149,508,884
Standard Chartered Bank, Tokyo, Japan	9,793,823	8,041,485
The Bank of Nova Scotia, Canada	4,109,845	1,976,962
UBAF Singapore	72,076	1,803,690
Unicredit Bank, Germany	7,345,491	965,675
	188,134,672	1,239,106,835
5.2(a) Consolidated Balance - outside Bangladesh		
Jamuna Bank Limited	188,134,672	1,239,106,835
Jamuna Bank Capital Management Limited	-	-
Jamuna Bank Securities Limited	-	-
	188,134,672	1,239,106,835

		31.12.2013	31.12.2012
		Taka	Taka
5.3	Maturity Grouping of Balance with Other Banks and Financial Institutions		
	On demand	366,865,697	1,326,490,302
	One month term	32,101,741	155,506,602
	3 months term	3,180,017,754	1,600,005,587
	6 months term	700,000,000	430,000,000
	1 year term	-	-
	2 years term	-	-
	3 years term	-	-
		4,278,985,192	3,512,002,491
6	Money at Call on Short Notice		
	Banking Sector	-	570,000,000
	Non - Banking financial Institutions	-	-
		-	570,000,000
6.(a)	Consolidated Money at Call on Short Notice		
	Jamuna Bank Limited	-	570,000,000
	Jamuna Bank Capital Management Limited	-	-
	Jamuna Bank Securities Limited	-	-
		-	570,000,000
7	Investments		
	Government* (Note: 7.1)	30,666,749,320	38,792,095,089
	Others (Note: 7.2)	725,446,195	326,838,222
		31,392,195,516	39,118,933,310
	* Assets pledge as securities which was separately presented in the year 2012, has now been included in Government to conform with BRPD circular.		
7.(a)	Consolidated Investments		
	Jamuna Bank Limited	31,392,195,516	39,118,933,310
	Jamuna Bank Capital Management Limited	79,480,192	56,482,049
	Jamuna Bank Securities Limited	23,104,722	-
		31,494,780,430	39,175,415,359
7.1	Government Investments		
	Bangladesh Bank bills (HFT) (a)	-	557,019,680.00
	Treasury bills (HFT) (b)	-	2,259,971,340
	Treasury bills (HTM) (b)	-	-
	Treasury bonds (HFT) (c)	10,387,951,671	2,146,344,235
	Treasury bonds (HTM) (c)	20,077,381,250	19,251,125,226
	Prize bonds	1,416,400	1,920,000
	Asset Pledge as security	-	14,355,714,608
		30,466,749,320	38,572,095,089
	In Islamic Banking Branches		
	Islami Investment Bond (d)	200,000,000	220,000,000
		30,666,749,320	38,792,095,089
	a) Bangladesh Bank Bills		
	Up to 364 days	-	557,019,680
		-	557,019,680

	31.12.2013 Taka	31.12.2012 Taka
b) Treasury Bills		
Up to 364 days	-	2,259,971,340
	-	2,259,971,340
c) Treasury Bond		
5 years term	6,168,987,700	5,505,414,163
10 years term	9,610,959,895	6,460,761,843
15 years term	10,610,408,029	5,516,991,380
20 years term	4,074,977,296	3,914,302,075
	30,465,332,920	21,397,469,461
d) Islami Bond		
Up to 364 days	200,000,000	220,000,000
	200,000,000	220,000,000
7.1(a) Consolidated Government Investments		
Jamuna Bank Limited	30,666,749,320	38,792,095,089
Jamuna Bank Capital Management Limited	50,000,000	-
Jamuna Bank Securities Limited	-	-
	30,716,749,320	38,792,095,089
7.2 Others Investments		
Shares (Note: 7.2.1)	725,446,195	326,838,222
	725,446,195	326,838,222
7.2(a) Consolidated Others Investments		
Jamuna Bank Limited	725,446,195	326,838,222
Jamuna Bank Capital Management Limited	29,480,192	56,482,049
Jamuna Bank Securities Limited	23,104,722	-
	778,031,110	383,320,271

7.2.1 Cost and Market Value of Shares as on 31 December 2013 are as follows:

<u>Particulars</u>	<u>Quantity</u>	<u>Cost price (Taka)</u>	<u>Market value (Taka)</u>
Ordinary Shares			
AB Bank 1st Mutual Fund	47,500	344,516	327,750
ACI Bangladesh Ltd.	44,012	10,757,649	7,548,058
Bank Asia Limited	714,608	26,287,399	16,435,984
Beximco Limited	213,037	31,756,060	6,859,791
BRAC Bank Ltd.	83,530	4,024,940	2,723,078
Beximco Pharma Ltd.	569,317	50,456,676	26,871,762
Dhaka Bank Ltd.	141,566	4,957,806	2,661,441
Fareast Life Insurance Co. Ltd.	83,720	18,060,901	8,037,120
First Security Bank Ltd.	309,760	9,209,291	4,677,376
IFIC 1st Mutual Fund	257,609	1,925,563	1,700,219
IFIL Islamic Mutual Fund	20,000	120,180	112,000
Islamic Finance Investment Ltd	10,000	175,663	187,000
Lafarge Surma Cement	1,500	15,000	50,250
Lanka Bangla Finance Ltd.	82,351	10,823,368	5,476,342
Maksons Spinning Mills Ltd.	118,335	7,852,207	2,354,867
Metro Spinning Mills Ltd.	91,142	6,560,703	1,968,667
MJ Bangladesh Limited	9,500	723,844	713,450
National Bank Limited	56,800	1,638,266	670,240
One Bank Limited	641,285	11,494,181	10,132,303

Popular 1st Mutual Fund	1,085,620	7,486,608	6,513,720
S. Alam Cold Rolled Steels Ltd	186,500	10,072,993	8,821,450
Singer BD Limited	6,037	2,019,985	1,127,712
Sino Bangla Industries Ltd	10,000	314,327	318,000
Sine Pukur Ciramics Ltd.	611,530	18,359,590	11,190,999
Standard Bank Ltd.	621,465	22,384,534	9,197,682
Summit Power Ltd.	444,988	34,673,047	17,087,539
Titas Gas	139,475	12,837,697	10,293,255
Trust Bank Limited	296,010	12,960,436	5,920,200
Apex Hotel Ltd.	14,035,088	200,000,000	200,000,000
UPGD Company Ltd	20,000,000	200,000,000	200,000,000
Equity Shares			
Central Depository Bangladesh Ltd	913,889	3,138,890	3,138,890
SWIFT	13	4,013,877	4,013,877
		725,446,195	577,131,022
Quoted Shares			
AB Bank 1st Mutual Fund	47,500	344,516	327,750
ACI Bangladesh Ltd.	44,012	10,757,649	7,548,058
Bank Asia Limited	714,608	26,287,399	16,435,984
Beximco Limited	213,037	31,756,060	6,859,791
BRAC Bank Ltd.	83,530	4,024,940	2,723,078
Beximco Pharma Ltd.	569,317	50,456,676	26,871,762
Dhaka Bank Ltd.	141,566	4,957,806	2,661,441
Fareast Life Insurance Co. Ltd.	83,720	18,060,901	8,037,120
First Security Bank Ltd.	309,760	9,209,291	4,677,376
IFIC 1st Mutual Fund	257,609	1,925,563	1,700,219
IFIL Islamic Mutual Fund	20,000	120,180	112,000
Islamic Finance Investment Ltd	10,000	175,663	187,000
Lafarge Surma Cement	1,500	15,000	50,250
Lanka Bangla Finance Ltd.	82,351	10,823,368	5,476,342
Maksons Spinning Mills Ltd.	118,335	7,852,207	2,354,867
Metro Spinning Mills Ltd.	91,142	6,560,703	1,968,667
MJ Bangladesh Limited	9,500	723,844	713,450
National Bank Limited	56,800	1,638,266	670,240
One Bank Limited	641,285	11,494,181	10,132,303
Popular 1st Mutual Fund	1,085,620	7,486,608	6,513,720
S. Alam Cold Rolled Steels Ltd	186,500	10,072,993	8,821,450
Singer BD Limited	6,037	2,019,985	1,127,712
Sino Bangla Industries Ltd	10,000	314,327	318,000
Sine Pukur Ciramics Ltd.	611,530	18,359,590	11,190,999
Standard Bank Ltd.	621,465	22,384,534	9,197,682
Summit Power Ltd.	444,988	34,673,047	17,087,539
Titas Gas	139,475	12,837,697	10,293,255
Trust Bank Limited	296,010	12,960,436	5,920,200
		318,293,429	169,978,255
Unquoted Shares			
Apex Hotel Ltd.	14,035,088	200,000,000	200,000,000
UPGD Company Ltd	20,000,000	200,000,000	200,000,000
Central Depository Bangladesh Limited	913,889	3,138,890	3,138,890
SWIFT	13	4,013,877	4,013,877
		407,152,767	407,152,767
Total		725,446,195	577,131,022

7.2.2 Market price of investment those prices were decreased on 31 December 2013

<u>Name of the company</u>	<u>Quantity</u>	<u>Cost price</u> <u>(Taka)</u>	<u>Market value</u> <u>(Taka)</u>	<u>Gain/(Loss)</u> <u>Required provision</u>
AB Bank 1st Mutual Fund	47,500	344,516	327,750	(16,766)
ACI Bangladesh Ltd.	44,012	10,757,649	7,548,058	(3,209,591)
Bank Asia Limited	714,608	26,287,399	16,435,984	(9,851,415)
Beximco Limited	213,037	31,756,060	6,859,791	(24,896,269)
BRAC Bank Ltd.	83,530	4,024,940	2,723,078	(1,301,862)
Beximco Pharma Ltd.	569,317	50,456,676	26,871,762	(23,584,914)
Dhaka Bank Ltd.	141,566	4,957,806	2,661,441	(2,296,365)
Fareast Life Insurance Co. Ltd.	83,720	18,060,901	8,037,120	(10,023,781)
First Security Bank Ltd.	309,760	9,209,291	4,677,376	(4,531,915)
IFIC 1st Mutual Fund	257,609	1,925,563	1,700,219	(225,344)
IFIL Islamic Mutual Fund	20,000	120,180	112,000	(8,180)
Islamic Finance Investment Ltd	10,000	175,663	187,000	11,337
Lafarge Surma Cement	1,500	15,000	50,250	35,250
Lanka Bangla Finance Ltd.	82,351	10,823,368	5,476,342	(5,347,026)
Maksons Spinning Mills Ltd.	118,335	7,852,207	2,354,867	(5,497,340)
Metro Spinning Mills Ltd.	91,142	6,560,703	1,968,667	(4,592,036)
MJ Bangladesh Limited	9,500	723,844	713,450	(10,394)
National Bank Limited	56,800	1,638,266	670,240	(968,026)
One Bank Limited	641,285	11,494,181	10,132,303	(1,361,878)
Popular 1st Mutual Fund	1,085,620	7,486,608	6,513,720	(972,888)
S. Alam Cold Rolled Steels Ltd	186,500	10,072,993	8,821,450	(1,251,543)
Singer BD Limited	6,037	2,019,985	1,127,712	(892,274)
Sino Bangla Industries Ltd	10,000	314,327	318,000	3,673
Sine Pukur Ceramics Ltd.	611,530	18,359,590	11,190,999	(7,168,591)
Standard Bank Ltd.	621,465	22,384,534	9,197,682	(13,186,852)
Summit Power Ltd.	444,988	34,673,047	17,087,539	(17,585,508)
Titas Gas	139,475	12,837,697	10,293,255	(2,544,442)
Trust Bank Limited	296,010	12,960,436	5,920,200	(7,040,236)
Apex Hotel Ltd.	14,035,088	200,000,000	200,000,000	-
UPGD Company Ltd	20,000,000	200,000,000	200,000,000	-
Central Depository Bangladesh L	913,889	3,138,890	3,138,890	-
SWIFT	13	4,013,877	4,013,877	-
		725,446,195	577,131,022	(148,315,174)

7.3 Maturity Grouping of Investments

On Demand	726,862,595	328,758,222
Not more than 1 month	-	-
More than 1 month but not more than 3 months	-	-
More than 3 months but not more than 1 year	200,000,000	3,036,991,020
More than 1 year but not more than 5 years	6,168,987,700	5,505,414,163
More than 5 years	24,296,345,220	30,247,769,906
	31,392,195,515	39,118,933,310

		31.12.2013 Taka	31.12.2012 Taka
8	Loans & Advances		
	Loans, cash credit, overdrafts and lease etc.	(Note: 8.01) 59,581,547,881	45,582,216,962
	Bills purchased and discounted	(Note: 8.02) 8,087,828,819	9,304,817,019
	Payable in Bangladesh	6,321,790,061	8,535,966,341
	Payable outside Bangladesh	1,766,038,757	768,850,679
		67,669,376,700	54,887,033,981
8.(a)	Consolidated Loans & Advances		
	Jamuna Bank Limited	67,669,376,700	54,887,033,981
	Jamuna Bank Capital Management Limited	770,462,834	554,697,207
	Jamuna Bank Securities Limited	-	-
		68,439,839,534	55,441,731,188
8.01	Loans, Cash Credit and Overdrafts etc.		
	Agriculture loan	1,157,670,330	43,481,341
	Cash credit	8,123,458,624	8,211,129,819
	Credit Card	173,276,683	129,031,153
	Export Cash Credit	23,341,307	45,757,234
	Hire purchase	1,060,872,694	1,032,741,872
	House building loan	215,762,422	267,161,665
	Lease finance	2,019,659,772	2,118,118,772
	Loan against imported merchandise	1	1
	Loan against packing credits	374,254,388	361,495,686
	Loan against trust receipt	3,906,723,823	6,243,332,732
	Loans (General)	5,266,819,083	5,475,932,135
	Overdraft	11,029,527,043	9,160,962,485
	Demand loan	2,882,278,391	220,536,432
	Payment against document	343,155,355	339,351,507
	Personal loan for women	966,357	1,123,961
	Real estate financing	344,877,948	378,916,295
	Retail credit	489,929,400	417,244,835
	Shop finance scheme	41,884	76,090
	SIFCO	1,060,871,521	-
	Small and Medium Enterprise	7,743,709,605	5,609,012,011
	Staff house building loan	118,724,387	137,142,166
	Staff loan Other	82,275	1,141,396
	Term Loan	4,149,781,119	812,735,748
	Time Loan	6,787,267,025	2,423,850,155
		57,273,051,437	43,430,275,490
	<u>In Islamic Banking Branches</u>		
	Bai-Muazzal	1,563,140,451	1,502,282,784
	MPI trust receipt	644,459,904	559,565,496
	Murabaha	41,491,984	27,441,209
	Quards	59,404,104	62,651,982
		2,308,496,444	2,151,941,472
		59,581,547,881	45,582,216,962
8.1(a)	Consolidated Loans, Cash Credit, Overdrafts and Lease etc.		
	Jamuna Bank Limited	59,581,547,881	45,582,216,962
	Jamuna Bank Capital Management Limited	770,462,834	554,697,207
	Jamuna Bank Securities Limited	-	-
		60,352,010,715	46,136,914,169

	31.12.2013 Taka	31.12.2012 Taka
8.02 Bills Purchased and Discounted (excluding treasury bills)		
Payable in Bangladesh	6,321,790,061	8,535,966,341
Payable outside Bangladesh-Main operation	1,177,800,105	716,434,490
Payable outside Bangladesh-Off Shore Banking Unit	588,238,653	52,416,189
	8,087,828,819	9,304,817,019
8.2(a) Consolidated Bills Purchased and Discounted (excluding treasury bills)		
Jamuna Bank Limited	8,087,828,819	9,304,817,019
Jamuna Bank Capital Management Limited	-	-
Jamuna Bank Securities Limited	-	-
	8,087,828,819	9,304,817,019
8.03 Maturity Grouping of Loans & Advances as follows		
Payable on demand	16,819,882,000	13,642,722,478
Not more than three months	11,635,964,713	9,438,011,357
More than 3 months but not more than 1 year	19,131,591,368	15,517,765,915
More than 1 year but not more than 5 years	12,715,060,846	10,313,273,685
More than 5 years	7,366,877,773	5,975,260,546
	67,669,376,700	54,887,033,981
8.04 Concentration of Advances		
Advances to allied concerns of Directors	-	-
Advances to Chief Executives and other Officers	159,958,842	143,440,651
Customer Groups:		
Agricultural & Fisheries	1,201,301,071	71,940,322
Industry wise	35,017,775,562	25,323,904,341
Small and Cottage	6,525,327,241	5,809,271,692
Advances to other Customers	24,765,013,984	23,538,476,974
	67,669,376,700	54,887,033,981
8.05 Information of Large Loan		
Number of the clients	24	33
Amount of outstanding advances (funded & non-funded)	22,066,930,000	16,730,154,000
Details information for the year ended 31 December 2013 have been given in (Annex-B)		
8.06 Sector wise loans & advances	% of total loan	
Agricultural & Fisheries	1.78%	1,201,301,071
Large & Medium Scale Industry	13.84%	9,366,622,048
Working Capital	33.73%	22,822,326,275
Export Credit	4.35%	2,941,952,143
Commercial Credit	28.67%	19,397,654,304
Small and Cottage Industries	9.53%	6,450,374,808
Others	8.11%	5,489,146,051
	100%	67,669,376,700
		54,887,033,981

		31.12.2013 Taka	31.12.2012 Taka
8.07	Geographical location wise loans & advances		
a) Urban	% of total loan		
Dhaka Division	59.56%	40,304,772,500	33,651,470,981
Chittagong Division	16.75%	11,334,970,041	8,264,890,000
Sylhet Division	0.68%	460,721,297	282,843,000
Rajshahi Division	10.63%	7,191,007,446	5,216,427,000
Khulna Division	1.06%	719,846,423	566,240,000
Barishal Division	0.21%	141,040,084	160,759,000
Rangpur Division	0.43%	290,416,914	1,464,573,000
	89.32%	60,442,774,705	49,607,202,981
b) Rural			
Dhaka Division	6.24%	4,220,515,513	1,902,751,000
Chittagong Division	2.96%	2,002,284,191	1,829,330,000
Sylhet Division	0.74%	498,691,173	403,621,000
Rajshahi Division	0.75%	505,111,118	1,144,129,000
Barishal Division	0.00%	-	-
	10.68%	7,226,601,995	5,279,831,000
	100%	67,669,376,700	54,887,033,981

8.8 Classification of Loans & Advances as per Bangladesh Bank circular no. BCD - 34, 20 and BRPD 16, 9

	% of Total Loans		
Unclassified & Special Mention Account	92.41%	62,535,622,700	49,549,160,716
Substandard	0.35%	238,255,000	1,184,110,851
Doubtful	2.32%	1,571,641,000	1,101,189,721
Bad or loss	4.91%	3,323,858,000	3,052,572,693
	100%	67,669,376,700	54,887,033,981

8.8.1 Particulars of Required Provision for Loans, Advances and Lease

General provision:

Status

Loans, advances & lease (Excluding SMA)

Special Mention Account (SMA)

Base for provision	Rate (%)	Provision	Provision
60,653,373,491	Various	626,167,046	500,017,082
2,259,991,000	Various	22,573,000	33,094,964
		648,740,046	533,112,046

Specific provision:

Status

Sub-standard

Doubtful

Bad/loss

Base for provision	Rate (%)	Provision	Provision
613,045,936	20%	122,609,187	98,957,800
377,662,452	50%	188,831,226	394,613,000
1,766,396,315	100%	1,766,396,315	1,204,682,928
		2,077,836,728	1,698,253,728

Total

*Additional provision

Required provision for loans & advances

Total provision maintained

Provision shortfall as on 31 December 2013

	2,726,576,774	2,231,365,774
	475,425,000	-
	3,202,001,774	2,231,365,774
	2,902,001,774	2,231,365,774
	300,000,000	-

*** Additional provision**

Provision provided as per Bangladesh Bank Direction

Additional provision to be provided as per Bangladesh Bank Direction

Total Additional provision

	175,425,000	-
	300,000,000	-
	475,425,000	-

Total provision for Loans & Advances is maintained as per the direction of Bangladesh Bank vide letter no. DBI-1/125/2014-694 dated 19 March 2014. Additional provision required for the year 2013 amounting Tk. 300,000,000 is to be provided within 30 June 2014 as per the said direction.

31.12.2013 Taka	31.12.2012 Taka
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8.9 Particulars of Loans/Investments, Advances and Lease

i) Loans considered good in respect of which the bank is fully secured ;

47,323,326,700	41,690,433,981
----------------	----------------

ii) Loans considered good in respect of which the bank holds no security other than the debtors personal guarantee;

-	-
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iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors;

20,346,050,000	13,196,600,000
----------------	----------------

67,669,376,700	54,887,033,981
-----------------------	-----------------------

iv) Loans adversely classified; provision not maintained their against;

-	-
---	---

v) Loans due by directors or officers of the bank company or any of these either separately or jointly with any other persons;

159,958,842	143,440,651
-------------	-------------

vi) Loans due by companies or firms in which to directors of the bank have interests as directors, partners or managing agents or incase of private companies as members;

vii) Maximum total amount of advances including temporary advance made at any time during the year to directors or managers or officers of the bank or any of them either separately or jointly with any other persons;

159,958,842	143,440,651
-------------	-------------

viii) Maximum total amount of advances, including temporary advance 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 the case of private companies as member;

-	-
---	---

ix) Due from banking companies;

-	-
---	---

x) Amount of classified loans on which interest has not been charged, should be mentioned as follows:

-	-
---	---

a) decrease/increase in provision, amount of loan written off and amount realized against loans previously written off;

-	-
---	---

b) amount of provision kept against loan classified as on the date of preparing balance sheet;

2,256,676,728	1,698,253,728
---------------	---------------

c) interest creditable to the interest Suspense A/c;

-	-
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xi) Cumulative amount of written off loans and the amount written of during the current year should be shown separately. The amount of written off loan for which lawsuit has been filed should also be mentioned;

369,513,255	369,513,255
-------------	-------------

8.9.1 The amount of written off loan for which lawsuit has been filed

Written off loan for which lawsuit has been filed amount of Tk.369,513,255.

8.10 Bill Purchased & Discounted as per Maturity Grouping in the following order

Repayable within 1 month

1,294,701,502	1,582,565,424
---------------	---------------

1 month above less than 3 months

1,988,027,064	2,008,024,083
---------------	---------------

3 months above less than 6 months

2,291,189,911	3,008,141,507
---------------	---------------

6 months above

2,513,910,341	2,706,086,005
---------------	---------------

8,087,828,819	9,304,817,019
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	31.12.2013 Taka	31.12.2012 Taka
8.11 Listing of Assets Pledged as Security/Collaterals/ Securities against Loan/Investment Including Bills Purchased and Discounted		
Collateral of movable/immovable assets	43,253,409,412	35,696,330,189
Local banks and financial institutions guarantee	3,280,501,900	4,851,713,451
Government guarantee	-	1,037,291,472
Export documents	3,108,619,922	3,082,096,689
Fixed deposits receipts	1,876,490,510	2,075,579,623
FDR of other banks	47,772,187	130,891,399
Government bonds	21,872,011	2,391,598
Personal guarantee	10,176,226,642	4,534,067,139
Other securities	5,904,484,115	3,476,672,422
	67,669,376,700	54,887,033,981
8.12 Suit file by the Bank (Branch wise details)		
Mohakhali Branch	16,891,000	3,697,000
Sonargaon Road Branch	76,559,000	2,119,000
Moulvi Bazar Branch	174,095,000	104,231,000
Gualabazar Branch	484,000	-
Agrabad Branch	1,350,038,000	831,448,000
Dilkusha Branch	2,258,445,000	834,329,000
Beani Bazar Branch	22,440,000	3,856,000
Sylhet Branch	2,502,000	288,000
Shantinagar Branch	305,717,000	212,359,000
Gulshan Branch	722,624,000	577,089,000
Dhanmondi Branch	245,822,000	725,000
Nayabzazr Branch	23,000,000	-
Naogaon Branch	291,183,000	298,929,000
Khatungonj Branch	1,321,238,000	1,222,500,000
Bhatlyari Branch	15,045,000	-
Foreign Exchange Branch	506,992,000	498,581,000
Jubilee Road Branch	298,919,000	1,350,000
Chistia market Branch	2,853,000	1,715,000
Bogra Branch	10,146,000	-
Narayangonj Branch	414,077,000	279,305,000
Motijheel Branch	24,696,000	11,120,000
Rajshahi Branch	814,901,000	-
Bahaddarhat Branch	3,000,000	3,000,000
Dholaikhal Branch	273,137,000	3,400,000
Sirajgonj Branch	115,000,000	-
Kushtia Branch	8,306,000	3,600,000
Kadamtali Branch	268,931,000	198,760,000
Comilla Branch	364,000	364,000
Malibagh Branch	160,431,000	79,264,000
Gazipur Chowrastha Branch	10,073,000	-
Madaripur Branch	1,418,000	-
Barishal Branch	390,000	390,000
Rangpur Branch	727,000	727,000
Anderkilla Branch	196,000	-
Uttara Branch	1,626,000	-
Banani Branch	446,000	-
Aganagar Branch	-	797,000
Thakurgaon Branch	-	27,665,000
	9,742,712,000	5,201,608,000

		31.12.2013	31.12.2012
		Taka	Taka
9	Fixed Assets Including Premises, Furniture & Fixture (WDV)		
	Cost:		
	Land	1,460,000,000	1,460,000,000
	Building	39,352,510	39,352,510
	Furniture & Fixture	461,633,650	384,449,317
	Equipments & Machineries	660,278,449	499,095,084
	Vehicles	47,015,325	43,640,325
	Books	716,518	716,518
	Off shore Banking Unit	-	1,146,564
		2,668,996,452	2,428,400,318
	Less: Accumulated Depreciation	473,941,913	346,369,537
	Details are shown in Annexure - C	2,195,054,539	2,082,030,781
9.(a)	Consolidated Fixed assets/non-current assets including premises, furniture and fixtures		
	Cost:		
	Jamuna Bank Limited	2,668,996,452	2,428,400,318
	Jamuna Bank Capital Management Limited	6,331,172	6,101,128
	Jamuna Bank Securities Limited	282,989,082	281,286,600
		2,958,316,706	2,715,788,046
	Accumulated depreciation/amortization:		
	Jamuna Bank Limited	473,941,913	346,369,537
	Jamuna Bank Capital Management Limited	2,185,449	1,354,206
	Jamuna Bank Securities Limited	190,474	-
		476,317,836	347,723,743
	Written Down Value	2,481,998,870	2,368,064,303
10	Other Assets		
	i) Investment in shares of subsidiary companies:		
	a) In Bangladesh (Note: 10.7)	1,399,998,200	1,399,997,900
	b) In Outside Bangladesh	-	-
	ii) Stationery, Stamps, Printing materials in stock etc.	24,239,936	22,536,930
	iii) Advance Rent	458,775,538	287,876,160
	iv) Interest/profit receivable (Note: 10.6)	875,560,736	545,486,540
	v) Balance with Brokerage houses	401,897	34,250
	vi) Security deposit	2,651,540	2,375,454
	vii) Preliminary exp, formation and organization expense, renovation/development expenses and Pre-paid exp.	-	40,950
	viii) Branch adjustment	518,692,899	-
	ix) Suspense account (Note: 10.1)	91,405,283	94,536,178
	x) Others (Note: 10.2)	123,794,032	192,659,608
	xi) Other assets-Off Shore Banking Unit	2,790	3,158
		3,495,522,852	2,545,547,127
10.(a)	Consolidated Other assets		
	Jamuna Bank Limited	3,495,522,852	2,545,547,127
	Jamuna Bank Capital Management Limited	196,334,813	81,924,523
	Jamuna Bank Securities Limited	2,464,027	2,640,092
		3,694,321,691	2,630,111,742
	Less: Inter-group transaction:		
	Jamuna Bank Capital Management Limited	999,998,400	999,998,400
	Jamuna Bank Securities Limited	399,999,800	413,999,483
		2,294,323,491	1,216,113,859

10.1 Suspense's Account

31.12.2013	31.12.2012
Taka	Taka

Amount of Suspense's Account represents amount paid against opening of new branches and other advances payments against various contracts.

10.2 Others

Advance against insurance premium		3,877,832	2,626,410
Advance against Land & Building		67,523,526	57,019,484
Advance against furniture & fixture		8,000	8,000
Advance against supply of goods/service		18,471,354	27,554,008
Adjusting account debit Balance	(Note: 10.3)	10,704,496	21,282,836
Protested bill		181,485	181,485
Misc. Asset		23,027,340	83,987,386
		123,794,032	192,659,608

10.3 Adjusting Account Debit Balance

EFTN settlement		1,704,496	1,704,496
Foreign currency		-	1,578,357
Dividend receivable		-	13,999,983
Underwriting		9,000,000	4,000,000
		10,704,496	21,282,836

10.4 Reconciliation of Inter-bank/ Inter-Branch Transaction

Branch adjustment account represents outstanding Inter-branch and Head Office transactions (Net) originated but yet to be responded by the balance sheet date. However the un-reconciled entries for wrongly responded of 31 December 2013 (position as on 31 January 2014) are given below:

Particulars	Number of unreconciled entries		Amount	
	Debit	Credit	Debit	Credit
Up to 3 months	-	-	-	-
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 9 months	-	-	-	-
Over 9 months but within 12 months	-	-	-	-
Over 12 months and more	-	-	-	-

10.5 Non-income Generating Classification of Other Assets

Stationery, Stamps, Printing materials in stock, etc.		24,239,936	22,536,930
Advance Rent		458,775,538	287,876,160
Interest receivable		875,560,736	545,486,540
Security deposit		2,651,540	2,375,455
Suspense account		91,405,283	94,536,178
Advance against insurance premium		3,877,832	2,626,410
Advance against Land & Building		67,523,526	57,019,484
Adjusting account debit Balance		10,704,496	21,282,836
Misc. Asset		23,027,340	83,987,386
		1,557,766,227	1,117,727,377

Previos year's figures have been rearranged to conform to the current year's presentation.

10.6 This amount represents that interest/profit receivable from various deposits made by the Bank to other banks/Financial institutions.

10.7 Investment in subsidiaries

	31.12.2013	31.12.2012
	Taka	Taka
Jamuna Bank Capital Management Limited	999,998,400	999,998,400
Jamuna Bank Securities Limited	399,999,800	399,999,500
	1,399,998,200	1,399,997,900

11 Borrowing from Bangladesh Bank and Other Bank/Financial Institutions

In Bangladesh	3,677,276,377	17,088,212,575
Outside Bangladesh	-	-
	3,677,276,377	17,088,212,575

11.(a) Consolidated Borrowing from Bangladesh Bank and Other Financial Institutions

Jamuna Bank Limited	3,677,276,377	17,088,212,575
Jamuna Bank Capital Management Limited	-	-
Jamuna Bank Securities Limited	-	-
	3,677,276,377	17,088,212,575

11.1 As per Following Segregation

Secured by Call Money Receipt (CMR)	-	-
Secured by Treasury bills	-	-
Secured by others	3,677,276,377	17,088,212,575
Unsecured	-	-
	3,677,276,377	17,088,212,575

11.2 Maturity Grouping of the Borrowings from Bangladesh Bank and Other Financial Institutions

Repayable on demand	-	-
Repayable within one month	-	-
Over 1 month but within 6 months	3,677,276,377	17,088,212,575
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
	3,677,276,377	17,088,212,575

12 Deposits and Other Accounts

Current deposit & other accounts	(Note: 12.2) 9,576,970,169	8,738,371,151
Bills payable	(Note: 12.3) 1,274,219,899	1,211,965,015
Saving deposit	5,835,906,062	5,046,423,127
Fixed deposit	55,112,239,898	44,680,759,023
Short notice deposit	4,106,636,093	3,832,903,260
Deposit under special scheme	21,282,435,543	15,915,005,992
Foreign currency deposit	297,206,536	197,706,889
	97,485,614,200	79,623,134,457

12.(a) Consolidated Deposits and Other Accounts

Current deposit & other accounts	12.2 (a) 9,586,841,312	8,741,877,729
Bills payable	12.3 1,274,219,899	1,211,965,015
Saving deposit	5,835,906,062	5,046,423,127
Fixed deposit	12. (b) 54,729,538,647	44,101,064,200
Short notice deposit	12. (c) 4,077,140,114	3,810,472,072
Deposit under special scheme	21,282,435,543	15,915,005,992
Foreign currency deposit	297,206,536	197,706,889
	97,083,288,114	79,024,515,024

	31.12.2013 Taka	31.12.2012 Taka
12.1 As per Following Segregation		
Inter Bank Deposits	7,956,224,000	6,413,796,000
Other Deposits	89,529,390,200	73,209,338,457
	97,485,614,200	79,623,134,457
12.2 Current Deposit and Other Accounts		
Current deposit	4,196,858,499	3,451,497,967
Sundry deposit	3,719,086,101	3,778,591,940
Security deposit	111,553,557	50,560,448
Interest/profit Payable	1,549,472,011	1,457,720,796
	9,576,970,169	8,738,371,151
12.2(a) Consolidated current Deposit and Other Accounts		
Jamuna Bank Limited	9,576,970,169	8,738,371,151
Jamuna Bank Capital Management Limited	10,770,107	3,819,591
Jamuna Bank Securities Limited	-	-
	9,587,740,276	8,742,190,742
Less: Inter-group transaction		
Jamuna Bank Capital Management Limited	11	14
Jamuna Bank Securities Limited	898,953	312,999
	9,586,841,312	8,741,877,729
12.3 Bills Payable		
DD payable	8,993,763	22,242,214
P.O issued	1,265,226,136	1,189,722,801
	1,274,219,899	1,211,965,015
12.(b) Consolidated fixed deposit		
Fixed deposit	55,112,239,898	44,680,759,023
Less: Inter-group transaction		
Jamuna Bank Capital Management Limited	279,955,000	439,980,000
Jamuna Bank Securities Limited	102,746,250	139,714,823
	54,729,538,647	44,101,064,200
12.(c) Consolidated Short notice deposit		
Short notice deposit	4,106,636,093	3,832,903,260
Less: Inter-group transaction		
Jamuna Bank Capital Management Limited	29,495,979	22,431,188
Jamuna Bank Securities Limited	-	-
	4,077,140,114	3,810,472,072
12.4 Maturity Grouping of Deposit and Other Accounts		
Repayable on demand	6,525,260,890	9,554,776,135
Repayable within 1 month	13,658,039,110	1,194,347,017
Over 1 month but within 6 months	19,219,136,512	39,015,335,884
Over 6 months but within 1 year	25,705,736,967	15,526,511,219
Over 1 year but within 5 years	19,289,623,669	11,147,238,823
Over 5 years but within 10 years	13,087,817,051	3,184,925,378
	97,485,614,200	79,623,134,457