



সেবায় • সাফল্যে • জাস্হায়

ঘুরে দাঁড়াই  
এগিয়ে যাই

Annual Report 2020



## The Rationale of the Cover

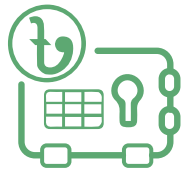
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We are going and growing together. Our journey towards progression is on, no matter 2020 was a year of pandemic. People all over the world are still fighting back to survive. We have faced rather stronger challenges as a developing one. Every economic and financial sector has gone through an adverse situation. The banking sector was no exception. The situation is still on and we are unable to predict the end. But in this year of pandemic IFIC Bank has proved its resilience. We have been trying our best to attend to our valued customers to the fullest; we have been disbursing the usual salary to all of our employees; we have achieved our yearly goal stoutly. Simultaneously, our products and services have been playing a significant role to keep our economy balanced, like: to support micro-enterprises, farmers and root level entrepreneurs there is our 'Shohoj Rin', for digital banking platform there is 'Aamar Bank' on web & smartphone, 'Aamar Protibeshi' Neighborhood banking to bring banking to your doorsteps. There are Alternative Delivery Channels (ADCs) for giving solutions to the customers through 24 hours call center, free of charge money withdrawal from any ATMs.

We have proved our resilience in all aspects of these pandemic surroundings. Taking inspiration from the above-mentioned context, we've captured our indomitable resilience by portraying a surfer against the wave as the theme for this year's annual report presentation.

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# 2020 Highlights



Deposits  
**₹ 296,374 m**  
+14.7%



Assets  
**₹ 363,412 m**  
+14.6%



Investments  
**₹ 52,722 m**  
+15.9%



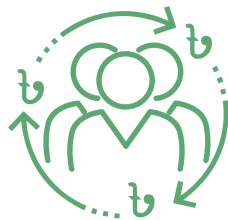
Loans & Advances  
**₹ 260,650 m**  
+14.0%



Mortgage Loan  
**₹ 39,580 m**  
+21.4%



Market Capitalization  
**₹ 24,622 m**



Investment in Human Capital  
**₹ 7.2 m**  
Participants 7,945  
216 Training programs

NPL  
**3.97%**

ROE  
**2.3%**

Operating Profit  
**₹ 2,902 m**  
-43.3%

PBT  
**₹ 1,664 m**  
-60.2%

PAT  
**₹ 562 m**  
-77%



Total Equity  
**₹ 25,217 m**  
+2.5%



**1971-2021: A journey from  
least developed country to developing country.**

**Celebration of the glorious Golden Jubilee  
of the Independence of Bangladesh.**



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2020 is the Birth Centenary of the  
Father of the Nation  
Bangabandhu Sheikh Mujibur Rahman.  
The founder of Independent Bangladesh  
still inspires us to dream big, achieve big.

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আবার হাসছে স্বদেশ  
ঘুরে দাঁড়াচ্ছে বাংলাদেশ  
এই যাত্রায় সবার পাশে  
আইএফআইসি ব্যাংক

আইএফআইসি  
**স্বদেশ** যাত্রা  
দিন বদলের  
সাথী



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Letter of Transmittal

All Shareholders of IFIC Bank Limited  
Bangladesh Bank  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firms  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited

## Annual Report For The Year Ended 31 December 2020

Dear Sir,

We are pleased to present before you a copy of the Annual Report 2020 along with audited Financial Statements including consolidated and separate Balance Sheet as at 31 December 2020, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity and Liquidity Statement for the year ended on 31 December 2020 with the notes thereto of IFIC Bank Limited and its Subsidiaries for your kind information and record.

Yours sincerely,



**Md. Mokammel Hoque, FCS**  
Company Secretary

## Vision

At IFIC, we want to be the preferred financial service provider through innovative, sustainable and inclusive growth and deliver the best in class value to all stakeholders.



## Mission

Our Mission is to provide service to our clients with the help of a skilled and dedicated workforce whose creative talents, innovative actions and competitive edge make our position unique in giving quality service to all institutions and individuals that we care for.

We are committed to the welfare and economic prosperity of the people and the community, for we derive from them our inspiration and drive for onward progress to prosperity.

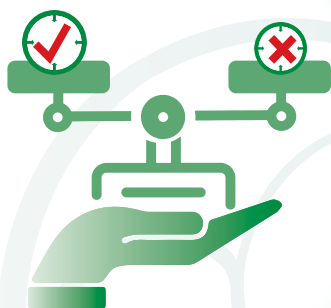
In an intensely competitive and complex financial and business environment, we particularly focus on growth and profitability of all concerned.

## Core Values



- Integrity** : Upholding integrity in all that we do, always, everywhere.
- Fairness** : Striving to offer the best to our customers equitably with transparency.
- Innovation** : Encouraging and nurturing creativity.
- Commitment** : Committed to excellence in customer service and maximization of stakeholders' value through teamwork.

# Ethical Principles



## Code of Conduct

IFIC emphasizes the importance of an effective code of conduct and ethics policy for the promotion of fair and ethical practices by all employees involved within the institution. Ethics measures the level of integrity, which evaluate the values, norms and rules that constitute the base for individual and social relationship, from a moral perspective. Professional ethics regulates the relations between individuals within a professional group and their relations with the community whereas organizational ethics defines the code of conduct in an organization.

Code of Conduct/Ethics is the integrity measure which guided the principle to operate the Bank and to conduct daily business with customers, vendors, competitors, regulators and other agencies, the media, and anyone else who has a stake in the Bank or with whom the Bank has a contact. IFIC Bank's Code of Conduct/Ethics sets forth the guiding principles by which it operates and conducts daily business with the customers, vendors, competitors, regulator and other agencies, the media, and anyone else with whom the Bank have a contact.

Employee Code of Conduct and Ethics Policy of IFIC is applied to everyone, including employees (both permanent and on probation/contract). All members of the Board of Directors and its committees, employees of all levels and categories of IFIC Bank Limited, business partners, service providers and receivers to and from IFIC Bank are expected to display the highest standard of professionalism and commitment to ethics and

integrity in all of their conducts. It is also strongly expected that they all in every act and at all times would pay due respect, care and consideration for others by putting the public interest first.

Members of all levels of the Bank are individually and collectively committed and responsible to excel the practice of corporate governance principles in its institutions and activities by placing due attention and weights on the compliance of best ethical standards and integrity as recommended by the regulators for enhancing its internal and external credibility as well as establishing transparency.

IFIC Bank always employs its resources, policies, procedures, processes, systems and recognizes the honesty, integrity, and sound judgment of its employees essential to its reputation and success. These principles apply to all the employee of IFIC Bank and all its wholly owned subsidiaries to achieve its goal putting the public interest first. These principles are delineated below:

### Responsibility

As a financial institution, the duty of IFIC Bank incorporates obligation to its shareholders, clients, community/society and indeed commitment to the environment to protect the legal benefits and interface of its partners. Management puts best efforts to maximize Bank's benefits to satisfy clients' needs, guaranteeing clients' fulfilment. While lending/financing apart from business aspect, the Bank has a firm commitment to the environmental and climatic

securities to support the method of economic and financial development of the nation.

### Property & Information of IFIC Bank

The key responsibilities of an employee of IFIC Bank Ltd. are to ensure and defend the organization's property following the operational and IT security manual, policy & guideline meticulously and ensure information confidentiality of its clients with utmost secrecy. Unless inquired by any legal and competent court/authority, trading or uncovering of data will be treated as a genuine infringement of moral standard and should be treated as a breach of contract.

### Conflict of Interest

Whatsoever the circumstances, one should avoid all things that may cause conflict between ones interests and ones duties and responsibilities as an employee of the Bank. Availing any kind of undue or illegal benefit/facilities irrespective of any form, insider trading, abusing confidential information are treated as malpractice and deviation from the required standard of professionalism.

### Fair Dealing to Counterparties

All connections with outside counterparties are conducted in professional and fair-minded way. IFIC Bank Limited seeks to outflank its competitors fairly and honestly through superior performance and never through unethical or illegal business practices. Vendor selection and hiring decisions are made objectively and in the best interest of the organization based on evaluation of integrity,

suitability, price, delivery of goods/ service, quality and other pertinent factors. Employee's personal relationship with contractors, suppliers and vendors shall be disclosed to the appropriate level of authority at the time of entering the negotiation and should not influence in decision making on behalf of the Bank.

#### **Acceptance of Gifts and Entertainment**

No employee of IFIC Bank Limited shall, without prior permission of the competent authority, accept by him/herself, or permit any of his/her family member to accept any gift from any person that make him/her obligated in official position to the gift provider. This is essential because, this keeps the employee of the Bank from being prejudiced or influenced or showing lenient attitude keeping Bank's interest aside.

#### **Fraud, theft or illegal Activities**

Employees are expected to be alert with respect to fraud, theft or significant illegal activity committing within the office. If any such activity comes into the employee's notice, he/she must immediately report it to the competent authority immediately. Failure to report any such activity will be subject to disciplinary action.

#### **Anti-Money Laundering & Combating Terrorism Financing**

IFIC Bank Limited strictly prohibits business with drug traffickers, money launderers and other criminal activists. For effective anti-money laundering and anti-terrorism program, IFIC Bank formulates Anti-Money Laundering guidelines and ensures

best practice to take appropriate preventive measures against any kind of fraud and money laundering and co-operate with other Banks and relevant institutions, establishments, authorities and government agencies for this purpose.

#### **Transparent & Accurate Reporting**

IFIC Bank puts its best efforts that all of its Financial, Taxation and other reports and communications are genuine, complete, and accurate and must not be misleading. Representatives will guarantee that records, information, and data claimed, collected, utilized, and overseen by him/her for the Bank are precise and complete by maintaining the highest degree of integrity. The Bank maintains appropriate records as per policy of the Bank with adequate points of interest so that these may precisely reflect the financial condition and result of the Bank.

#### **Zero Tolerance to Violence in the Workplace**

IFIC Bank strictly prohibits any demonstrations of violence or threats of violence by any employee against any other person at any time. Shared understanding and respect towards all employees is a fundamental component for excellence in professionalism, creation of a safe and healthy workplace and maintenance of a good corporate culture, which serves the need of the community. The Bank bears zero tolerance for vicious activity from any part of the workforce on its property.

#### **Employee Conduct Outside the Office Premises**

Employees and representatives of IFIC Bank shall realize that

their conduct outside the workplace reflect on their place of employment. Thus, they shall take necessary actions to ensure that their behaviour/actions do not compromise the business interests, safety and security or confidentiality of their place of employment.

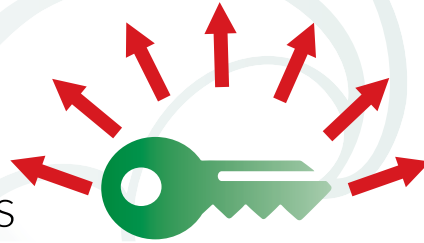
#### **Fair & Equitable Employment Opportunity**

At IFIC, we ensure equal opportunity for all employees. The Bank is committed to ensure equal opportunity in employment based on meritocracy i.e. individual merit and personal qualification. They are treated equally and fairly. We don't make any discrimination on the grounds of gender, age, racial origin, religious affiliation, disability or marital status. This approach reflects combined efforts, equal participation, and shared responsibilities. To guarantee energizing working environment, IFIC is capable to keep the work environment neighbourly, amicable, straight-forward and co-operative among all employees complying with the laws, rules of the administrative bodies. We review our human resource policy periodically to eliminate discrimination in the policies and work practices.

#### **Commitment to the Environment**

Natural and climatic assurances are among the foremost squeezing worldwide challenges of the time. All of these are to be taken under consideration in all areas of lending/ financing. By giving to importance on the areas of energy and climate change while lending, bankers would support the process of sustainable economic growth of the country.

## Business Ethics



IFIC Bank believes that Business Ethics Practices provides a foundation for the stability and sustainable growth of the Bank and supports the Bank's effort in achieving its stipulated goals. The Bank, therefore, encourages all parties to conduct business and perform their duties in accordance with this Business Ethics Practices:

### **Honesty & Integrity**

The Bank will adhere to honesty & integrity in conducting its business.

### **Compliance with Laws and Regulations**

The Bank will conduct its business

in accordance with the law and regulations and will not assist, encourage or support any wrongful transactions or activities.

### **Good Management and effective & efficient Internal Control**

The Bank will put in place a good management system and risk management system for effective & efficient internal control.

### **Standards**

The Bank will comply with various standards which are generally acceptable for conducting the banking business.

### **Concern for Stakeholders**

The Bank realizes the importance of proper conduct to various stakeholders with appropriate co-operation and mutual support. The Bank will treat its customers, counterparties or competitors with mutual good understanding and co-operation.

### **Preservation of the Bank's Reputation**

The Bank will uphold a good reputation and will refrain from engaging in any activity that may jeopardize its reputation.

## HR Compliance

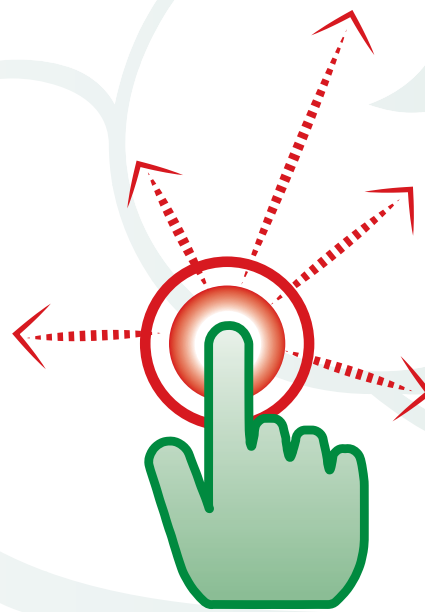


To protect transparency, lawful action and fair competition among the employees, IFIC Bank complies with every applicable HR relevant law, rules & regulations. As part of establishing a compliance culture across the organization, IFIC Bank strictly maintains HR compliance in all organizational levels. The Bank encourages the employee to abide by all its rules and regulations along with all applicable laws of

the land and promotes the same through conducting continuous training programs.

The Bank has specific applicable policies for every HR activity covering recruitment to retirement among which Recruitment Policy, Promotion Policy, Leave Policy, Transfer Policy, Performance Management Policy, Compensation Policy, Reward & Recognition

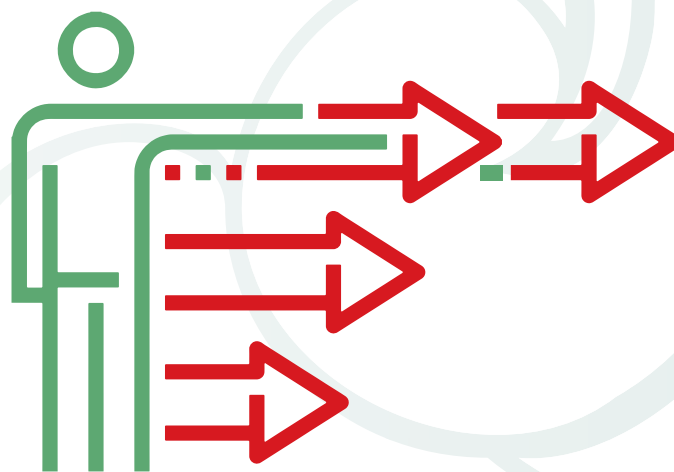
Policy, Training Policy are to be mentioned. Moreover, the Bank has a separate disciplinary rules, namely "আইএফআইসি ব্যাংক এমপ্লয়ী শৃঙ্খলা, আচরণ ও আপীল বিধি" formulated in line with the law of the land that focuses on the quasi-judicial disciplinary proceedings for handling all kinds of misconduct committed by any delinquent employee.



## Strategic Priority

- To strive for sound business growth by ensuring customer satisfaction through quality and timely services;
- To manage and operate the Bank in the most efficient manner to ensure achievement of goals;
- To maintain adequate capital flow to support further growth;
- To ensure effective and efficient risk management for sustainable business growth;
- To diversify loan portfolio through structured finance and expansion of Corporate, SME, Agriculture and Retail businesses;
- To mount state-of-the-art technologies and adopt innovative ideas for financial inclusion;
- To groom human resources for serving customers efficiently;
- To increase brand visibility by creating positive image of the Bank;
- To be a trend-setter in serving the society and remain responsive to the environment;
- To ensure sound corporate governance practices;
- To facilitate mobility in banking by up-gradation of the Internet and Mobile Banking;
- To add value for all stakeholders.





## Cautionary Statement Regarding Forward-Looking Approach

This Annual Report and Financial Statements for the year 2020 contains certain forward looking statements with respect to the financial condition, results of operations and business of the Bank.

These statements are not historical in nature, but can often be identified with the inclusion of words such as “will”, “except”, “anticipate”, “estimate”, “intent”, “plan”, “belief”, “Potential”, “reasonably possible” and similar kind of expressions. These statements are based on the current plans, estimations and projections, and therefore undue reliance should not be placed on them. Forward looking statements is based on the Management’s beliefs,

assumptions and expectations of future operations and economic performance, taking into account the information currently available to the Bank. Forward-looking statements involve risks and uncertainties, some of which are not currently known to the Bank that might cause actual results, performance or financial condition to be materially different from the expectations of future results, performance or financial conditions the Bank express or imply in any forward-looking statements.

These statements may change based on the changes in domestic and global economic and financial condition, COVID-19 Pandemic situation both locally and globally, natural calamities, movement of

the interest rate, changes and adoptions on new regulatory policies, market volatility, changes in the accounting policies & estimates, future foreign exchange market condition, political conditions of the country, changes in consumer behavior and other factors that may have effects on the overall operations of the Bank.

The Bank will not undertake any obligation to publicly update or revise any of the forward looking statements, contained in this Annual Report, regardless of whether those statements are affected as a result of new information, future events or otherwise. The Bank may qualify any or all of the forward looking statements by these cautionary factors.

# Corporate Profile



## Name of the Company

International Finance Investment and Commerce Bank Limited (IFIC)

## Legal Form

IFIC Bank Limited was incorporated in Bangladesh and registered with the Registrar of Joint Stock Companies & Firms as a public company limited by shares

## Company Registration Number

C- 4967, Dated: 08 October 1976

## Authorized Capital

BDT 40,000.00 million

## Paid up Capital

BDT 16,198.74 million

## Listing Status

Listed with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) in 1986 and 1997 respectively

## Market Category

'A' Category

## Tax Payer Identification Number (TIN)

135055865054

## VAT Registration Number

19081167140

## Business Identification Number (BIN)

000136288-0208

## Subsidiary Companies

IFIC Securities Limited  
IFIC Investment Limited  
IFIC Money Transfer (UK) Limited

## Registered Office

IFIC Tower, 61 Purana Paltan  
G. P. O. Box : 2229, Dhaka-1000  
IP Phone No.: 09666716250 (Hunting)  
Fax: 880-2-9554102, Swift: IFIC BD DH  
E-mail: info@ificbankbd.com  
Website: www.ificbank.com.bd



## Off-shore Banking Unit (OBU)

IFIC Bank Limited - OBU  
Federation Branch, FBCCI Building,  
60 Motijheel C/A, Dhaka



## Auditors

Howladar Yunus & Co.,  
Chartered Accountants



## Legal Adviser

Ahsanul Karim



## Tax Consultants

Adil & Associates



## Credit Rating Agency

Emerging Credit Rating Limited

## Chairman

Salman F Rahman MP

## Vice Chairman

Ahmed Shayan Fazlur Rahman

## Managing Director & CEO

Mohammad Shah Alam Sarwar

## Head of ICC

M. Mozibar Rahman

## Chief Financial Officer

Dilip Kumar Mandal, FCA

## Company Secretary

Md. Mokammel Hoque, FCS

No. of Employees 3,011

No. of Branches 154

No. of Upshakhas 400

No. of Shareholders 39,267

## Investor Relations

'IFIC Tower' (17<sup>th</sup> Floor)  
61 Purana Paltan, Dhaka-1000  
Hotline: 09666716250

# Global Corporate Structure



A fully owned subsidiary  
in Bangladesh



A fully owned subsidiary  
in Bangladesh

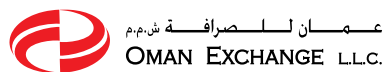


A fully owned subsidiary  
in the United Kingdom



**Nepal Bangladesh Bank Limited**

A joint venture commercial Bank  
in Nepal



**Oman Exchange LLC**

A joint venture exchange company in Oman



**MCB Bank Limited**

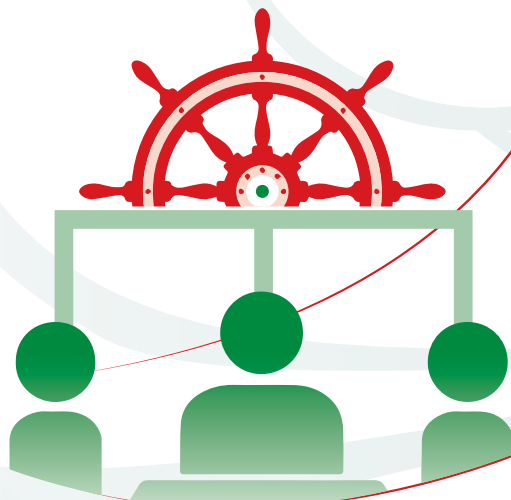
A commercial Bank in Pakistan

# Milestones in the Development



- 1976** ▶ Established as an Investment & Finance Company under arrangement of joint venture with the Govt. of Bangladesh.
- 1980** ▶ Commenced operation in Foreign Exchange Business in a limited scale.
- 1982** ▶ Obtained permission from the Govt. to operate as a commercial Bank. Set up its first overseas joint venture (Bank of Maldives Limited) in the Republic of Maldives (IFIC's share in Bank of Maldives limited was subsequently sold to the Govt. of Maldives in 1992).
- 1983** ▶ Commenced operation as a full-fledged commercial bank in Bangladesh through the opening of its first branch Motijheel Branch on 24 June 1983.
- 1985** ▶ Set up a joint venture Exchange Company in the Sultanate of Oman, titled Oman Bangladesh Exchange Company which was subsequently, renamed as Oman Exchange LLC.
- 1987** ▶ Set up its first overseas branch at Karachi in Pakistan.
- 1993** ▶ Set up its second overseas branch at Lahore in Pakistan.
- 1994** ▶ Set up its first joint venture in Nepal for banking operation, titled Nepal Bangladesh Bank Ltd.
- 1999** ▶ Set up its second joint venture in Nepal for lease financing, titled Nepal Bangladesh Finance & Leasing Co. Ltd. (Which was merged with NBBL in 2007).
- 2003** ▶ Set up a new Bank in Pakistan, NDLC-IFIC Bank Limited through merger and amalgamation of the Overseas Branches of IFIC with the local leasing company, NDLC. Subsequently renamed as NIB Bank Limited and which was again merged with MCB Bank Limited in 2017.
- 2005** ▶ Acquired MISYS solution for real time online banking application. Core Risk Management implemented.
- 2007** ▶ Launched VISA branded Credit Card (completed full range of Cards i.e. Debit, Credit & Prepaid by 2010).
- 2010** ▶ Set up Offshore Banking Unit (OBU).
- 2011** ▶ Established a fully owned subsidiary exchange company named IFIC Money Transfer (UK) Ltd.
- 2012** ▶ Inauguration of the 100<sup>th</sup> Branch at Tejgaon-Gulshan Link Road in Dhaka.
- 2013** ▶ Achieved the Landmark of BDT 10,000 crore in Deposits.
- 2014** ▶ Launched IFIC Mobile Banking Service.

- 2015** ▶ Crossed the Landmark of BDT 20,000 crore in Foreign Trade Business.
- 2016** ▶ Inauguration of IFIC Tower at 61 Purana Paltan, Dhaka.
- 2017** ▶ Launched an innovative product IFIC Amar Account, combining benefits of current & saving accounts, FDR, credit cards, etc.  
Became market leader in Home Loan product under retail banking segment.  
Introduced One Stop Service model in the branches for the first time in Bangladesh.
- 2018** ▶ IFIC Home Loan outstanding crossed the amount BDT 2,911.40 crore.  
Amar Account total balance stood at BDT 1,456.49 crore with a total of 99,399 accounts.
- 2019** ▶ Established 35 Uposhakhas accross the country.  
Launched IFIC Amar Bank (Digital Banking Platform).  
Launched IFIC Shohoj Account to expand financial inclusion.
- 2020** ▶ Number of Branches crossed 150 and number of Uposhakhas around the country stood at 285.  
IFIC Home Loan Sanctioned amount reached BDT 61061.924 Million as of 31 December 2020.  
Launched IFIC Shohoj Rin.  
Formation of IFIC Investment Limited for merchant banking operations.



Information on  
Corporate Governance

# Composition of Board & its Committees



## Board of Directors

Chairman/Chairperson  
**Salman F Rahman MP**

Vice Chairman/Vice Chairperson  
**Ahmed Shayan Fazlur Rahman**

### Directors

**Anwaruzzaman Chowdhury**  
Independent Director

**Rabeya Jamali**  
Independent Director

**A. R. M. Nazmus Sakib**  
Govt. Nominated Director

**Quamrun Naher Ahmed**  
Govt. Nominated Director

**Md. Zafar Iqbal, ndc**  
Govt. Nominated Director

Managing Director & CEO  
**Mohammad Shah Alam Sarwar**

Company Secretary  
**Md. Mokammel Hoque**

## Executive Committee of the Board

Chairman  
**A. R. M. Nazmus Sakib**

Member  
**Quamrun Naher Ahmed**

Secretary to the Committee  
**Md. Mokammel Hoque**

## Audit Committee of the Board

Chairman/Chairperson  
**Rabeya Jamali**

Members  
**Anwaruzzaman Chowdhury**  
**Md. Zafar Iqbal, ndc**

Secretary to the Committee  
**Md. Mokammel Hoque**

## Risk Management Committee of the Board

Chairman  
**Md. Zafar Iqbal, ndc**

Members  
**Rabeya Jamali**  
**A. R. M. Nazmus Sakib**  
**Quamrun Naher Ahmed**

Secretary to the Committee  
**Md. Mokammel Hoque**

## Nomination and Remuneration Committee of the Board

Chairman/Chairperson  
**Anwaruzzaman Chowdhury**

Members  
**A. R. M. Nazmus Sakib**  
**Quamrun Naher Ahmed**

Secretary to the Committee  
**Md. Mokammel Hoque**



From Left

**Mohammad Shah Alam Sarwar**  
Managing Director & CEO

**Ahmed Shayan Fazlur Rahman**  
Vice Chairman/Vice Chairperson

**Quamrun Naher Ahmed**  
Govt. Nominated Director

**Salman F Rahman MP**  
Chairman/Chairperson





**From Left**

**Md. Zafar Iqbal, ndc**  
Govt. Nominated Director

**Anwaruzzaman Chowdhury**  
Independent Director

**Rabeya Jamali**  
Independent Director

**A. R. M. Nazmus Sakib**  
Govt. Nominated Director



**Salman F Rahman MP**  
Chairman/Chairperson

Mr. Salman F Rahman MP is an eminent business personality of the country. He is the Vice-Chairman of BEXIMCO Group - the largest private sector group in Bangladesh. Founded in 1970 as a commodities trading company, the Group now has operations and investments across a wide range of industries including textiles, trading, marine food, real estate development, hospitality, construction, information and communication technologies, media, ceramics, aviation, pharmaceuticals and energy.

Mr. Rahman is the Honorable Member of the Parliament from Dhaka-1 Constituency and also an Adviser to the Prime Minister for the Private Industry and Investment sector in the rank of a Cabinet Minister without any financial perks.

He was the President of FBCCI, the apex organization of businessmen of the country. Currently, he is the Chairman of IFIC Bank Limited and Abahani Limited. He is also the Chairman of the Board of Governors of Bangladesh Enterprise Institute. He is associated with many social and charitable organizations.



**Ahmed Shayan Fazlur Rahman**  
Vice Chairman/Vice Chairperson

Mr. Ahmed Shayan Fazlur Rahman is the eminent young businessman represents the Beximco Group as Executive Director, the largest conglomerate in Bangladesh. He has completed his BBA with distinction from American University, Washington DC, USA. Mr. Rahman has 11 years of expertise in the various sectors like Pharmaceuticals, Fuel, Power & Energy, Textile, ICT & Telecom, etc. He plays a vital role in advising the Group in formulating current business strategies as well as future growth potentials. Mr. Rahman is the son of Mr. Salman F Rahman, Vice Chairman and founder of the Beximco Group.

Mr. Rahman is also instrumental in working with various international organizations and supporting charities both locally and internationally for the development of autism and other world issues. He is a Counselor of the Abahani Limited, the largest sporting club in Bangladesh. Being a great sports fan and advocate of promoting various sports in Bangladesh, Mr. Rahman has been instrumental in acquiring 100% of the Dhaka Dynamites franchise for the Bangladesh Cricket Premier League (BPL).

Mr. Rahman is the Chairman, Advisory Committee for Bangladesh, Prince of Wales Trust, British Asian Sector. He is also Honorary Consul General of the Republic of Kazakhstan in Bangladesh and Member, Executive Committee, SAARC Youth Chamber.

He is appointed as a Director to the Board of IFIC Bank Limited as the representative of M/s. New Dacca Industries Limited and currently, he is the Vice Chairman of the Bank.



**Anwaruzzaman Chowdhury**  
Independent Director

Mr. Anwaruzzaman Chowdhury completed his MBA from London, UK. He is the Chairman of Kipling in the UK. He is associated with many social and charitable organizations and trusts.

Mr. Chowdhury is the Chairman/Chairperson of the Nomination and Remuneration Committee (NRC) and a member of the Audit Committee of the Board of Directors of IFIC Bank Limited. He is the Director of IFIC Money Transfer (UK) Limited, UK and also an Alternate Director of Oman Exchange LLC, a joint venture operation of the Bank in the Sultanate of Oman.



**Rabeya Jamali**  
Independent Director

Ms. Rabeya Jamali is an Advocate of the Supreme Court of Bangladesh and also a Partner of Jamali & Morshed. She did her LL.B. (Honours) from the University of Dhaka, Dhaka, Bangladesh and LL.M. in Banking and Financial Law from the Boston University School of Law, Boston, MA, USA. She attended various workshops, seminars and conferences both at home and abroad. She is a member of the Bangladesh Supreme Court Bar Association.

Ms. Jamali has core expertise in Commercial Contracts, Construction Contracts, Joint Ventures, SPV for infrastructure development projects, Private Public Partnership (PPP) Projects, Telecommunication related infrastructure, Power and Energy, Company Law, Financial and Banking Laws, Securities Laws and related Arbitration.

Ms. Jamali is the Chairman/Chairperson of the Audit Committee and a member of the Risk Management Committee of the Board of Directors of IFIC Bank Limited. She is the Director of IFIC Money Transfer (UK) Limited, UK, IFIC Securities Limited and IFIC Investment Limited. She is also an Alternate Director of Nepal Bangladesh Bank Limited, Nepal.



**A. R. M. Nazmus Sakib**  
Director

Mr. A. R. M. Nazmus Sakib, a former Additional Secretary of the Government, was nominated as a Director to the Board of IFIC Bank Limited on 19 June 2012 by the Ministry of Finance, Government of the People's Republic of Bangladesh.

He did his post-graduation in Botany and also obtained M.Sc. degree in Development Finance.

Mr. Sakib is the Chairman of the Executive Committee and a member of the Risk Management Committee and the Nomination and Remuneration Committee (NRC) of the Board of Directors of IFIC Bank Limited. He is also the Chairman of Nepal Bangladesh Bank Limited, Nepal and IFIC Money Transfer (UK) Limited, UK. He is the Director of IFIC Investment Limited and Oman Exchange LLC, a joint venture operation of the Bank in the Sultanate of Oman.



**Quamrun Naher Ahmed**  
Director

Ms. Quamrun Naher Ahmed, a former Additional Secretary of the Government, was nominated as a Director to the Board of IFIC Bank Limited on 30 March 2016 by the Ministry of Finance, Government of the People's Republic of Bangladesh.

Ms. Ahmed did her Honours and Masters in Economics from the University of Dhaka. She also obtained an M. Phil degree in Social Change from the University of Science and Technology, Norway. She attended various Training, Seminars and Conferences both at home and abroad.

Ms. Ahmed is the member of the Executive Committee, the Risk Management Committee and the Nomination and Remuneration Committee (NRC) of the Board of Directors of IFIC Bank Limited. She is the Chairman of IFIC Securities Limited and IFIC Investment Limited. She is the Director of IFIC Money Transfer (UK) Limited, UK and Nepal Bangladesh Bank Limited, Nepal as well.



**Md. Zafar Iqbal, ndc**  
Director

Mr. Md. Zafar Iqbal is an Additional Secretary to the Ministry of Public Administration, Government of the People's Republic of Bangladesh. He was nominated as a Director to the Board of IFIC Bank Limited on 10 March 2020 by the Ministry of Finance, Government of the People's Republic of Bangladesh.

Mr. Iqbal did his Honours and Masters in Accounting from the University of Dhaka. He also did his MBA with major in Finance from IBA of the University of Dhaka. Besides, Mr. Iqbal did his Graduate Certificate Course in Development Economics from the Australian National University, Canberra and completed his Masters in Economics from the University of Wollongong, New South Wales, Australia. He also completed his NDC Course from the National Defence College, Dhaka.

Mr. Iqbal has wide-ranging experience in organizing and attending national and international seminars, trainings, workshops on public administration & management, disbursement, harmonization, effectiveness and management of development assistance, good governance, innovation and change management held in the UK, Japan, India, Thailand and Singapore.

Mr. Iqbal is the Chairman of the Risk Management Committee and a member of the Audit Committee of the Board of Directors of IFIC Bank Limited. He is the Director of IFIC Securities Limited, IFIC Money Transfer (UK) Limited, UK and IFIC Investment Limited. He is also an Alternate Director of Oman Exchange LLC, a joint venture operation of the Bank in the Sultanate of Oman.



**Mohammad Shah Alam Sarwar**  
Managing Director & CEO

Mr. Mohammad Shah Alam Sarwar joined IFIC Bank Limited as Managing Director on 02 December 2012. He started his career as a Management Trainee of ANZ Grindlays Bank in 1982. Over the last 38 years in banking, Mr. Sarwar's career evolved as a well-rounded banker with adequate exposures in General Management, Client Coverage, Corporate Banking, Risk Management, Operations and IT Management.

He has core expertise in the creation of New Lines of Business, Process Re-engineering, Strategic and Change Management. He has got optimum exposure & training in all areas of Banking from Australia, USA, UK, Hong Kong, UAE, Singapore, Sri Lanka and Pakistan. He is a Six Sigma Black Belt holder and certified in Credit Accreditation Process, International Trade Skill Assessment, Credit Skill Assessment and Credit in Context Course.

Earlier, he sat on the Board of Grameen Bank as a Director nominated by Govt. of Bangladesh and held various senior management positions in multinational and private commercial banks such as Trust Bank Limited, Premier Bank Limited and Industrial Promotion & Development Company of Bangladesh Ltd., United Commercial Bank Ltd., American Express Bank Ltd., Standard Chartered Bank and ANZ Grindlays Bank.

With a distinctive academic record, he holds graduation with Honours and post-graduation degree in Economics from the University of Dhaka and an MBA degree from the Victoria University, Australia. He is a gold medal recipient as the best all-round cadet of the Faujdarhat Cadet Collage and a National Debate Champion.

## Deputy Managing Directors' Profile



Mr. Shah Md. Moinuddin has been holding the position of Deputy Managing Director & Head of International Division since 01 March 2015. He joined the Bank on 16 July 1986 as a Probationary Officer.

During his long association with IFIC Bank for about 35 years, Mr. Moinuddin has shown his credibility as a dynamic leader, and also held senior management positions in core areas of banking. While posted in the branches, he worked in various capacities including holding the position of Branch Manager of Principal Branch and Federation Branch.

Mr. Moinuddin did his graduation and post-graduation from the University of Dhaka in Accounting.

### **Shah Md. Moinuddin**

DMD & Head of International Division

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Mr. Md. Nurul Hasnat has been holding the position of Deputy Managing Director & Head of Business since 01 January 2018. He joined the bank on 27 February 2013 as an Executive Vice President.

Mr. Nurul Hasnat has 32 years long banking experience which started with BCCI in February, 1989. He also served in Eastern Bank, Southeast Bank and Trust Bank in various capacities.

In IFIC Bank, he served as Branch Manager of Principal Branch, Federation Branch and Gulshan Branch and made notable contribution to their business portfolio.

Mr. Hasnat did his post-graduation in Human Resource Management and also completed specialized courses on International Trade from the School of Finance, UK.

### **Md. Nurul Hasnat**

DMD & Head of Business

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Mr. Syed Mansur Mustafa has been holding the position of Deputy Managing Director & Chief Credit Officer of the Bank since 03 July 2018. He is also the Chief Risk Officer of the Bank.

He joined the bank earlier on 06 April 2015 as a Senior Executive Vice President. He started his career as a Probationary Officer of AB Bank Ltd. in 1996 and also served in Trust Bank.

Mr. Mustafa did his MBA with major in Finance from the Institute of Business Administration and also did his post-graduation in International Relations from the University of Dhaka.

### **Syed Mansur Mustafa**

DMD & Chief Credit Officer & CRO

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Mr. Md. Monitur Rahman joined the Bank on 30 August 2018 as Deputy Managing Director and Chief of Operations & Information Technology.

Mr. Rahman has 26 years long working experience with the Standard Chartered Bank and National Board of Revenue. His core expertise is Technology and Operational Governance, Infrastructure Development, Project Management, and Service Quality for the Customers.

Mr. Rahman did his MBA with major in Finance from the North South University, and also graduated in Electrical & Electronic Engineering (EEE) from Bangladesh University of Engineering and Technology (BUET).

### **Md. Monitur Rahman**

DMD & Head of Operations & IT

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## Senior Management Team (SMT)

1	Mohammad Shah Alam Sarwar	Managing Director & CEO	Chairman
2	Shah Md. Moinuddin	DMD & Head of International Division	Member
3	Md. Nurul Hasnat	DMD & Head of Business	Member
4	Syed Mansur Mustafa	DMD & CCO and CRO	Member
5	Md. Monitur Rahman	DMD & CoIT	Member
6	K A R M Mostofa Kamal	Head of Human Resource Management	Member
7	Md. Rafiqul Islam	Chief Manager, Principal Branch	Member
8	M. Mozibar Rahman	Head of Internal Control & Compliance	Member
9	Dilip Kumar Mandal	Chief Financial Officer	Member
10	Md. Mokammel Hoque	Company Secretary	Member Secretary

# Senior Management



## Managing Director & CEO

Mohammad Shah Alam Sarwar

## Deputy Managing Director

Shah Md. Moinuddin  
Md. Nurul Hasnat  
Syed Mansur Mustafa  
Md. Monitur Rahman

## Senior Executive Vice President

Khan Abu Roushan Mohammad Mostofa Kamal  
Md. Rafiqul Islam  
Iqbal Parvez Chowdhury  
M. Mozibar Rahman

## Executive Vice President

Ferdousi Begum  
Dilip Kumar Mandal  
Helal Ahmed  
Md. Zulfiquer Ali Chakder  
Nurul Basher Abdul Mamun  
Syed Hassanuzzaman  
Hossain Shah Ali  
Md. Toufiq-E-Elahi Choudhury  
Md. Abdullah Al Masum  
Mohammad Mahmood

## Senior Vice President

Madhubanti Kabir  
Mohammad Sahin Uddin  
Sohel Mahmud Zahiduzzaman  
A.T.M. Raziur Rahman

## First Vice President

Md. Akbar Ali  
Md. Ali Imam Khan  
Md. Selim Talukder  
Humaira Parveen Runi  
Md. Salah Uddin  
Md. Nazmul Haque Talukder  
Md. Mokammel Hoque

## Vice President

Ahmed Sayeed  
Navedul Islam  
A. M. Mahmud Hossain  
Md. Mostaque Hossain Chowdhury  
Anwara Begum  
Morshed Ali  
Tauheed Mahmud Hussain  
Nazmun Nahar Begum  
A. B. M Mohsin Kamal Molla  
A. K. M Zahirul Islam  
Mohammad Rakibul Islam  
Mohammed Mizanur Rahman  
Md. Nazimul Hoque  
Omar Sharif  
Tagore Lakshaman Chandra Ghosh  
Muhammed Shafiquzzaman  
Shahina Akhter  
S. M. Alamgir Hassan

Chairman's  
Message



## Dear Shareholders,

### Assalamu Alaikum.

The year 2021 has brought epic events for us when the nation is celebrating 50 years of its Independence and the grand celebration of the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman altogether.

These two events ushered a brighter future for the 170 million people of the nation and on this auspicious occasion, we, IFIC Family including all the shareholders, members of the board, employees and other stakeholders of the Bank took the privilege to be the proud partner of observing the great milestones of our national history.

On this auspicious occasion, we pay special homage to the father of the nation, Bangabandhu Sheikh Mujibur Rahman, on his birth centenary and gratefully acknowledge his invaluable contribution and selfless struggle for the economic emancipation and political freedom of the common people of Bangladesh. We also pay our sincere gratitude to the freedom fighters who fought fearlessly for the cause of Bangladesh under the able leadership of the greatest Bangalee of all time Bangabandhu Sheikh Mujibur Rahman.

The legendary life and achievements of the great leader Bangabandhu Sheikh Mujibur Rahman continuously inspire us to put our best effort for the betterment of the lifestyle of the people towards fulfilling his unaccomplished dream of making the country Sonar Bangla.

In the midst of celebrating such historical events, I, on behalf of the Board of IFIC Bank Limited, welcome you, our valued shareholders, to the 44<sup>th</sup> Annual General Meeting of the Bank. I would like to express my sincere thanks and gratitude to all of you for your active support and patronage towards making IFIC a

caring, reliable and successful bank of the country.

The Annual Report 2020 containing, among others, the Directors' Report on the Financial Statements & Internal Control, the Financial Statements as at and for the year ended on 31 December 2020 together with the Auditors' Report thereon is already in your hands. The Annual Report will give a detailed overview on the performance of the Bank during the year 2020 that has been presented through various quantitative and qualitative parameters.

The economy of Bangladesh grew 5.24 percent in the last fiscal year FY20 despite the impact of coronavirus pandemic against a record growth by 8.15% in FY19. While the per capita GDP increased to USD 1,970 in the last fiscal which was USD 1,828 in FY19, according to the provisional estimation of Bangladesh Bureau of Statistics (BBS).

### Bangladesh Economy

The economy of Bangladesh grew 5.24 percent in the last fiscal year FY20 despite the impact of coronavirus pandemic against a record growth by 8.15% in FY19. While the per capita GDP increased to USD 1,970 in the last fiscal which was USD 1,828 in FY19, according to the provisional

estimation of Bangladesh Bureau of Statistics (BBS).

According to BBS, the GDP growth rate at constant prices in the industry sector increased by 6.48 percent in the last fiscal year which was 12.67 percent in FY19. In the services sector, the GDP growth rate increased by 5.32 percent in FY20 while it was 6.78 percent in FY19. In the agriculture sector, the GDP growth rate increased by 3.11 percent in FY20 while it was 3.92 percent in FY19.

Sector-wise growth rate of GDP indicates that the Industry sector continued to achieve the highest growth followed by Service and Agriculture sector which reflects the sustainable growth prospect of the economy.

The BBS data also showed that in the last fiscal year, the investment ratio to GDP stood at 31.75 percent which was 31.57 percent in FY19. The private investment ratio to GDP increased to 23.63 percent in FY20 while the public investment ratio to GDP stood at 8.12 percent.

The inflation rate declined by 0.23 percent on a point-to-point basis in December 2020 and came down to 5.29 percent in December last year from 5.52 percent in November.

### Growth Prospects

Despite the pandemic, Bangladesh economy is set to post the third-highest growth in the world and the highest in Asia in 2020, according to the International Monetary Fund.

To protect the people and the economy, the government rolled out a massive Taka 72,750 crore stimulus packages, one of the largest in the world, to counter the adverse effects of coronavirus. It capped bank interest rates below single digit to help firms and businesses borrow at a record low rate.

Multilateral banks and bilateral partners poured billions of dollars to cushion Bangladesh.



But the biggest support came from farmers who continue to feed the country and the migrant workers who proved the grim forecasts wrong, sending home a record amount of remittance.

The robust flow of remittance lifted the country's foreign exchange reserves to record highs of 44.02 billion in February 2021 and put the country on a firm footing.

## Success Stories

### Graduation from LDC's to a Developing Nation

Bangladesh has set another milestone to its economic advancement when it has stepped into a new era as it qualified to graduate into a developing nation from a Least Developed Country (LDC).

The United Nations Committee for Development Policy (UN CDP) recommended the graduation in its final evaluation on 26 February 2021 (Friday), the concluding day of the second triennial review meeting of the LDC category of UN CDP held at the UN Headquarters in New York during 22-26 February this year.

Bangladesh is scheduled to officially become a developing country in 2026 as the UN committee recommended that the country should get five years, instead of three, to prepare for the transition due to the impact of the Covid-19 on its economy. However, until 2026, the country will continue to enjoy the trade benefits as an LDC.

The recommendations will be sent to the United Nations Economic and Social Council (ECOSOC) for endorsement in June and the UN General Assembly is scheduled to approve the proposal in September.

Bangladesh has met, for the second time, all the three eligibility criteria for the graduation involving income per capita, human assets index (HAI), and economic and environmental vulnerability index (EVI).

After the expiry of the transition

period, Bangladesh will have to compete globally as the graduation will come to an effect officially. But the European Union previously said it would continue the same trade benefit for Bangladesh up to 2027.

### Prime Minister formally announced the graduation status of Bangladesh

Prime Minister Sheikh Hasina formally announced the graduation status of Bangladesh at a virtual press conference, which she attended from the Gono Bhaban on 27 February 2021 (Saturday).

"This achievement is an outcome of our relentless planning, hard work and efforts over the last 12 years. The people of this country have made it possible. We have only provided the people with policy support from the government," Hasina said.

Bangladesh has set another milestone to its economic advancement when it has stepped into a new era as it qualified to graduate into a developing nation from a Least Developed Country (LDC).

The graduation to a developing country is a step forward for the country in its efforts to achieve the Sustainable Development Goal by 2030, become a higher middle-income country by 2031 and a developed country by 2041, she added.

The construction of some mega projects like the Padma Multipurpose Bridge, Metrorail, Elevated Expressway, Tunnel under the Karnaphuli river, Rooppur Nuclear Power Plant and Maheshkhali-Matarbari Integrated Development Projects will be completed this year or the next, the Prime Minister said.

Moreover, the government has also been developing 100 special economic zones and more than two dozen Hi-Tech parks across the country. The completion of the construction of the mega projects will create a new impetus in the economy to reach the targeted economic development of the country, she added.

### Launching of Mass Vaccination Program

As a part of mass vaccination program to bolster immunity, Prime Minister Sheikh Hasina inaugurated the mass inoculation campaign against the novel coronavirus in Dhaka on 27 January 2021, with some 30 frontline health workers, law enforcement, and journalists taking their first doses of the Oxford/AstraZeneca vaccine manufactured by the Serum Institute of India.

The vaccination program, however, began across the country on the 7<sup>th</sup> February and now the second dose of the vaccination is in progress w.e.f. 7<sup>th</sup> April.

Meanwhile, with the technical support of the ICT Division, the government has launched the Surokkha App version for Covid-19 to help the people register for the Covid-19 vaccine as well as creating a national database for smooth running of the program.

And this was possible due the pragmatic steps undertaken by the government by allocating required funds as well as creating the necessary infrastructure for the management of cold chain, vaccine storage and distribution, and training of vaccine administrators, etc.

Earlier, the government of Bangladesh signed a memorandum of understanding (MoU) with the Serum Institute of India (SII) and Bangladesh's Beximco Pharmaceuticals on 5 November last year to procure 30 million doses of the Oxford-AstraZeneca vaccine.

The government is also exploring all possible avenues for the procurement of more vaccines from other sources side by side also trying its best to import the 'SEED' and/or vaccine materials in bulk for processing and manufacturing the vaccines within the country giving top priority on public health safety issue above all.

#### **Ease of Doing Business**

According to the World Bank (WB) Ease of Doing Business 2020 index, Bangladesh ranked 168, up by eight notches from 176 in 2019, out of 190 countries.

With the latest development, the Bangladesh government has decided to improve the ranking to double digits, which means below 100. As a part of its effort, the government took several initiatives, such as introducing One-Stop Services (OSS), reducing congestion at ports and roads, and reforms in regulations.

In a bid to improve the country's business climate, Bangladesh Investment Development Authority (BIDA), the state agency for promoting investment, set a target to provide 154 services through OSS by 2021.

As of now, the BIDA has been providing 21 services through OSS, while 54 more services are set to be introduced soon.

As per the WB report, Bangladesh has carried out three business reforms during the past year.

The reforms include reduction of registration and name clearance fees and removal of the certifying fee for digital certificates for setting up a new business.

Meanwhile, the time required for getting a new electricity connection and credit information has also been reduced.

The report also mentioned that Bangladesh's score in starting a business saw a jump by 1.6 points to 82.4 points, while the score for getting electricity rose by 4.1 points to 34.9.

Besides, the Bangladesh Economic

Zones Authority (BEZA) is set to invest Tk 4,367 crore on a fresh project aimed at developing a greener Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN).

BEZA decided to undertake this initiative, to be implemented between January 2021 and December 2025, in order to create an enabling environment for sustainable private investment and a dynamic local market for industrial land.

The World Bank will provide \$467 million (about Tk 3,970 crore) for the initiative under its Private Investment and Digital Entrepreneurship (PRIDE) project.

Besides, the Bangladesh Economic Zones Authority (BEZA) is set to invest Tk 4,367 crore on a fresh project aimed at developing a greener Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN).

#### **Sovereign Credit Rating of Bangladesh**

Bangladesh has been able to maintain its Sovereign Credit Rating for the last consecutive 10 years in a row and has achieved a stable rating from both Moody's and S & P which are Ba3 and BB- respectively. Another credit rating institution, Fitch Ratings, has provided a BB- rating in three consecutive years (last report published on 11 November 2020), which indicates stable economic growth and strong external sector of the economy.

Now let me come to the performance of your bank. Last year, as an outcome of inclusive banking, by pursuing excellence in customer care through customer relevance, by innovating consistently to deliver

technology driven solutions to the banking needs and through continuous product innovations, we have carved a veritable niche for ourselves in the eyes of our customers. And it is thus that your point of view remains our point of consideration.

The Bank also has a significant involvement and proactive participation in benevolent activities. As a trendsetter, the Bank is gradually organizing its involvement in the more structured CSR initiatives, following the Guidelines of Bangladesh Bank.

Our Management Team, like previous years, in 2020 also maintained their winning streak, receiving national and international acclamation for transparency, good governance, sustainability, people practices, brand management, CSR activities and IT applications.

We intend to grow our business in a sustainable manner by enhancing quality and efficiency, expanding its service outlets to the doorsteps of the unbanked people for financial inclusion as well as devising new products and focusing on customer service.

We are confident that the Management Team possess the right competencies to capitalize on these opportunities to maintain positive growth trajectory for the Bank. As such, your Bank would concentrate on sharpening its competitive edge by improving its business strategies and protecting its credibility through fulfillment of the promises.

For the effective governance of the business of the Bank, the Board of Directors strikes a balance at a high standard of effectiveness between driving the business forward and controlling it prudently.

The Board of your Bank continues its effort to set the right tone from the top of the Bank and tracking progress against potential key risks and reputation issues. I am pleased to report that your Board also continues to function well and is very clearly focused on its

priorities. A strong governance framework is developed to support the long-term sustainable growth of the Bank.

On behalf of the Board, I wish to place on record our sincere appreciation to the Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission and other regulatory authorities, various financial institutions, banks and correspondents at home and abroad for their continued support and guidance.

My sincere appreciation is also to the Managing Director & CEO, the Management Team and the whole

Team of IFIC for making 2020 a year of sustained growth and for their continued pursuit towards achieving the Bank's objectives despite the veritable challenges.

We endeavor to serve our customers with the highest level of convenience, transparency and respect. We sincerely appreciate the trust they have reposed on us and are looking forward to maintain a long-term relationship with them.

A special word of thanks to our shareholders again, who have been an integral part of the Company's journey throughout the year.

Finally, I wish to place on record my appreciation to my fellow Directors

for their unstinted support, guidance and insight which has helped us to steer the organization towards the many successes it has achieved till date.

We look forward to the next financial year with confidence and resolute dedication. Let there be good days ahead for all of us. May the Almighty Allah bestow His choicest blessings upon us!

Allah Hafez.



**Salman F Rahman MP**  
Chairman

A professional photograph of a man in a dark blue suit, white shirt, and patterned tie, sitting at a desk. He is wearing glasses and holding a pen over some papers. A laptop is visible on the desk to his right. The background is a light green wall with a large, stylized, swirling graphic element. A small red horizontal bar is positioned above the text.

Managing Director &  
CEO's Review

## Dear Respected Shareholders,

### Assalamu Alaikum.

I express my deepest condolences to those who have lost their near and dear ones during the Covid-19 pandemic and wish everyone good health and safety.

The year 2020 was unprecedentedly difficult for Bangladesh as well as the entire world due to the Covid-19 pandemic. It challenged many countries including Bangladesh to respond to urgent economic and health care needs. During this difficult period, IFIC Bank has nonetheless given its best to continue on its path of being the preferred financial service provider through innovative, sustainable & inclusive growth and by looking into the safety and security of its employees, customers and other stakeholders. Hence, I consider myself fortunate to be able to present to you the financial and operating performance of the Bank for the year 2020. The global growth was slow during 2019 but in 2020, the global economy downright fell to -4.30%. It has been decades since the world has faced a crisis as great as the Covid-19 pandemic. Countries took many measures to alleviate the risks of the pandemic which led to travel restrictions and reduction in consumption and investment. These in turn led to a global economic recession. Bangladesh is no exception in case of taking measures for protection against the pandemic. The GDP growth rate for the country fell to 5.2% in 2020 but, extensive macroeconomic support was provided by the Government in the form of Refinance Schemes and Stimulus Packages. The Banking sector was entrusted with its implementation to help the country turn around economically. Credit is due to the Government Regulatory Authorities of the country for generating relevant Guidelines & Policies.

### Macroeconomic Scenario of Bangladesh

The massive outbreak of Covid-19 pandemic in the last quarter of

FY20 has an adverse effect on the economy of Bangladesh. The Bangladesh economy recorded GDP growth of 5.2% in FY20 which is much lower than the GDP growth rate of 8.2% in FY19. However, this growth rate was found to be the highest in South Asian region. Export growth decreased by 16.9% in FY20 against 10.6% increase in FY19, while Import growth declined by 8.6% in FY20 against 1.8% increase in FY19. The total Export stood at USD 32,830 million in FY20 from USD 39,604 million in FY19. Import decreased to USD 50,691 million in FY20 from USD 55,439 million in FY19 which indicates the increasing of Trade Deficit. The Trade Deficit widened to USD 17,861 million in FY20 from USD 15,835 million in FY19. The Services and Income Account along with Primary and Secondary Income registered a surplus of USD 13,012 million in FY20 compared to the surplus of USD 10,733 million in FY19. The Current Account Balance stood at USD (-) 4,849 million in FY20 from USD (-) 5,102 million in FY19 and the Capital and Financial Account surplus reached to USD 7,914 million in FY20 from USD 6,146 million in FY19. The overall Balance of Payments increased to USD 3,655 million in FY20 which was USD 179 million in FY19. The Foreign Exchange Reserves stood at USD 36.07 billion at the end of FY20, representing around 8.5 months of prospective import payments.

### IFIC Bank Performance

Deposits of the Bank rose to BDT 296,374 million in Y2020 from BDT 258,368 million in Y2019, indicating a growth of 14.7%. Loans and Advances increased to BDT 260,650 million in Y2020 from BDT 228,589 million in Y2019, representing a growth of 14.0%. Import of the Bank was BDT 77,078 million in Y2020 showing 10.6% decline from Y2019 and Export of the Bank was BDT

74,061 million in Y2020 indicating 21.8% fall from Y2019. Net Interest Income (NII) decreased from BDT 6,398 million in Y2019 to BDT 2,864 million in Y2020 and Net Profit after Tax reduced to BDT 562 million in Y2020 from BDT 2,444 million in Y2019. Non-Performing Loan (NPL) ratio of the Bank decreased to 4.0% in Y2020 from 5.4% in Y2019. Asset size of the Bank stood at BDT 363 billion in Y2020 against BDT 317 billion in Y2019, indicating a growth of 14.7%.

**Deposits**  
of the Bank  
**rose to BDT**  
**296,374**  
**million**  
in Y2020 from BDT  
258,368 million in Y2019,  
indicating a growth of  
14.7%. Loans and Advances  
increased to BDT 260,650  
million in Y2020 from BDT  
228,589 million in Y2019,  
representing a growth of  
14.0%.

### Capital Adequacy

At the end of December-2020, total Shareholders' Equity stood at BDT 25,217 million, which is 2.52% higher than that of December-2019. The Bank maintained Capital to Risk-weighted Asset Ratio (CRAR) of 12.24% under Revised Regulatory Capital Framework for Banks in line with Basel III as against minimum requirement of 12.50% set by Bangladesh Bank for the year ended December 31, 2020.

### Growth Initiatives Implemented in 2020

- IFIC Bank established 250 Uposhakhas in 2020. The customers are getting all

banking services (excluding Foreign Trade Business) from the Uposhakhas which are near to their home, with utmost ease and comfort. With 285 Uposhakhas and 154 Branches, there were a total network of 439 Banking Centers of IFIC Bank at the end of 2020.

- ➔ The Bank took up a Project to implement e-KYC functions in all its Branches and Uposhakhas through which the account opening formalities have become easier for the customers of the Bank.
- ➔ IFIC Bank continued to emphasize the marketing & selling of IFIC Aamar Account, IFIC Shohoj Account and IFIC Aamar Bhubishawt. Apart from these, as an initiative to move further in digitization, the Bank also emphasized on promoting its Digital Banking Solution named IFIC Aamar Bank.
- ➔ The Bank continued to give emphasis on its collateral based Home Loan product named IFIC Aamar Bari, which is providing its customers quick loan processing service.
- ➔ The Bank introduced a loan product named IFIC Shohoj Rin, which provides loans for Agriculture & Agro based Activities, Grass root level Entrepreneurs, Marginal & Landless Farmers and Low Income Individuals.
- ➔ IFIC Bank moved forward in technological advancement by successfully implementing software for the Bank's Treasury Functions, Foreign Trade Functions and Remittance Business.
- ➔ The Bank reformed its Contact Centre during the Covid-19 pandemic by introducing T-PIN (Telephone Personal Identification Number) based system, giving customers the satisfaction of obtaining quick and accurate service.

### Risk Management

Securing the capital, resources and ensuring sustainable profitability is of utmost value for the Bank but there are risks that come along with these factors. Though taking risks is part and parcel for any Bank, IFIC Bank strives to confront it by conducting the activities which include the functions of analysis, evaluation, acceptance and management of risks. The Bank believes that Risk Management is an integral part of the Bank's strategy, culture and value generation process. IFIC Bank performs its Banking Operations by maintaining compliance according to the Risk Management Guideline of the Bank which covers the risks of different areas such as Credit Risk, Foreign Exchange Risk, Asset Liability Management Risk, Anti-Money Laundering Risk, Information & Communication Technology Risk, Internal Control & Compliance Risk etc. Even in the Covid-19 pandemic situation, the Bank has managed its risks by using its Risk Management techniques.

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implement  
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easier for the customers of  
the Bank.

### Commitments Towards the Employees

In 2020, when the whole world was passing the pandemic situation due to Covid-19, the Bank gave the highest level of attention on the health & safety issues of its employees. The Bank did not reduce the salaries of its employees and continued transfer and promotion of its employees regularly as per the policy of the

Bank. When the Management of the Bank demonstrated its commitment towards its employees, the Management remained professional and more importantly humane. IFIC Bank is committed to increase the capability and quality of its human resources to achieve long term sustainable growth. It creates an enabling-engaging-empowering job environment throughout the entire employee lifecycle. This is being done through a transparent recruitment process, continuous training & development and a fair transfer and promotion process. The Bank offers equal opportunities for all of its employees so that they can unfold their potentiality. The Bank has a policy for Redressal of Grievance & Resentment under which employees can raise any of their issues that create resentment in them. It maintains dedicated HR (Human Resources) Helpline Numbers to assist its employees to get clarification about HR Policy, to raise any HR related issue and to share their grievance. IFIC Bank creates a Meritocracy based Performance Management System. The Bank has Talent Management Program which fast tracks and retains critical resources of the Bank. It has a competitive Pay Structure with enriched Insurance Policy for employees and their families. To improve human resource engagement during the Covid-19 pandemic, the Bank continued its regular training process for the employees through online. The Bank has remained in close contact with the employees throughout the crisis providing as much guidance as possible.

### Responsibilities Towards the Society

IFIC Bank played a significant role in supporting the society in 2020 by taking the following measures through Corporate Social Responsibility (CSR) activities-

- ➔ The Bank donated to the Honorable Prime Minister's Relief and Welfare Fund as

financial assistance to combat the Corona Virus outbreak in the country.

- ➔ IFIC Bank donated Remdesivir Injection (Bemsivir) to the Government of Nepal for the treatment of hospitalized Covid-19 patients in Nepal.
- ➔ The Bank awarded 'IFIC Bank Shangkritiratna Shommanona 2020' to Mr. Ramendu Majumdar and also awarded 'IFIC Bank Shahitya Puroshkar 2018' to the Researcher & Writer Mr. Ghulam Murshid and Fiction Writer Mr. Imdadul Haq Milon in different categories.
- ➔ IFIC Bank made a donation to Bangladesh Police for providing world class Personal Protective Equipments (PPEs) and Masks to combat Covid-19 pandemic.
- ➔ The Bank donated blankets to the Honorable Prime Minister's Relief and Welfare Fund to support the cold affected people of the country.
- ➔ IFIC Bank donated to Bangladesh Shooting Sport Federation to contribute in the development of the sport.

#### Initiatives for 2021

- ➔ IFIC Bank aims to open a

large number of Uposhakhas in 2021 to not just reach the neighborhood of its customers but also to tap into the areas of unbanked people to achieve financial inclusion by making them feel at ease with Banking.

- ➔ The Bank will introduce a Loan product named IFIC Aamar Rin, under which individuals will be able to obtain Personal Loans. Within the product IFIC Aamar Rin, individuals will be able to get various types of loans as per their need. The types of loans that customers will be able to avail through this product include- Flexi Loan, Auto Loan, Easy Loan, Aamar Account Overdraft facilities and Salary Loan.
- ➔ The Bank will continue its special focus on marketing and selling of IFIC Aamar Account, IFIC Aamar Bari, IFIC Aamar Bhubishawt, IFIC Shohoj Account, IFIC Shohoj Rin and IFIC Aamar Rin.

#### Concluding Remarks

I forward my sincere appreciation to the Regulatory Authorities, especially Bangladesh Bank for providing relevant guidance, policy and support, and to Bangladesh Securities and Exchange Commission, Dhaka Stock

Exchange Limited and Chittagong Stock Exchange Limited for their kind cooperation. I am thankful to the members of the Board of Directors for not only guiding the Management in implementing the policies and guidelines set by them but also for their relentless support in prioritizing the health & safety of the Bank's employees and customers above everything else during the outbreak of Covid-19 pandemic. I must express my gratitude to our respected shareholders, valued customers and all other stakeholders for believing in the Bank's Management. It goes without saying that I am ever so grateful to my dear colleagues for putting up a brave face, keeping the IFIC spirit high and taking care of Customers' Banking needs during the Covid-19 pandemic to make sure that the Bank remains successful in providing best in class service to its customers at all times.



**Mohammad Shah Alam Sarwar**  
Managing Director & CEO



Directors' Report



# Directors' Report

## Respected Shareholders,

### Assalamu Alaikum.

The Board of Directors of IFIC Bank Limited with immense pleasure takes this opportunity of presenting the Directors' Report along with the Audited Financial Statements for the year ended 31 December 2020 to you on the occasion of 44<sup>th</sup> Annual General Meeting (AGM) of the Bank. The Report and Financial Statements of the Bank have been prepared in accordance with the regulations, standards & relevant sections mentioned in the Company Act, 1994, the Bank Company Act, 1991 (amended up to 2018), Bangladesh Bank circulars & guidelines and other applicable rules & regulations of the respective Regulatory Authorities. A brief overview of Global and Bangladesh Economy, Bank's performance, overall strength, growth trend and other matters have been incorporated in this report.

### 1. Global Economy and its outlook

The coronavirus (COVID-19), which has spread globally, poses

a significant threat to the global economy. Quarantine, lockout, and other steps to protect lives and allow health-care systems to cope have significantly restricted economic activity. The global economy is predicted to contract even more severely as a result of the pandemic than it did during the 2008-2009 financial crisis. The International Monetary Fund (IMF) forecast in its World Economic Outlook (WEO) for October 2020 that global economic growth will contract dramatically by 4.4 percent in 2020, down from an estimate of -3.0 percent in April 2020.

The baseline scenario, according to the IMF, predicts that social divisions will persist into 2021 but will diminish over time as vaccine coverage expands worldwide by the end of 2022. As economic activity normalizes, the global economy is expected to expand by 5.2 percent in 2021, supported by policy support.

In 2020, growth in advanced economies is projected to decline to -6.1 percent. COVID-

19's rapid and widespread spread, as well as the resulting stagnation of economic activity, has resulted in a slowdown in economic development. Both emerging markets and developing economies are dealing with a health crisis, a strong external demand shock, tightening global financial conditions, and a drop in commodity prices, which will have a significant effect on commodity exporters' economic activity. Furthermore, oil exporting countries will face difficulties as oil prices decline.

Turning the global economy around in 2021 depends on how quickly the pandemic can be brought under control and build consumer and investor confidence. To this end, countries are implementing various financial and stimulus programs to revive the world economy by improving the health system and by providing public health services. Table 1.1 highlights the growth scenario of the world.

Table 1.1: Overview of the World Output Growth Projections (Percent Change)

Economic Area	2019	Projection Outlook, October, 2020		Difference from Outlook, April, 2020	
		2020	2021	2020	2021
World Output	2.8	-4.4	5.2	-1.1	-0.5
Advanced Economies	1.7	-5.8	3.9	0.3	-0.6
USA	2.2	-4.3	3.1	1.6	-1.6
Euro Area	1.3	-8.3	5.2	-0.8	0.5
Germany	0.6	-6.0	4.2	1.0	-1.0
France	1.5	-9.8	6.0	-2.6	1.5
Japan	0.7	-5.3	2.3	-0.1	-0.7
Emerging Market and Developing Economics	3.7	-3.3	6.0	-2.1	-0.5
Emerging and Developing Asia	5.5	-1.7	8.0	-2.7	-1.0
China	6.1	1.9	8.2	0.7	1.0
India	4.2	-10.3	8.8	-12.2	1.4
ASEAN-5	4.9	-3.4	6.2	-2.8	-1.5

Source: World Economic Outlook, October 2020

## 2. Bangladesh Economy

Economic growth slowed to 5.24 percent in FY 2019-20, according to the provisional estimates of BBS. It is the lowest since FY2008-09. The growth of agriculture sector has slowed to 3.11 percent in the current fiscal year. The contribution of agricultural, industry and service sectors reached at 13.35 percent, 35.36 percent and 51.30 percent respectively.

Per capita GDP and per capita national income stood respectively at US\$ 1,970 and US\$ 2,064 in FY 2019-20. Domestic savings increased to 25.31 percent of GDP, which was 25.02 percent in the previous fiscal year. The gross investment stood at 31.75 percent of GDP in FY 2019-20, up from 31.57 percent of GDP the previous fiscal year. Public investment and private investment accounted for 8.12 percent and 23.

In FY 2019-20, the inflation rate stood at 5.65 percent, which is slightly higher than the target (5.50%) Food inflation increased to 5.56 percent and non-food inflation stood at 5.85 percent. The Coronavirus (COVID-19) pandemic has slowed global economic activity and reduced inflation globally. The pandemic could ignite world food production and cause disruption in supply chain. Food inflation is likely to increase in the coming months.

The monetary program is based on the 8.2 percent real GDP growth and 5.5 percent CPI inflation ceiling targets declared for FY2019-20 in the national budget. Bangladesh Bank's annual monetary program made adequate room for money and credit growth for attaining the targeted nominal GDP growth.

Bangladesh Bank has reduced the repo rate from 6 percent to 5.25 percent. The Cash Reserve Requirement (CRR) was initially reduced from 5 percent to 4.5 percent. Bangladesh Bank has also raised the advance-deposit ratio (ADR) and investment-deposit ratio (IDR) by 2 percent.

The year-on-year growth of broad money at the end of June 2020 stood at 12.64 percent. Private sector credit stood at 8.61 percent, compared to 11.32 percent in the previous fiscal year. Bangladesh Bank issued a circular on fixing the interest rate on loans at a maximum of 9 percent (except credit card).

World trade has slowed since the beginning of 2020 due to trade disputes between the United States and China, falling oil prices and declining revenue in the oil producing countries. Total export earnings in FY 2019-20 stood at US\$ 33,674.09 million, down 16.93 percent from the previous fiscal year. The export sector is expected to rebound once the Corona crisis is resolved.

In the first nine months of FY 2019-20 (July-March, 2020), the country's manpower exports stood at 5.31 lakh people. This is 2.73 percent more than the same period of the previous fiscal year. From April 2020 to June 2020, manpower exports were virtually closed. In FY2019-20, remittance inflows stood at US\$ 18,205.01 million, an increase of 10.87 percent over the previous fiscal year due to introduction of 2percent incentives on remittances sent by NRBS.

During this period, the current account balance decreased as remittance flows increased. The current account deficit stood at US\$ 4,849 million, compared to US\$ 5,102 million in the previous fiscal year. On the other hand, due to increase inflow in capital and financial account, the overall balance of payments increased from US\$ 179 million in FY2018-19 to US\$ 3,655 million in FY2019-20.

The government has already announced a stimulus package of about 1.2 lakh crore taka for economic recovery. As a result of these actions taken by the government, the economy is expected to turn around. The package includes special funds for export oriented industries and working capital facilities for

affected industries. It also includes policy support such as reduction of import duty on COVID-19 related products.

## 3. Banking Industry in 2020

The Bangladesh bank sector was already struggling prior to the imposition of a 9% interest ceiling on all loans (except credit cards), liquidity pressures and a persistently deteriorating non-performing loan (NPL) situation. However, owing to the COVID-19 pandemic and subsequent lockdown, the banking sector will face an acute crisis on multiple fronts, as banks' asset quality is likely to deteriorate while their interest and fee-based income are all affected at the same time.

On February 23, Bangladesh Bank asked scheduled banks to cap the interest rate at 9% for all types of lending, except credit cards. The 9% interest rate cap will not cover the costs and risks, thus resulting in the banking sector's portfolios becoming commercially unviable over-night. History shows that a rate cap has generally a negative result. Solely from the perspective of banking profitability, given the operating expense and tax structure and default culture, it might make sense for the corporate loans to have c.3% spread but it hardly makes sense for the SME loans to have such minimal spread.

The banking sector saw a BDT 18.2 billion fall in default loans and a 9% NPL in Mar'20 as Bangladesh Bank suspended reporting of default loans from January to help businesses tide over the coronavirus pandemic.

Moreover, by offering a deposit rate that is lower than what the market demands, depositors will look for alternative investment venues, causing a slowdown in deposit growth. The resulting liquidity crunch would exacerbate the funding challenges already faced by banks today.

Remittances, an important source of foreign exchange which

amounted to USD 18.02 billion in the 2019-20 fiscal year, will be severely hit as the pandemic has significantly affected all the major destinations for Bangladeshi workers such as Europe and the Middle East. Banks will lose their fee income for processing remittance transactions.

The RMG sector, which contributes more than 80% of Bangladesh's total export earnings and directly employs 4 million workers has ground to a standstill as more than USD 6 billion worth of orders have been cancelled. This will affect banks interest income as the factories will be unable to pay installments, while the slowdown in export and import L/C processing will hit non-interest income.

The COVID-19 pandemic has caused a historic fall in the non-operating income of banks due to nosedive in LC opening and remittances. The Capital to Risk-weighted Assets Ratio (CRAR) of the banking industry stood at 11.6% at the end of December 2019, which was 10.5% in 2018. Out of 58 scheduled banks, 48 banks maintained a CRAR of 10% or higher as of December 2019. Total capital shortfall stood at nearly BDT 236 billion in Dec'19. With the economic crisis amid covid-19, Banks's capital shortfall will increase further due to rising NPL provisioning. However, BB's timely decision to restrict the dividend payment till Sept'20 is a welcoming step to strengthen the financial health of banks.

### 3.1 Highlights of Monetary Policy of Bangladesh Bank

- ➔ Bangladesh economy has had to bear substantial economic losses resulting in significantly lower real GDP growth for FY20 than the target. Annual average CPI-based general inflation stood at 5.65 percent in FY20, slightly up from the target (5.50 percent) ceiling as well as actual inflation of 5.47 percent in FY19.
- ➔ The broad money (M2) growth (12.7 percent) remained very

close to the target ceiling of 13.0 percent. The domestic credit growth fully moved together with the programmed path during the first half of FY20, though slightly plunged in the third and fourth quarters. The public sector credit growth including the growth of net credit to Government ended up higher with some volatilities.

- ➔ The monetary policy stance and program executed in FY20 was largely successful in narrowing the current account deficit from 1.7 percent of GDP in FY19 to primarily estimate at 1.5 percent of GDP. Government's 2 percent incentive program and Bangladesh Bank's easing money transfer process played vital roles in augmenting remittance inflows.
- ➔ BB's policy supports reducing CRR and repo rates and providing enhanced repo and refinance facilities to banks. Timely intervention in the foreign exchange market helped maintain normalcy in both the Taka and USD markets.
- ➔ As a part of BB's expansionary monetary policy stance and supporting the preparedness for additional demand for funds, this MPS is proposing a further cut in the overnight repo rate from 5.25 percent to 4.75 percent and a reduction of reverse repo rate from 4.75 percent to 4.00 percent, ensuring the availability of less costly funds for banks and rationalizing the policy rates' corridor (the gap between the repo and reverse repo rates). Moreover, the Bank Rate which remained unchanged for the last 17 years (since 2003) has also been considered to be reduced from 5.00 percent to 4.00 percent to rationalize it with the current interest rate regime. All these rates change will be in effect soon.

- ➔ Bangladesh Bank took a series of instant and proactive policy initiatives to minimize any possible economic losses due to the COVID-19 pandemic. BB has used its available monetary policy 2 instruments, like, cash reserve ratio (CRR), repo facility (interest rate and tenor), and refinancing facility.

## 4. IFIC in the Banking Sector of Bangladesh

International Finance Investment and Commerce Bank Limited (IFIC Bank) was set up at the instance of the Government in 1976 as a joint-venture between the Government of Bangladesh and sponsors in the private sector with the objective of working as a finance company within the country and setting up joint-venture banks/financial institutions abroad. In 1983 when the Government allowed banks in the private sector, IFIC was converted into a full-fledged commercial bank. The Government of the People's Republic of Bangladesh now holds 32.75% of the share capital of the Bank and the rest of the share capital is held by the sponsors/directors, local and foreign institutions and general public shareholders.

A total of 154 branches and 400 new Uposhakhas of IFIC are dedicated to fulfill the Mission of providing services to the clients with the help of a skilled and dedicated workforce. As one of the leading banks of the banking sector in the country, IFIC is always committed to the welfare and economic prosperity of the people and the community.

### 4.1 Client as Trusted & Development Partner

IFIC Bank recognizes customers as partners and aims at providing high quality products and services at a very competitive price. The Bank focuses on the Customer Service Excellence (CSE) while providing those products and services with the optimum desire to gain total customer satisfaction and confidence. The Bank hopes to

build reliability, trust and friendship through honesty and integrity for a healthy long-term alliance.

The Bank takes charge of every client to make him/her an advanced partner through addressing his/her banking needs and wants to provide best services at affordable prices.

The Bank provides a professional, safe and enjoyable work environment for its employees that supports job enthusiasm, positive relationship and effective teamwork. The Bank provides clear directions to motivate the team to achieve the goals. The Bank seeks loyalty of its employees to the company by treating them with respect, understanding and recognition.

#### 4.2 Cluster Management

Cluster Management is considered as a new and highly efficient form of innovation support providers that provides and channelizes specialized and customized business support services to the enterprises. The high quality cluster management team works relentlessly to ensure cluster excellence in the Bank where the efficient cluster Managers act as a

driving force for the clusters. Their performance is very much linked to the professional expertise and the capability of the cluster managers who dispose of good cluster insight necessary for an efficient support to the cluster members.

### 5. Financial Performance of IFIC Bank Limited

#### 5.1 Financial Review

The year 2020 has been challenging for the banking sector due to the imposition of maximum lending cap of 9.0% w.e.f. Q2 Y2020 and the effect of ongoing COVID 19 pandemic. Though, the Government and Bangladesh Bank tries to recover the economy from the effect of Covid-19 by providing financial [various stimulus packages] and policy support to the business community and its stakeholders from the hostile effect of the Corona pandemic. However, we apprehend that the impact became lingering as most of countries faced the second wave of Covid-19 which is still continuing. Y2019 being one of the highest points of the bank's performance over the past decade, Y2020 serves more of a hedge against risks of liquidity

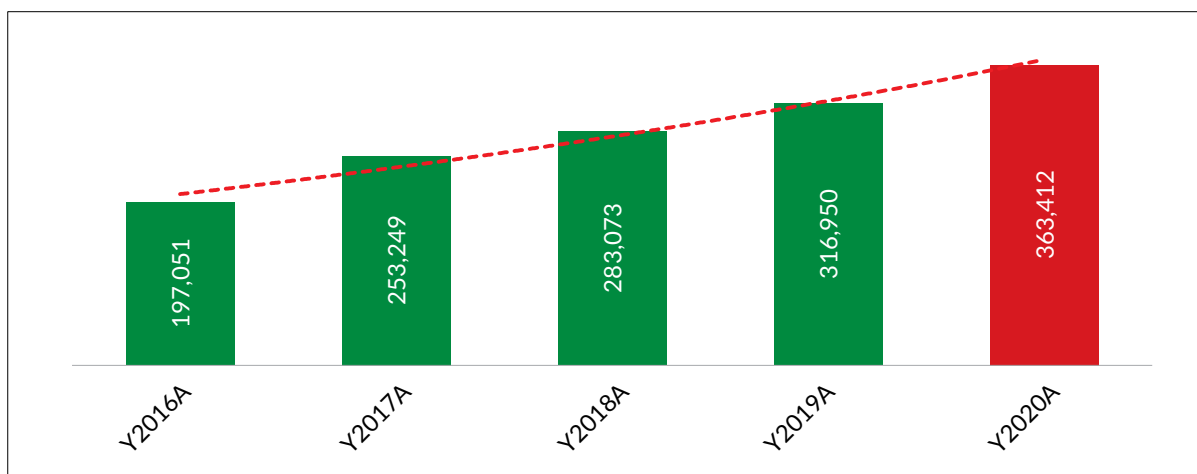
than the focus on profitability which dent the financial result in significant reductions in the Bank's operational profits.



- \* Balance Sheet Size BDT 363,412 million
- \* Total Assets Growth 14.7%
- \* Deposit Growth 14.7%
- \* Loan Growth 14.0%
- \* Investment up 15.9%
- \* NPL down to 3.97%

#### 5.2 Financial Position

Despite the number of challenges, IFIC has managed to maintain the liquidity at optimum level and strategically more focus has been given to reduce the risks associated with loans, process reengineering and digital banking transformation through maximization of the assets that has placed the bank in a more financially stable position. IFIC is continuing to expand its network and at the end of Y2020 total footsteps has reached at 439 across the country with a net addition of 256 numbers of branches and uposhakhas and balance sheet size of the Bank reached to BDT 363,412 million at the end of Y2020 as opposed to BDT 316,950 million of Y2019.



BDT in mln

Particulars	2020	2019	Change
Cash & Bank Balance	29,718	24,582	20.89%
Investments	52,722	45,500	15.87%
Loans and Advances	260,650	228,589	14.03%
Fixed Assets	7,496	6,384	17.42%
Non-banking & Other assets	12,826	11,895	7.83%
<b>Total Assets</b>	<b>363,412</b>	<b>316,950</b>	<b>14.66%</b>
Borrowing from banks & FI	13,022	8,216	58.50%
Subordinated debt	2,100	2,800	-25.00%
Deposits	296,374	258,368	14.71%
Other Liabilities	26,699	22,969	16.24%
Shareholders' Equity	25,217	24,597	2.52%
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>363,412</b>	<b>316,950</b>	<b>14.66%</b>

Loans and advances reached at BDT 260,650 million (+14.0%) in 2020 vis-à-vis BDT 228,589 million of year 2019. The growth in the loan book was an outcome of Bank's efforts and combined participation in corporate and concentrate on retail mortgage finance. In the Y2020, corporate lending of the Bank grew by 14.8% with net growth of BDT 23,888 million and mortgage finance IFIC Amar Bari witnessed 21.4% growth over prior year and reached at BDT 39,580 million vis-à-vis BDT 32,616 of Y2019.

Deposit, the main source of funding of the Bank, reached at BDT 296,374 million at the end of Y2020 as opposed to BDT 258,368 million of year 2019. Total deposit

of the bank grew by 14.7% from the last year with net addition of BDT 38,006 million despite of the COVID 19 pandemic. IFIC continued its efforts in capturing and encompassing a large portion of the country's population through its latest deposit product 'IFIC Shohoj Account' which grew a whopping 535.4% over last year and IFIC's flagship product 'AAMAR account' continued to grow seamlessly almost doubling with a 95.5% (+30,902m) growth from Y2019.

IFIC takes a non-negotiable approach with very thorough credit assessment process at the time of selection of borrowers. Total performing loan portfolio of the Bank increased by 14%

in Y2020 while Non-Performing Loan portfolio reduced by 15.7%. At the end of Y2020 gross NPL ratio reduced by 1.4% and stood at 3.97% compared to 5.37%. The Bank made required coverage against its lending portfolio by way of maintaining loan loss provision of BDT 7,842 million and kept interest suspense BDT 7,471 million against total loans and advances.

### 5.3 Financial-Performance

IFIC set clear ambitions of expansion all over the country and committed to strategically manoeuvring by overcoming the pandemic situation. A summary of standalone basis financial performance of the bank for the year 2020 is provided below:

BDT in mln

Particulars	2020	2019	Change
Net interest income (NII)	2,864	6,398	-55.2%
Non-Interest Income	5,560	4,722	17.8%
<b>Operating Income</b>	<b>8,424</b>	<b>11,120</b>	<b>-24.2%</b>
Operating expenses	5,523	5,999	-7.9%
<b>Operating profit</b>	<b>2,901</b>	<b>5,120</b>	<b>-43.3%</b>
Loan loss provision	1,237	943	31.2%
<b>Profit before taxes</b>	<b>1,664</b>	<b>4,177</b>	<b>-60.2%</b>
Provision for tax	1,102	1,734	-36.4%
<b>Net profit after tax</b>	<b>562</b>	<b>2,444</b>	<b>-77.0%</b>

- ➔ During the year 2020, Bank earned total interest income of BDT 21,159 million vis-à-vis BDT 24,426 million earned in Y2019. The interest income reduced by 13.4% compared to last year due to come in to force of maximum lending cap of 9.0% w.e.f. 01 April 2020 whereas the interest expense remained at par which dent the net interest income [NII] of the Bank and stood at BDT 2,864 million vis-à-vis BDT 6,398 million of the Y2019 denoted -55.2% below over last year. NII dragged significantly due to sharp fall of average return on lending for enforcement of lending cap, whereas the rate of the deposits reduced gradually over the period which ultimately reduced the interest spread for the Y2020.
- ➔ Non-interest income constituted 62.1% of Investment income. During the year 2020 Bank posted BDT 5,560 million vis-à-vis BDT 4,722 million of year 2019. Non-interest income of the Bank increased by 17.8% compared to prior year mainly for higher level of investment income of the Bank. At the end of year 2020 total investment income of the Bank stood at BDT 3,455 million[+31.6%] vis-à-vis BDT 2,626 million compared to prior year mainly for holding of higher volume of T-bills and government securities.
- ➔ Bank incurred total operating expenses of BDT 5,523 million as opposed to BDT 5,999 million of Y2019. Operating expenses of the bank decreased by 7.9% compared to last year due to absence of charges on loan loss, efficient management of resources and containment of discretionary cost. However, depreciation and other expenses increased over prior year mainly for application of IFRS 16: Leases, expansion of Bank network, donation and corporate social responsibilities.
- ➔ At the end of Y2020 operating profit of the Bank stood at BDT 2,902 million opposed to BDT 5,120 million achieved in Y2019. Operating profit of the Bank decreased by 43.3% compared to preceding year which is mainly for lower Net Interest Income (NII) as explained in previous paragraphs.
- ➔ In line with the Bangladesh Bank regulation and instruction, Bank charged BDT 1,237 million provision in Y2020 against its lending portfolio, other assets, investments and off balance sheet exposure including 1% additional general provision for COVID 19 compared to BDT 943.02 million charged last year.
- ➔ During the year 2020 Bank made current tax provision of BDT 963 million vis-à-vis BDT 1,700 million of last year in line with prevailing tax laws and prior years' excess/surplus provision. On the other hand, Bank charged BDT 139 million deferred tax expense compared to BDT 34 million of year 2019 in line with IAS 12: Taxes. Total tax expense of the Bank stood at BDT 1,102 million compared to BDT 1,734 million of Y2019 which is BDT 632 million lower than prior year mainly for lower level of operating profit.
- ➔ At the end of Y2020 PAT of the Bank stood at BDT 562 million vis-à-vis BDT 2,443 million which is 77% lower than the previous year mainly due to the lower NII as explained in earlier paragraphs.

#### 5.4 Quarterly Financial Performance

The Audit Committee of the Board and the Board itself review the quarterly financial performance of the bank, both on standalone and consolidated basis over the year as a part of our governance and compliance processes and practices. The Board Audit Committee and the Board of Directors (BoD) continuously monitor and evaluate both financial and non-financial performance of the bank and the group. During the year 2020, the Board Audit Committee reviewed the quarterly financial statements and BoD approved the same before published to stakeholders. The year 2020 was a very challenging year for the business community due to ongoing global pandemic which has impacted largely in global and all sectors of domestic economy. New business generation in both of asset and liability side were almost stopped up to Q3, 2020 and NII of the Bank became significantly narrowed since Q2 due to lending cap which ultimately fluctuated the quarterly result. The Q4 performance of the bank drastically fall mainly for charging of 1.0% additional general provision for COVID 19 as per Bangladesh Bank directives.

Particulars	Q1	Q2	Q3	Q4	Y2020
Net interest income	1,214.40	108.15	719.28	822.47	2,864.30
Non-interest income	1,409.24	1,314.21	1,324.53	1,512.32	5,560.30
<b>Operating Revenue</b>	<b>2,623.65</b>	<b>1,422.35</b>	<b>2,043.81</b>	<b>2,334.79</b>	<b>8,424.60</b>
Operating expenses	1,256.51	1,259.87	1,370.45	1,636.12	5,522.95
<b>Profit before provision</b>	<b>1,367.14</b>	<b>162.48</b>	<b>673.36</b>	<b>698.67</b>	<b>2,901.65</b>

Particulars	Q1	Q2	Q3	Q4	Y2020
Loan loss provision	197.00	67.87	148.90	823.53	1,237.29
<b>Profit before tax</b>	<b>1,170.14</b>	<b>94.61</b>	<b>524.46</b>	<b>(124.86)</b>	<b>1,664.36</b>
Tax	570.84	58.11	291.93	181.23	1,102.11
<b>Net profit after tax</b>	<b>599.30</b>	<b>36.50</b>	<b>232.53</b>	<b>(306.08)</b>	<b>562.25</b>

### 5.5 Extra-ordinary gain/losses

The Bank did not record any extra-ordinary gain/loss during the year 2020.

### 5.6 Capital Overview – Basel III

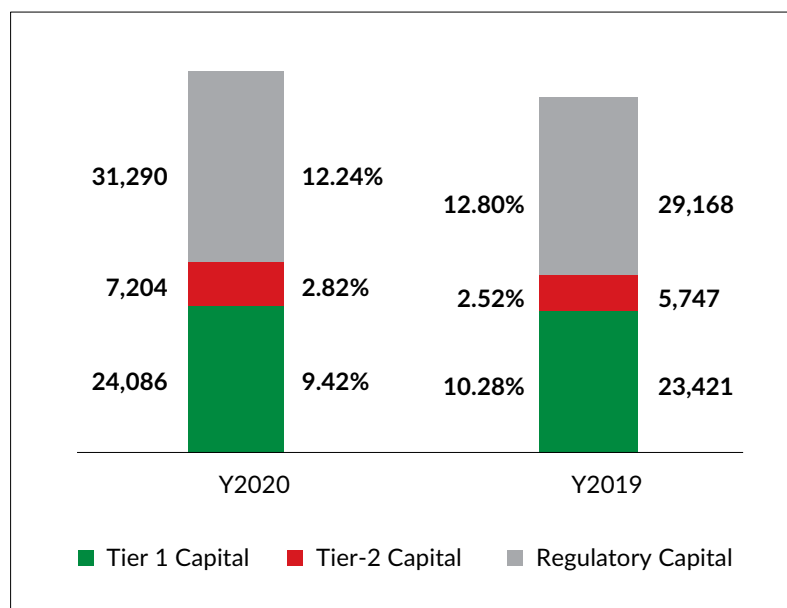
To ensure long term solvency of the Bank and to help sustainable business and profit growth, the Bank always remains careful to ensure the wealth maximization of the stakeholders. As part of the risk management strategy, Bank is always focused to maintain

strong Capital to Risk Weighted Assets (CRAR) to ensure strong Capital base with adequate buffer to absorb any unforeseen shocks in the future. As a part of this strategy, the honourable shareholders of the Bank approved rights issue at the rate 1R:5 in its Extra Ordinary General Meeting [EGM] held on 12 November 2020 which had subsequently been rejected by Bangladesh Securities & Exchange Commission [BSEC]

on the ground of non-fulfilment of underwriting commitment. However, to meet regulatory capital and strengthen the capital base, The Bank has already taken initiatives to issue Non-Convertible Redeemable Subordinated Bond (Tier-II capital) to the extent of BDT 5,000 million.

At the end of Y2020 the Bank maintained total capital of BDT 31,290 million against the requirement of BDT 31,955 million. Capital to Risk Weighted Ratio [CRAR] stands at 12.24% against the requirement of 12.50%. Though the Bank maintain 10.0% minimum capital, Bank able to maintain 2.24% of Capital Conservation Buffer compared to the regulatory requirement of 2.50% mainly for expiry of credit rating of few accounts which couldn't rate due to covid-19 pandemic. However, the Bank maintained surplus capital of 0.46% on a consolidation basis.

At the end of year 2020, Tier-I capital ratio and Tier-II capital ratio were 9.42% and 2.82% respectively on a standalone basis. The same figures on a consolidated basis were 10.13% and 2.84% respectively.



### 5.7 Credit Rating

Particulars	31 December 2019	31 December 2018
Rating Company	ECRL	CRAB
Long Term	AA	AA <sub>2</sub>
Short Term	ST-2	ST-2
Outlook	Stable	Stable
Date of Rating	29 June 2020	27 June 2019
Validity	30 June 2021	30 June 2020

As per Bangladesh Bank's guidelines and notifications of Bangladesh Securities and Exchange Commission, IFIC Bank conducts its credit rating each year

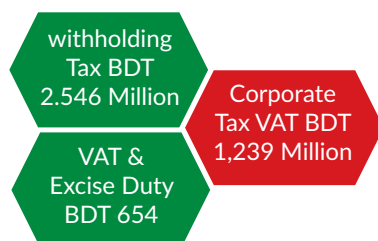
with due disclosure. The bank was rated by Emerging Credit Rating Limited (ECRL) for the year ended 31 December 2019 and by Credit Rating Agency of Bangladesh

(CRAB) for the year ended 31 December 2018. In 2019, ECRL awarded AA in long term which is equivalent to the AA2 award of CRAB.

## 5.8 Contribution to National Exchequer

Year	Direct Tax		Indirect Tax		Total
	Withholding Tax	Corporate Tax	VAT	Excise Duty	
Y 2020	2,546	1,239	353	301	4,439
Y 2019	2,299	1,661	313	276	4,549

As per the laws and legislations of the country, IFIC valued its obligations to contribute to the economy by way of collecting government revenue and depositing the same to the government exchequer. In line with regulation, Bank pay its corporate tax well ahead of due time and deposit the withholding tax, VAT excise duty and other government levies to government exchequer within the prescribed time and also ensure the appropriate deductions or collection of government levies without any deviation. In the year 2020 Bank deposited BDT 4,439 million by way of corporate tax, withholding tax, VAT and other levies opposed to BDT 4,549 million deposited in 2019.



### 5.9 Related party Disclosure

In the normal course of business, Bank entered into few transactions with related parties during the year 2020 which details are furnished in Annexure – F of the financial statements. These transactions have been executed on an arm's length basis.

### 5.10 Preparation of Financial Statements and the Annual Report

- ➔ All relevant books and

accounts were maintained as per regulation

- ➔ Financial Statements have been prepared in accordance with the appropriate accounting policies and procedures
- ➔ All estimates and assumptions were made within these financial statements and are made on reasonable ground and prudent judgement.
- ➔ Preparation of Financial Statements (FS) of IFIC were in accordance with the International Financial Reporting Standards (IFRS) as adopted by Financial Reporting Council (FRC) in Bangladesh and the instructions of Bangladesh Bank. Any departures from such requirements have been duly disclosed
- ➔ Sincere efforts were put to ensure the integrity and legal compliance of IFIC's financial statements. The priority of the annual report is to portray a true and fair representation of the Bank's activities and transactions as per prevailing laws of the land.
- ➔ There is no significant doubt upon the Bank's ability to continue as Going Concern. IFIC has neither intention nor the need to liquidate or curtail materially the scale of its operation. Hence, the Financial Statements of the Bank have been prepared on

the going concern basis and will continue in operation for the foreseeable future.

The declaration on Financial Statements for the year ended on 31 December 2020 made by the Managing Director & CEO and the Chief Financial Officer (CFO) to the Board of Directors of the Bank has been disclosed in this Annual Report.

### 5.11 Protection to minority shareholders

Through various strategies including multi-faceted internal control system including independent and internal audits as well as the establishment of independent management team, IFIC has fostered a professional environment where protection of minority shareholders are ensured. Any opportunity for controlling shareholders to apply aggressive or abusive strategies either directly or indirectly has been effectively rendered ineffective. Nevertheless, if any issue arises at the Banks's AGM or elsewhere, a thorough investigation is conducted.

### 5.12 Dividend

Considering the net profit after tax and total available profit for the distribution after complying the regulatory requirement, the Board of Directors has recommended 5.0% Stock Dividend for the year 2020, subject to approval at the forthcoming Annual General Meeting.



### 5.13 Five Years Performance

Key operating and financial highlights of the past 5 (five) years are presented in this Annual Report.

### 5.14 Management's Discussion and Analysis

A Management's Discussion and Analysis signed by the Managing Director & CEO of the Bank has been presented with detailed analysis of the Bank's Financial Positions and Operations in this Annual Report.

## 6. Overseas Operations

Since the inception of its journey in 1983, IFIC Bank has been playing the pioneering role among the private sector banks in establishing joint venture/overseas operations beyond the national boundary. The Bank has so far been able to set up joint venture operations in the Maldives, Oman, Nepal, Pakistan and UK. Bank's operation in the Maldives was, however, handed over to the Maldivian Government in 1993.

The overseas joint venture operations have not only brought a positive image for the Bank in the international arena, but also contributed a lot to its profitability. A pen picture of the existing overseas joint venture operations of the Bank is furnished hereunder for information of the Honourable Shareholders.

### 6.1 Nepal Bangladesh Bank Ltd.

Nepal Bangladesh Bank Limited, a joint venture commercial bank between IFIC Bank Limited and the Nepali Nationals, started its operation with effect from 06 June 1994 in Nepal with 50% equity from IFIC Bank Limited. The Bank has so far opened 99 (ninety-nine) branches at the different important locations in Nepal. IFIC Bank presently holds 40.89% shares in Nepal Bangladesh Bank Limited.

The profitability of Nepal Bangladesh Bank Limited is in the increasing trend and recently, it has declared 2.24% Cash Dividend & 6% Stock Dividend for the FY

2019-20 for its Shareholders.

### 6.2 Oman Exchange LLC

Oman Exchange LLC, a joint venture between IFIC Bank Limited and the Omani Nationals, was established in 1985 to facilitate remittance by the Bangladeshi wage earners from the Sultanate of Oman. IFIC Bank holds 49% shares in the Exchange Company and the balance 51% is held by the Omani sponsors. The operations of the branches are fully computerized having online system. The Exchange Company has a network of 11 (eleven) branches covering all the major cities/towns of Oman. In the meantime, the company has established direct remittance services with 9 (nine) countries, such as, Bangladesh, India, Indonesia, Nepal, Pakistan, Philippines, Qatar, Sri Lanka and the U.A.E.

### 6.3 MCB Bank Limited

IFIC Bank had two branches in Pakistan, one in Karachi and the other in Lahore. Karachi Branch was opened on 26 April 1987 while the Lahore Branch was opened on 23 December 1993.

To meet the Minimum Capital Requirement of the State Bank of Pakistan, the overseas branches of IFIC in Pakistan was merged with a reputed leasing company named National Development Leasing Corporation Ltd. (NDLC) and emerged as NDLC-IFIC Bank Limited with effect from 02 October 2003 and it was subsequently renamed as the NIB Bank Limited with effect from 28 November 2005. In 2017 NIB Bank Limited again merged with MCB Bank Limited and IFIC Bank now holds 175,508 shares of MCB Bank Limited

### 6.4 IFIC Money Transfer (UK) Limited

IFIC Money Transfer (UK) Limited, a fully owned subsidiary exchange company of IFIC Bank was incorporated in the UK and commenced its operation on 31 August 2011 to facilitate inward foreign remittance from the United Kingdom.

### 6.5 Correspondent Banking Relationship

IFIC Bank Limited has a wide range of correspondent network across the world to facilitate smooth foreign trade transactions. The Bank maintains 26 (twenty-six) Standard Settlement Instructions (Nostro Accounts) involving 7 (seven) currencies, e.g. AUD, ACU-D, CHF, EUR, GBP, JPY and USD at important financial centers. Total correspondents of IFIC Bank stands at 416 (both local & foreign) as on 31 December 2020.

### 6.6 Foreign Remittance

IFIC Bank handles both Inward and Outward Foreign Remittance. Outward Remittance includes FC Cash Transfer, FDD Issuance and wire transfer through SWIFT. The Bank's Inward Remittance covers Account Credit Service (IFIC Bank's Account credit and also other Bank's Account credit under Electronic Fund Transfer, EFT arrangement) and Instants Cash Payout Service (Walk-in-Customers having no Bank Account). Inward and outward Remittance business during the year 2020 are shown below:

Year 2020	USD in Million	BDT in Million
Inward	66.84	5,611.25
Outward	123.27	10,471.85

To facilitate Inward Foreign Remittance in Bangladesh from the United Kingdom, IFIC Bank has established a fully owned Exchange House named as IFIC Money Transfer (UK) Limited. The Company has commenced its operation in London, UK from August 2011.

IFIC Bank has executed a Drawing Arrangement with the Western Union, USA for Walk-in-Customers' Remittance business. To facilitate the Inward Remittance from abroad, at present, IFIC Bank has Remittance arrangement with the following 9 (Nine) Exchange Houses including Bank's own and Joint Venture Exchange House, which are the topmost Remittance procuring companies in Bangladesh.

SI	Exchange House	Country based	Covering Country	Remarks
1	Oman Exchange LLC	Oman	Oman	Joint Venture (IFIC holds 49% share)
2	Placid NK Corporation	USA	France, Italy, Malaysia, USA	
3	Multinet Trust Exchange, LLC	UAE	UAE	
4	Al-Fardan Exchange	UAE	UAE	
5	Sigue Global Services Ltd.	UK	Global	
6	Xpress Money Services Ltd.	UK	Global	
7	IFIC Money Transfer ( UK ) Ltd.	UK	UK	Fully owned by IFIC
8	Trans-Fast Remittance LLC	USA	Global	
9	Western Union	USA	Global	

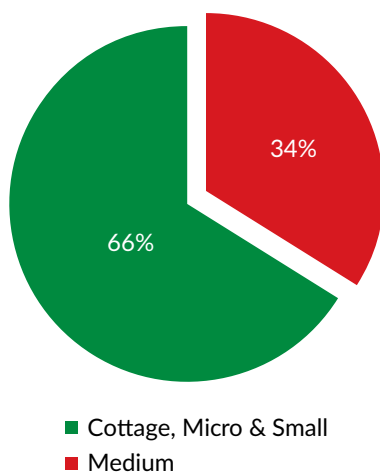
## 7. CMSME Performance

IFIC Bank is now maintaining its CMSME portfolio by serving customers through its 439 Banking Centers.

### 7.1 CMSME Portfolio

To focus on Cottage, Micro & Small Enterprise, IFIC Bank has financed 66% of its total CMSME portfolio, i.e. BDT 19,414.60 million in this sector and the remaining 34% i.e. BDT 10,049.49 million was financed in the Medium Enterprise sector. At the end of 2020 CMSME portfolio stood at BDT 29,464.09 million.

*Pie Diagram: % Cottage, Micro, Small & Medium Enterprise financing*



### 7.2 Key loan Products of CMSME

Product Name	Remarks
IFIC - Krishi Shilpo	Loan for Agro-based Industry
IFIC - Shilpo Sohay	Loan for Cottage & Micro Industry

Product Name	Remarks
IFIC - Protyasha	Loan for Women Entrepreneurs
IFIC - Prantonari	Loan for Grassroots Women Entrepreneurs
IFIC - Shohoj Rin	Loan for Agriculture & Agro-based activities, grass root level entrepreneurs, marginal & landless farmers and to support other low income individuals.

### 7.3 Sustainable Financing

To promote sustainable growth in the economy, IFIC financed BDT 7,982.61 million under Green Establishment, i.e. Green Industry & Green Building out of total Sustainable Finance of BDT 9,092.23 million. Besides, IFIC has also financed to Other Green products, i.e. Domestic Bio-gas plant, Commercial bio-gas plant, Vermin compost, Brick Kiln Efficiency Improvement Projects, Fire Fighting & Safety Equipment etc. under total Sustainable Finance.

### 7.4 Financial Inclusion activities

IFIC performs Financial Inclusion activities under the following programs:

#### 7.4.1 IFIC Shohoj Account

As part of Sustainable Development Goal, IFIC Bank has launched IFIC Shohoj Account in 2019 for inclusion of the unbanked population under banking umbrella. Cumulative number & volume of IFIC Shohoj accounts are 25,355 and BDT 869.70 million respectively.

### 7.4.2 School Banking Account

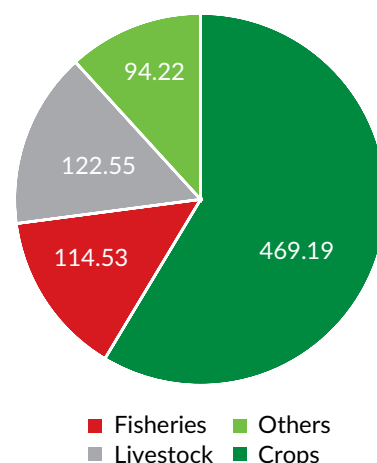
IFIC Bank has also been engaged in the school banking program since 2014. Cumulative number & volume of school banking accounts are 9,020 and BDT 107.70 million respectively.

### 7.5 Agri. Credit

At the end of 2020, total Agricultural Credit was BDT 800.49 million through following Agri. Loan products:

Name	Remarks
IFIC-Suborno Gram	Loan for crops, fisheries & livestock
Sech Soronjam	Loan for irrigation equipment
Krishi Soronjam	Loan for cultivation instrument

### Sector wise Agricultural loan as on 31.12.2020

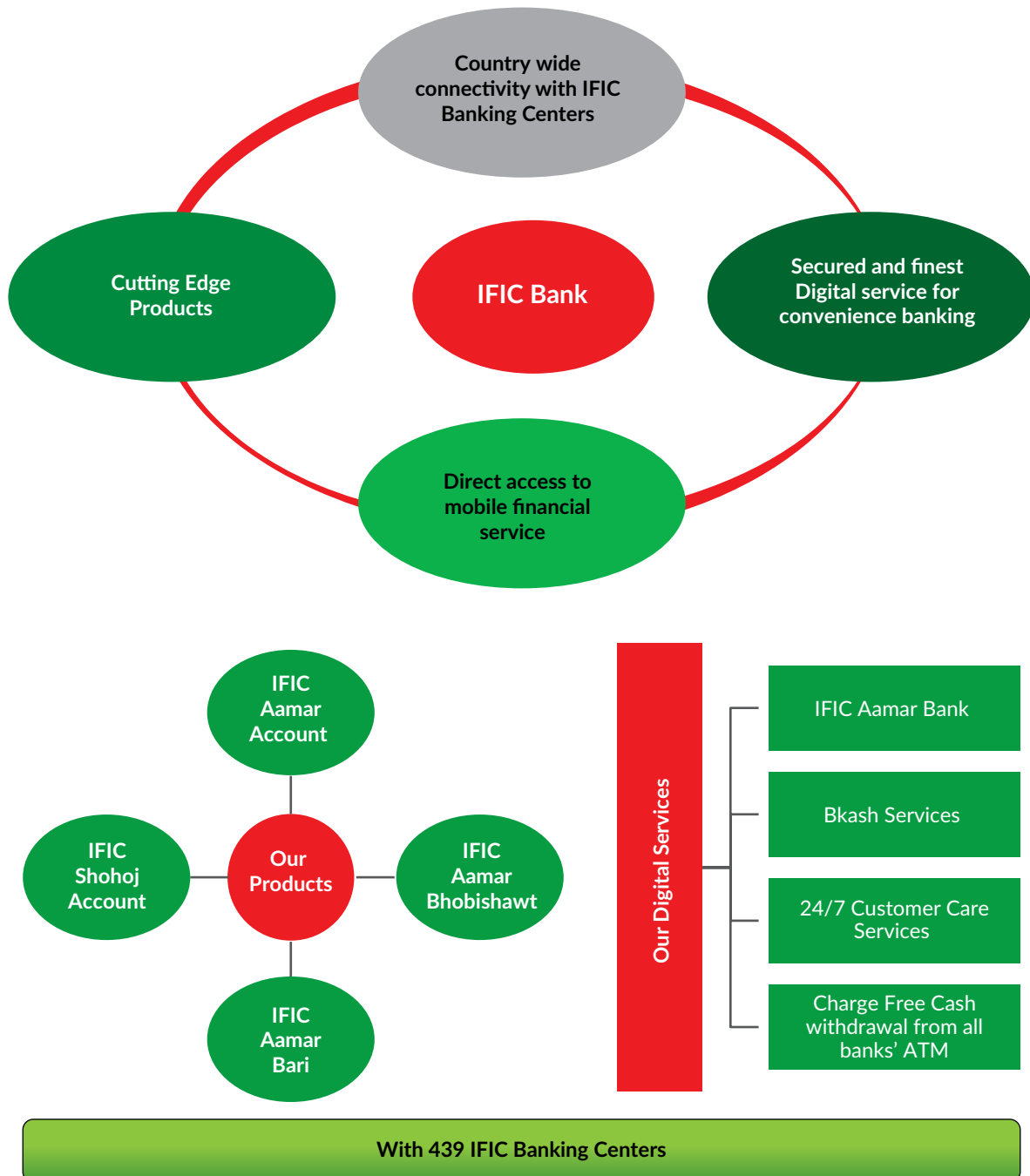


## 8 Retail Banking

In 2020, Retail Banking Division of IFIC Bank focused more on market standard products & digital services to offer one Stop solution to the customers of the Bank. As

a part of the dynamic change, the Retail Banking has ensured a safer and more sustainable pattern of growth for the Bank that will make a remarkable contribution to the economy of the country in the future as well.

IFIC Bank offers one Stop solution by providing our Cutting Edge products, countrywide connectivity, Secured & Finest digital and Mobile financial service at a glance are:

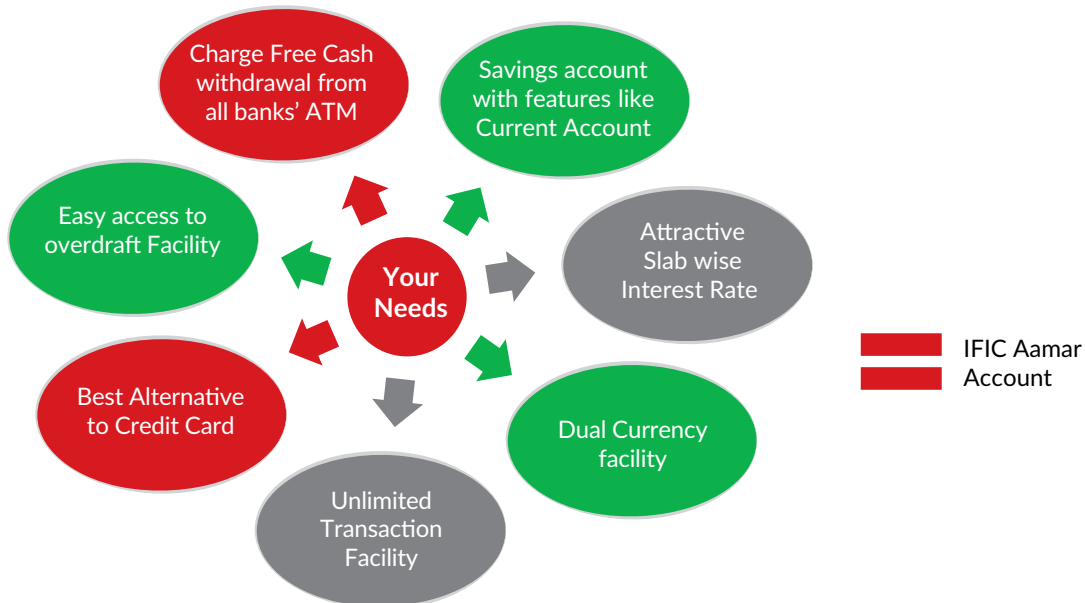


### 8.1 IFIC Aamar Account

IFIC Aamar Account is a one stop solution that facilitates all needs of an Individual customer on a single account.



#### Product Communication Highlights:



As of 31 December 2020, the total balance of "IFIC Aamar Account" stood at BDT 63,263.23 million with a total of 1,85,669 accounts.

## 8.2 IFIC Shohoj Account

IFIC Shohoj Account is a product through which IFIC Bank has increased its presence in Financial Inclusion. With the view of creating access for **unbanked and under banked population** to the full range of financial services at an affordable price and with minimum risk in a competitive financial marketplace, IFIC Shohoj Account was launched.



সাধারণ মানুষের অসাধারণ একাউন্ট

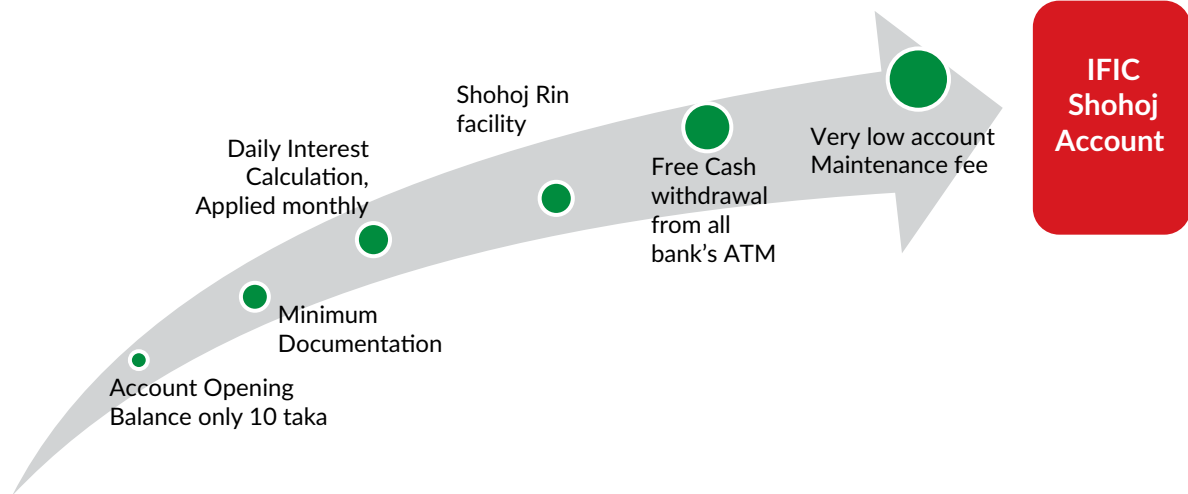
আইএফআইসি  
**শহজ** একাউন্ট  
হিসাব খুলি, এগিয়ে চলি

- ✓ মাত্র ১০ টাকায় একাউন্ট খোলা যায়
- ✓ কাগজপত্রের ঝামেলা নেই বললেই চলে
- ✓ আকর্ষণীয় সুদের হার
- ✓ একই হিসাবে টাকা জমানো ও ঋণ সুবিধা

১৬২৫৫ ৯৬৬৬৭ ১৬২৫৫

আসুন আইএফআইসি ব্যাংক-এর যেকোনো শাখা বা উপশাখায়

IFICBankLimited www.ificbank.com.bd



### Product Communication Highlights:

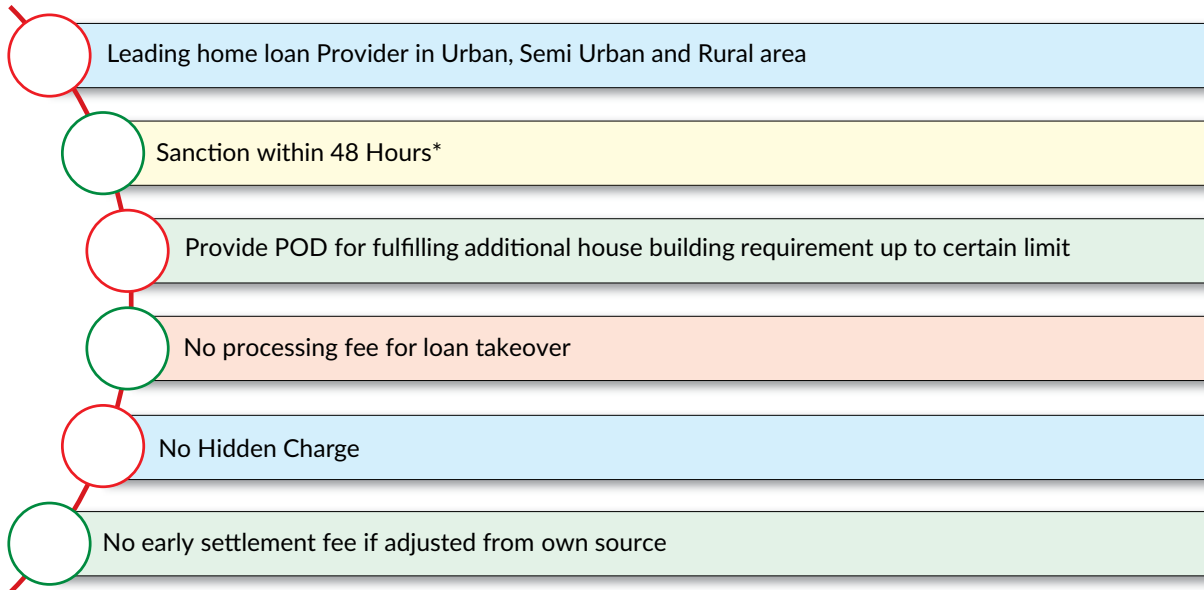
As of 31 December 2020, the total balance of "IFIC Shohoj Account" stood at BDT 869.67 million with a total of 25,355 accounts.

### 8.3 IFIC Aamar Bari

IFIC Bank has enhanced its presence in the Urban, Semi Urban & Rural area simultaneously during the year 2020 and became one of the leading home loan providers. Quick and hassle free processing and prompt service help to reach IFIC Aamar Bari in a new height.



#### Product Communication Highlights



As of 31 December 2020, the total sanction amount of “IFIC Aamar Bari” stood at BDT 61,061.924 million. The Bank has sanctioned BDT 50,255.904 million in the urban area and BDT 10,806.02 million in the rural area as of 31 December 2020.

#### 8.4 IFIC Aamar Bhubishawt

The Bank has created an opportunity to build equity in future by savings now. This **future asset planner** product is designed especially for the young professionals named as IFIC Aamar Bhubishawt.



#### Product Communication Highlights:

- Save today, have equity tomorrow
- Deposit any multiple of 500 with no upper limit
- Flexible tenor between 1 to 10 years
- Savings can be started from minor age
- Avail discount in loan processing fee for IFIC Aamar Bari

As of 31 December 2020, the total balance of “IFIC Aamar Bhubishawt” stood at BDT 2,166.06 million with a total of 41,971 accounts.

## 8.5 IFIC Bank Digital Services

### 8.5.1 Amar Bank



Online Version



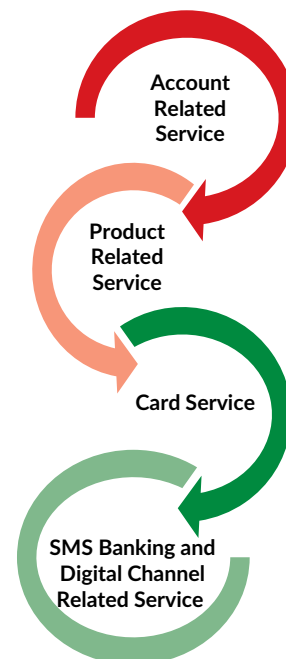
Mobile App

- |                                 |                             |                                 |
|---------------------------------|-----------------------------|---------------------------------|
| 1. Most Secured Digital Channel | 6. Credit Card Bill Payment | 8. Positive Payment Instruction |
| 2. Account Overview             | 7. Service Request          |                                 |
| 3. Card Overview                | ▶ Chequebook Request        |                                 |
| 4. Transaction History          | ▶ Stop Cheque Payment       |                                 |
| 5. Fund Transfer                | ▶ Certificate Request       |                                 |

### 8.5.2 bKash Services

- ▶ Over the counter cash deposit & fund transfer to bKash Account at IFIC Branches/Uposhakhas.
- ▶ Fund transfer from IFIC Visa Card to bKash Account.
- ▶ Cash withdrawal from bKash Account through IFIC ATM Booth.

### 8.5.3 24/7 Customer Care





## 9. Alternative Delivery Operation

### New Enhancements

IFIC Alternative Delivery Services team has implemented numerous services throughout the year 2020. A good number of services have been included to add value to customer experience.

### Integration with bKash

IFIC Bank has made an integration with bKash, the largest MFS service provider in Bangladesh. Using the integration, customers of the Bank can send funds from their IFIC A/c to any individual bKash number.

### Instant Fund Transfer through NPSB

Alternative delivery services have incorporated Instant Fund Transfer Service through using NPSB Channel. Using the service customers will receive funds to IFIC A/c on a real time basis.

### DESCO Integrations

IFIC has made an integration with DESCO. Using the integration both IFIC Customers and non-customers are able to pay their DESCO Bills through IFIC branches & Uposhakhas.

### TPIN Implementation for Services

Previously, the customers were required to go through a Positive ID verification (3 static & 2 Dynamic), which would have taken around 2 minutes of additional time. T-PIN has been implemented as an alternative, through which customers can authenticate

themselves with pressing the account number and 4-digit secret PIN to complete the verification within 20 seconds only.

### Implementation of OTP through Email

In the past, the customers were able to receive the OTP through their Mobile Numbers only. However, often there are issues with SMS delivery, especially during system outage and network issues. To overcome the issue, the email option has been added with OTP and the customers are now equally capable of receiving the OTP over their emails which has increased customers' satisfaction significantly. Around 50K email addresses were added and customers were enjoying the services.

### New Services Inclusion in Contact Center

IFIC Contact Center was performing only the card activation/deactivation, foreign part enablement and disablement activities. In 2020, a total of 11 new services has been included and the customers can avail those services through the contact center along with the branches and Uposhakhas. The are New Debit Card Requisition, Debit & Credit Card replacement, Debit & Credit Card PIN Replacement, Digital Channel Onboarding, SMS Banking Onboarding, Cheque book Activation, Leaf Deactivation, Positive Payment Instructions etc.

### 9.1 Card Services

IFIC Bank offers Debit, Credit & Prepaid Card services to the customers. All the cards issued by IFIC are branded with VISA Inc., the largest payment network across the world. IFIC cards can be used at all the terminals, merchant points & E-Commerce Platforms using Q-Cash, NPSB & VISA Channel. IFIC offers the first cross currency debit card in Bangladesh which can be used across the world for seamless services from a single account with automated currency exchange services. IFIC offers secured transaction platform with a PIN for card presented and One Time Password (OTP) for card not presented for the transaction.

#### Achievements in 2020

1. IFIC had a total of 82K debit cards at the end of the year 2019, whereas the card base has been increased around 38% and the new portfolio has reached to 113K by the end of year 2020.
2. The Transaction approval rate was 87.8% at the end of 2019, which has been increased to 93% by the end of year 2020.
3. In 2020, there had been a significant increment in the card transactions from 2019. The overall transaction has been increased around 36%. A comparative transaction portfolio of 2019 & 2020 follows:

Channel	No. of Transaction (In Thousand)		Transaction Amount (In Crore)	
	2019	2020	2019	2020
ATM	1055	1051	987	1062
POS	38	250	12	45
E-Com	3.8	190	0.28	62
<b>Total</b>	<b>1096</b>	<b>1491</b>	<b>997</b>	<b>1169</b>

4. The increasing volume of cards & transactions have also contributed in the IFIC fee stream. On 2019, IFIC has earned 12.5M BDT as IRF, where the income has risen to

17.2M BDT in 2020. IFIC has earned 12.1M BDT from debit card fee, while the income has increased around 348% and reached to 56M BDT in 2020.

5. During the COVID-19 situation, to ensure the safety of customers by meeting the financial needs with limited movement, IFIC Bank offered ATM cash withdrawal service

without any additional transaction charge for all the customers from any ATMs across the country.

6. IFIC used to offer secured transactions using OTP for online transactions through SMS. However, to meet the increasing demand of online transactions, IFIC has introduced the Email as an additional channel to share the OTP. Consequently, the customers enjoyed the seamless services even if there is any network outage or customer resides abroad.
7. Till 2019, customers required to place the requisition of new and replaced card and PIN only through the branches. In 2020, three new channels have been integrated through which the customers can place their requests for new and replaced card & PIN through IFIC Amar bank, IFIC Customer Care and SMS Banking.

#### Vision for 2021

- ➔ IFIC is focusing on easy & convenient debit card onboarding process. IFIC is working on Customer Experience System, which will provide a pleasant and transparent debit card requisition and delivery process.
- ➔ Increase channel or the Debit Card requisition process.
- ➔ Increase the transaction approval rate and reduce both systems related and customer related errors;
- ➔ Automate the Debit Card issuance and maintenance related operational process to provide flawless and satisfactory customer services.
- ➔ Increase the card transaction through POS & E-Commerce and reduce the dependencies on Cash Transactions.

#### 9.2 Customer Care

IFIC Bank, aiming at providing service excellence to the customer,

has been operating 24/7 service hours since 2012. By simply dialing 16255 or +8809666716255 customers can avail a good number of banking services anytime from anywhere on the globe. The Contact Center has now become an essential part of the Bank to maximize customer satisfaction through providing the highest level of service in a timely and cost-efficient manner. The IFIC Bank Contact Center team is dedicated to provide several services that facilitate all other departments of the B/bank running their campaigns.

#### Achievements in 2020

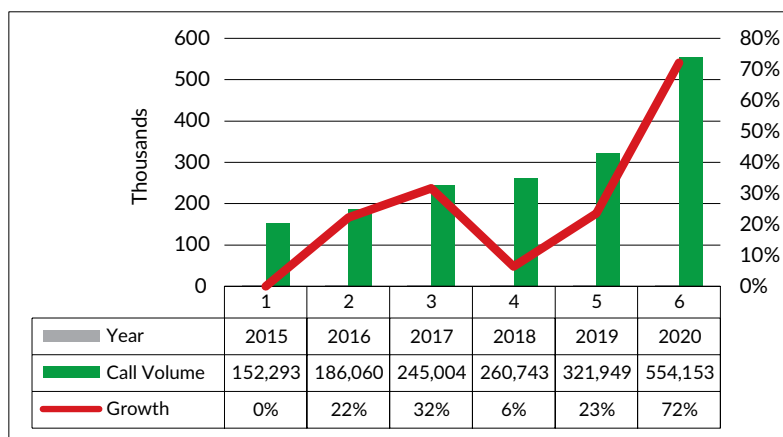
- ➔ IFIC bank has introduced the T-PIN authentication in providing services to the customers in place of validating with a 3 static and 2 dynamic questions, which is known as Positive ID verification. The new verification process has drastically reduced the talk-time to 20 seconds only.
- ➔ 11 new services, such as New Debit Card Requisition, Debit & Credit Card replacement, Debit & Credit Card PIN Replacement, Digital Channel Onboarding, SMS Banking Onboarding, Cheque book Activation, Leaf Deactivation, Positive Payment Instructions, etc. have been successfully integrated by the Contact Center.

- ➔ Total 554K calls have been handled by the customer care team. The volume is 72.2% higher than 2019.
- ➔ The Outbound team has been constituted who have been working on different campaigns to onboard customers in Digital Channel and Debit Cards. In 2020 a total of 57K customers have been approached and 22K customers have been onboarded in digital channel and debit cards.
- ➔ The prospective customers who are reaching out to contact center were previously assisted with information. Now-a-days, apart from providing information, customer care associates are also capturing their data and linking them with Branches and DST personnel for opening the deposit and loan accounts.

#### Vision for 2021

- ➔ IFIC has a significant plan to upgrade the contact center during 2021. Currently the contact center is supporting the customers through voice channel only. IFIC is focusing to change the voice-based contact center to an omni channel contact center where customers can reach out to the contact center multiple channels like social media, messaging platform, SMS,

Call Volume trend of IFIC Contact Center



email, voice, etc. Moreover, apart from the voice services, customers will also have a visual interface to avail the services.

- ➔ Will act as a virtual bank. Only one call to 16255 is required to get the required services.
- ➔ Necessary expansion of customer care to ensure the smooth services for the customers.

### 9.3 ATM Services

IFIC Bank has introduced ATM Services in 2011 and till 2019 IFIC Bank has installed a good number of ATMs. IFIC ATM team is focused to provide digitized and 24/7 services to its customers in a pleasant and secured manner. The Bank also has a special arrangements with corporate houses where ATMs have been installed to facilitate their employee's monthly salaries and other needs. IFIC's ATMs are capable of accepting not only the IFIC Debit & Credit Cards but also any cards from VISA (Local & International), Q-Cash & all Bangladeshi cards through NPSB. Currently, the ATMs are also supporting the card-less payments for Mobile Financial Services for better financial inclusions.

### Initiatives in 2020

- ➔ IFIC Bank has discontinued 51 low profile ATMs. Currently the ATM fleet size is 51.
- ➔ IFIC team has installed 9 new ATMs in different high performing branches to reduce the pressures over the counter.
- ➔ IFIC has incorporated dual language branding in ATMs. Currently ATMs are offering services both in Bangla & English Language.
- ➔ Vision for 2021
- ➔ IFIC is focused on ensuring the maximum usage of the ATMs, consequently ATM Team is working to establish 15 new ATMs in different corporate locations and Uposhakhas & Branches.
- ➔ Engaged 3rd party ATM Cash replenishment for better and smooth operations of the ATMs, enhanced dispute management and reconciliation process.
- ➔ Implementation of the Centralized CCTV Monitoring System to bring all ATMs under real time monitoring on 24/7 basis.

### 9.4 Dispute & Fraud Management

A Strong Dispute & Fraud Management team plays a key role and provides significant support for smooth and secured card transactions. In 2020, the Bank has taken different initiatives to minimize fraud risks and disputes efficiently.

#### Achievements in 2020

- ➔ The Bank has devised its dispute management policy in such a manner that it can proactively identify the disputes instead of waiting for complaints lodged for reversal of the fund to customer's account.
- ➔ Incorporate all the transactional disputes of the IFIC Aamar Bank. For managing disputes of the IFIC Aamar Bank, Dispute Management Team is identifying all the failed transactions and reversing the fund back to customer's account within 1 business day.
- ➔ Incorporate bKash, DESCO & cash-out disputes through ATMs

#### Dispute Resolutions on 2020

SL	Network	Number of Disputes	Charged Back Amount (In Millions)
1	NPSB	3,933	35.59
2	Q-Cash	800	7.71
3	Visa	1,908	3.9
4	IFIC Aamar Bank	625	4.6

### Vision for 2021

To minimize Fraud, the Bank has taken initiatives to implement following Projects:

- ➔ Ensuring Zero level fraud in card transactions;
- ➔ Ensuring safety of plastic money through PCI-DSS Security;
- ➔ Ensuring 100% SLA for Dispute settlement;
- ➔ Reducing Dispute Settlement timeline;
- ➔ Round the clock suspicious activities monitoring team.

## 10. Risk Management

The focus of the risk management practices in the banking industry is to manage bank's exposure to losses or risk and to protect the value of its assets. Boards have the ultimate responsibility for overseeing risk-taking in their institutions.

Board of Directors of IFIC has a clear understanding of the types of risks inherent in business lines and takes appropriate steps to ensure continued awareness of any changes in the level of risks. They have defined the risk appetite, risk tolerance and risk limit, and set risk strategies. The board also ensures that the management is taking necessary steps to implement those strategies and manage accompanying risks. There exist the clear communication from Board of Directors to management that risk management is not an impediment to the conduct of business nor a mere supplement to a company's overall compliance program but is, instead, an integral component of the company's strategy, culture and value generation process.

Board of Directors is very much focused to establish bank wise risk culture, based on full understanding of the risks it faces and how they are managed, considering risk tolerance and appetite. They have developed the risk culture through policies, examples, communication, and ensuring training of staffs regarding their responsibilities for risk. Senior management is there to ensure that it is clearly communicated and understood to staff at all levels in units that are exposed to material operational risks. Senior management also needs to place proper monitoring and control processes in order to have effective implementation of the policy. The policy should be regularly reviewed and updated, to ensure it continue to reflect the environment within which the bank operates. Along with senior management, the Board Risk

Management Committee (BRMC), which is a representative of Board Members, is there to ensure overseeing and signing off risk-related disclosures to investors, customers and regulators. These disclosures provide external parties with a clear and accurate account of the institution's current and projected risk appetite, profile and governance of IFIC.

Finally, Boards find themselves today at an inflection point. The banking industry of Bangladesh is becoming more complex and competitive. As a result, Boards are expecting more ownership for risk issues as well. In line with that IFIC Board of Directors has also stepped up to the new challenges and built more robust oversight mechanisms to risk management.

### 10.1 Credit Risk Management

Credit risk refers to the probability of loss due to a borrower's failure to make payments on any type of financial obligation. Credit Risk Management is the practice of mitigating the said losses of a bank. Better Credit Risk Management also presents an opportunity to greatly improve overall performance of the Bank.

The Credit Risk Management Policy of IFIC Bank addresses the following:

- ➔ Definition of Credit Risk, Types of loan facilities, facilities offered to corporate clients, discouraged business types/ sectors.
- ➔ Detailed and formalized credit approval process.
- ➔ Risk identification, measurement, mitigation strategies, monitoring and control and acceptance criteria.
- ➔ Managing credit risk in the administration process.
- ➔ Management Information System for managing Credit Risk.
- ➔ Concentration limits on single party or group of connected parties, particular industries or

economic sectors, geographic regions and specific products.

- ➔ Risk based pricing.
- ➔ Policies for the frequency and thoroughness of collateral verification and valuation.
- ➔ Review and approval authority of allowances for probable losses and write-offs.
- ➔ Guidelines on regular monitoring and reporting systems.
- ➔ Guidelines on management of problem loans.
- ➔ Policies on loan rescheduling and restructuring.
- ➔ The Bank rigorously monitors sanctions of loans as well as their recovery.

### Segment Information

IFIC Bank will maintain a balanced credit portfolio through minimizing loan concentration in a particular sector encouraging loan diversification and expanding product range. IFIC Bank have focus on the following **industry and business sector** to maintain a balanced credit portfolio:

- ➔ Encouraged Sectors
- ➔ Retained Sectors (Normal Growth)
- ➔ Discouraged Sectors (No Growth)

### Credit Concentration Risk

Concentration of credit risk in asset portfolios has been one of the major causes of bank distress. Concentration risk arises when Bank invest most or all of the assets to single or few individuals or entities or sectors or instruments. To avoid this circumstances, IFIC Bank pay attention to the following credit concentration risk areas:

- ➔ Sector wise exposure
- ➔ Division wise exposures
- ➔ Group wise exposure
- ➔ Single borrower wise exposure
- ➔ Top borrower wise exposure

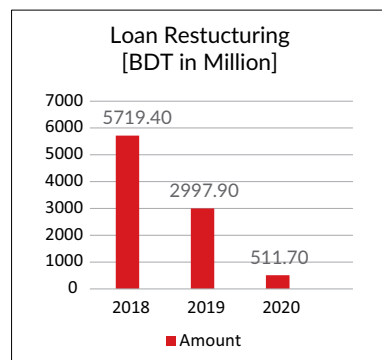
### Details of Accounts Restructured:

When borrower face a problem to pay back his payment obligation due to insufficient cash flow. At this time, for smooth repayment of the client, Bank has restructured loans [classification status: UC & SMA] for specific time period.

IFIC Bank follows the following issues while considering application for loan restructuring of unclassified loans:

- ➔ When a borrower asks for restructuring of loan, the bank meticulously examines the reason for loan restructuring.
- ➔ Borrowers must pay required down payment.
- ➔ Overall repayment capability of the borrower.
- ➔ Review the borrower's cash flow statement, audited balance sheet, income statement and other financial statements in order to ensure whether the borrower would be able to repay the restructured installments/ existing liability or not.

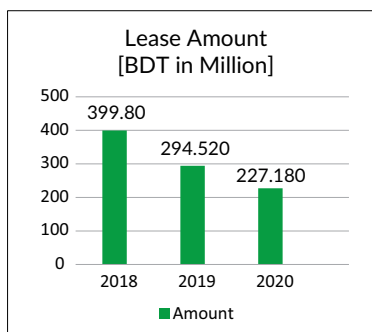
### Trends of last 03 years Loan Restructuring



### Assets disclosure given on operating & finance lease:

Lease finance are made to acquire the assets selected by the borrower (lessee) for hiring of the same at a certain agreed terms and conditions with the bank (lessor). In this case bank retains ownership of the assets and borrower possesses and uses the same on payment of rental as per contract.

### Trends of last 03 years Lease Finance [O/S]



### Shohoj Rin Information:

There is a group of people who doesn't have the privilege of having formal financial services for personal need and to reinforce their income generating activities. To address this issue, IFIC Bank have introduced a new bundle loan product named "IFIC Shohoj Rin". This product is aimed to provide loan for agriculture & agro based activities, grass root level entrepreneurs, marginal & landless farmers and support other low income individuals such as garments workers & Other service holders, masons, electricians, plumbers, fishermen, goldsmith, weavers, blacksmiths, potters, carpenters, painters, vegetable sellers etc.

### This "IFIC Shohoj Rin" is a bundle of:

- ➔ Shohoj Rin for Cottage & Micro Enterprises
- ➔ Shohoj Rin for Marginal Farmers (Livestock & Fisheries)
- ➔ Shohoj Rin for Marginal & Landless Farmers (Crops)
- ➔ Shohoj Rin for Low Income Individuals

We have launched the product on 23.07.2020 and by 31.12.2020 we have disbursed total BDT 142.40 Million among 2471 borrower through our Branches & Uposhakha.

### 10.2 Remedial Asset Management

Remedial Asset Management (RAM) directly manages the Non-Performing Loans (NPL) for recovery/ regularization. Non-Performing Loans (NPL) have become a worrisome issue for the Bank. NPL has adverse

effect on the Bank on its day to day operation and profitability. Bank's growth is retarded if loans are classified resulting not only suspension of interest income but also forces to arrange loan loss provision from the income of the Bank. Thus, a bank becomes weak and highly non profitable due to excessive NPL portfolio. So, the higher the NPL the lower the net profit and vice versa.

IFIC Bank has unlimited appetite for recovery from NPL and is exerting all out efforts to chase NPL, to arrest upward trend and to keep the percentage of classified loans at an acceptable level for improvement of asset quality. RAM, CRM, CAD & Legal Affairs Department are working together to maximize recovery from NPL and to avoid new classification to achieve the organizational goal.

IFIC Bank has a Recovery Policy approved by the Board of Directors for strengthening recovery of Non-Performing Loans. To expedite recovery from NPL, Bank also redesign its existing recovery process & introduce a new entity named *Recovery Hub*. To streamline the recovery process and to reduce the lead time, bank has also devised a Standard Operating Procedure (SOP) as well Standard Action Plan with specific "Time Frame" for different steps for quick action as well as recovery from NPL Accounts.

Total recovery (from Classified & Written off Loan) of the Bank during the year 2020 is BDT 2,513.00 M. Percentage of classified loan against total loan is 3.97% as on 31.12.2020.

On the basis of Recovery Policy, SOP and related circulars of Bangladesh Bank, RAM Division is taking following steps for recovery of NPL and increasing profitability of the Bank:

1. Close monitoring of NPL Accounts as per Standard Operating Procedure (SOP).
2. Teleconference/ virtual meeting with RAM, Hub, Branch & Legal Affairs

- Department to expedite recovery.
3. Visiting Branches for direct communication with the Branch officials and different defaulting borrowers for amicable settlement by negotiation.
  4. Monitoring of Court cases through Tele-conference among the Branches and dealing with lawyers to avoid unwanted delay of legal process.
  5. Rescheduling of NPL.
  6. Settlement of NPL by allowing Waiver of interest.
  7. Writing-off Classified Loans.
  8. Engagement/Entrustment of difficult Accounts to Recovery Agents

### 10.3 Foreign Exchange Risk

#### Management

Foreign Exchange risk arises when a bank holds assets or liabilities in foreign currencies and impacts the earnings and capital of bank due to the fluctuations in the exchange rates. No one can predict what the exchange rate will be in the next period, it can move in either upward or downward direction regardless of what the estimates and predictions were. This uncertain movement poses a threat to the earnings and capital of bank, if such a movement is in undesired and unanticipated direction.

Commercial banks, actively deal in foreign currencies holding assets and liabilities in foreign denominated currencies, are continuously exposed to Foreign Exchange Risk. Foreign Exchange Risk of a commercial bank comes from its very trade and non-trade services. To provide comprehensive guidelines on foreign exchange exposure management in the context of a bank's financial treasury objectives, existing business activities and operating environment, a "Foreign Exchange Risk Management Policy" is required.

Treasury Division of the Bank acts to minimize Foreign Exchange risk as one of the main responsibilities. There is a clear demarcation among the functions of Treasury Front Office, Mid Office and Back Office. Treasury Front Office manages and controls day-to-day trading and fund management activities and ensures continuous monitoring of the level of assumed risk and take necessary actions. Mid Office and Back Office are conducting operations in a separate location apart from Treasury Front Office. To ensure minimum level of risk reporting lines of these three offices are separate and independent.

A number of steps have taken by Bank to minimize the foreign exchange risk. The Bank has formulated Treasury Manual and Foreign Exchange Risk Management Policy as per directives of Bangladesh Bank. Bank also developed different strategies and set some limits for Treasury to control Foreign Exchange Risk, e.g., Net Open Position (NOP) Limit (Set by Bangladesh Bank), Overall Gross Limit for forward transaction, Stop Loss Limits for per deal and per day, Counter Party Limit. Treasury Division also analyze the future risk arises from adverse fluctuation of Foreign Exchange Market and takes necessary steps to minimize the risk of possible losses and to maximize the profit.

**10.4 Asset Liability Management**  
Asset Liability Management (ALM) can be defined as a mechanism to address the risk faced by a bank due to mismatch between assets and liabilities across various time horizons either due to liquidity or changes in interest rates. Asset Liability Management (ALM) seeks to limit risk to acceptable levels by monitoring and anticipating possible pricing differences between assets and liabilities.

To mitigate various risks in this regard banks have its own ALM policy approved by the BODs. Under the bank's ALM policy,

the management and the BODs take necessary care as guided by our Central Bank. Asset and liability management process is managed by the Asset and Liability Management Committee (ALCO), comprising of the senior management of the bank. The major responsibilities of ALCO are as follows:

- ➔ Ensure that bank's measurement and reporting system accurately convey the degrees of liquidity and market risk
- ➔ Monitor the structure and composition of bank's assets and liabilities and identify balance sheet management issues that are leading to underperformance
- ➔ Decide on the major aspects of balance sheet structure, such as maturity and currency mix of assets and liabilities, mix of wholesale versus retail funding, deposit mix, etc.
- ➔ Decide on how to respond to significant, actual and expected increases and decreases in required funding
- ➔ Review maturity profile and mix of assets and liabilities
- ➔ Articulate interest rate views of the bank and decide on balance sheet strategy
- ➔ Approve and periodically review the transfer pricing policy of the bank
- ➔ Evaluate market risk involved in the launching of new products
- ➔ Review deposit-pricing strategy, and
- ➔ Review contingency funding plan for the bank

The ALM desk, through its own market analysis and market intelligence presented the market outlook throughout the year, gave an explicit idea about the market risk and liquidity risk for availing market opportunities for investment and fund deployment in the market. The broad

responsibilities of the ALM desk are as follows:

- ➔ To oversee the growth and sustainability of assets and liabilities.
- ➔ To manage and oversee the overall activities of Money Market.
- ➔ To manage liquidity and market risk of the bank.
- ➔ To understand the market dynamics i.e. competition, potential target markets etc. for expansion of the business.
- ➔ To Provide inputs regarding market views and to suggest proper balance sheet movement (expand or shrink) to cope with the changing situation in the market or in the economy.
- ➔ To keep records of ALCO meetings, to monitor the implementation status of the action taken in ALCO meetings etc.

ALM technique helps to manage the volume, mix, maturity, rate sensitivity, quality and liquidity of assets and liabilities as a whole so as to attain predetermined acceptable risk limit.

### 10.5 Internal Control and Compliance

The internal control framework is designed to manage the Bank's risks within an acceptable risk profile, rather than completely eliminate the risk of failure to achieve the goals, align with the policies and ratifying the objectives of the Bank. It can only provide reasonable, rather than absolute assurance resulting in operating efficiency, compliance with regulations and conservation against material misstatements, disposition of assets or financial information or against financial losses and fraud. The control system applies across the Bank's all divisions, departments and branches of its operations, allowing the bank to foresee potential problems that may lead to incur

possible financial losses and thereby help in preventing or minimizing any future problem. The internal control system consists of five interrelated components which are as follows:

- a. The control environment refers to the foundational basis established by the Board of Directors and Management through policies, procedures, processes, standards and structures for carrying out internal controls in an organization. Elements under IFIC's control environment include:
  - ▶ Active participation by those charged with governance as evidenced through regular meetings of its Board of Directors and Audit Committee;
  - ▶ Fostering an environment that consistently requires integrity and ethical behavior as evidenced by regular communication and confirmation of its Code of Conduct and zero tolerance for illegal or unethical behavior;
  - ▶ A formal well-defined organizational structure, setting out key areas of authority and responsibility and appropriate reporting lines that is relevant to the nature and size of the Company's business.
- b. Risk assessment refers to the process through which the Bank identifies and assesses risks affecting the effectiveness and efficiency of internal controls as well as affecting the achievement of its objectives. Risk assessment is a dynamic process and must occur at all levels of the organizational structure, ranging from branch and department level reviews of portfolios, functions and operations of MANCOM and ALCO meetings at the very top level of the management.

- c. Control activities are the policies and procedures that help to ensure that the management directives are carried out. Control activities have various objectives and are applied throughout the Bank at all levels and in all functions such as authorization, reviews, reconciliation and verification.
- d. Monitoring ensures that controls are operating as intended and they are appropriately modified in response to changing conditions. At IFIC, this is achieved through a variety of measures, including ongoing monitoring which occurs in the course of, and as a part of, day-to-day operations as well as separate management reviews, evaluations and periodic internal audits of various departments and business functions. Although the Board of the Bank is primarily responsible for ensuring that the Bank has an adequate and effective control system in place, side by side, all employees are accountable for managing internal controls. Business and operational units, particularly departmental heads, are in charge of ensuring that internal controls are established, well documented and maintained across his/her department.
- e. The Internal Control and Compliance (ICC) Division acts as a second line of defense by conducting tests on the efficiency and effectiveness of the control systems through periodical audit. A prudently designed management structure, clearly defined responsibilities, delegation of authorities, risk awareness, establishment of accountability at each level and a system of periodic reporting and performance monitoring represent the key elements of the internal control framework established at IFIC. A well-

structured and proactive risk management system is in place within the Bank to address risks relating to:

- ▶ Credit risk;
- ▶ Market risk;
- ▶ Liquidity risk;
- ▶ Operational risk;
- ▶ Business risk; and
- ▶ Money laundering and terrorist financing risk.

f. In addition to the above, key internal control procedures includes the followings:

- ▶ Ensuring that control policies and procedures are being complied with throughout on site as well as off-site supervision of DCFCL and QOR;
- ▶ Updating/ developing the existing DCFCL;
- ▶ Reporting material observations to senior management and ACB immediately with specific commendations;
- ▶ Rating performance of branch and different division/department at Head office on a grade point scale which is determined on the basis of % on achievement score basis towards categorizing as Poor, Marginal, Fair, Satisfactory and Good in line with Bangladesh Bank RBA guideline;
- ▶ A prudent system has been developed for rectification, counseling of the branches/divisions to minimize operational risk; and

Pre audit assessment tools have been developed to identify the high risk areas.

## 10.6. Prevention of Money Laundering

### Prevention of Money Laundering & Combating Financing of Terrorism:

Money Laundering & Terrorist Financing (ML/TF) impacts on a country's overall economy by hindering the economic, political, social and cultural development & growth. Prevention of Money Laundering & Combating Financing of Terrorism in place is therefore, a key component for promoting strong, sound and stable financial sector. The process of Money Laundering and Terrorist Financing is ever evolving and new technologies has been used by the Money Launderer & Terrorist Financers. Prevention of Money Laundering & Combating Financing of Terrorism in the context of the country and rest of the world are very alarming and ensuring AML/CFT compliance in banking industry is much more relevant & important than before. Local regulators has taken various initiatives against Money Laundering and Terrorist Financing and IFIC Bank is aligned with such emergent initiatives.

Money Laundering Prevention Act, 2002 was promulgated by the Government of Bangladesh for the first time which came into force on April 30, 2002. Subsequently Government of Bangladesh enacted Money Laundering Prevention Act, 2012 (amendment-2015) and Anti-Terrorism Act, 2009 (amendment 2012 & 2013) and IFIC Bank has been complying with them and all other rules and regulations related to AML/CFT issues since the beginning. The Acts has empowered Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Bank to perform the key role in combating ML/TF through issuing instructions and directives for reporting organizations/agencies as well as rising awareness in the financial sectors.

As per BFIU's directives and with the approval of the Board, the Bank has prepared a comprehensive policy on ML & TF named "Money Laundering and Terrorist Financing Risk Management Guidelines-2016" which was subsequently, amended in 2019. The Bank has its own Customer

Acceptance Policy (CAP) which was also revised in 2018 as advised by the BFIU. As per BFIU Circular No.24 dated 10.12.2019 directives, Bank has developed "Guidelines for Prevention of Trade Based Money Laundering" in 2020 and was duly approved by the Board.

The Board of Directors and the Senior Management views Anti Money Laundering and Combating the Financing of Terrorism as part of risk management strategies and not simply as a stand-alone requirement that is being imposed by the legislation as well very much aware of the consequences of Money Laundering and Terrorist Financing offences and therefore, due importance is given on the compliance issues for a balanced business activity and sustainable growth.

The AML compliance and its activities in the Bank are run by AML & CFT Department at Head Office. As per BFIU's directives, the Bank has formed a Central Compliance Committee (CCC) comprising the Heads of different core business Department/ Division. The CCC sets out AML & CFT strategies of the Bank and follow up the progress of implementation. The CCC seeks decision and prudent guidance from the Managing Director and CEO and the Board of Directors regarding ML & TF issues as and when required.

A DMD has been assigned as the Chief Anti Money Laundering Compliance Officer (CAMLCO) to supervise the overall AML & CFT compliance activities. The Deputy CAMLCO looks after the day to day AML functions as the Head of AML & CFT Department and assists the CAMLCO in devising AML goals, policies and programs.

The BAMLCOs of the 154 Branches carry out AML & CFT compliance programs of the Bank at Branch level. They are mainly responsible for ensuring KYC of the Customers, Risk Categorization of the Customers, Transaction/ Structuring Monitoring, Screening



of Sanctions List, arranging AML Meeting(s) at Branch level, Record Keeping and Reporting of Suspicious Transaction/Activity (STR/SAR).

As per BFIU directives, the Bank has implemented goAML Software provided by United Nations Office on Drugs and Crime (UNDOC) for Cash Transaction, STR/SAR, other required reporting and for communicating with BFIU on AML/ CFT issues. IFIC Bank has updated existing Watch List Check (WLC) Software for screening customers against different Sanctions list and implemented “FIRCO Continuity Solution” for screening trade activities against different Sanctions Lists. Presently IFIC screen customers & transactions against UN, OFAC, EU, HMT & Local Banned List.

For creating awareness on AML/ CFT Laws, Rules, Regulations, Guidelines, Policies and Circulars issued by the regulators from time to time and Guidelines, Policies and Circulars issued by the Bank, the Bank has been arranging Regional, In-house as well as virtual training by internal & external resource persons on “Prevention of Money Laundering and Combating Financing of Terrorism

with particular focus on Trade Based Money Laundering & Credit Backed Money Laundering” for all levels of Officials (newly recruited/ refreshers) working in different Branches/Uposhakhas and at different Units/Departments/ Divisions of Head Office of the Bank. In spite of Covid-19 pandemic, Bank continued virtual training program in 2020 and a total of 11 daylong training program has been arranged with participation of 520 officials. As per CCC’s directives, AML & CFTD Officials conduct surprise visit and inspections at the Branches for checking Records/Activities and creating awareness on AML & CFT issues as well.

## 11. Information and Communication Technology (ICT)

The Bank is using Technology as the Business Enable Tool for streamlining the business processes and recognizing the business value. Banking businesses are now-a-days highly dependent on technology and with the aid of technology, Banks aspire to achieve their business targets. The Technology Division of IFIC

Bank is working hand in hand with other divisions and taking effective initiatives to ensure customers’ satisfaction which is the main priority of IFIC. The Bank has implemented different technology policies, strengthened security infrastructure, implemented world-class screening system, upgraded the core infrastructure and implemented new Disaster Recover Site (DRS). Technology Division has achieved the following milestones in 2020.

### Highlights of 2020 –

#### ➔ e-KYC Implementation

The traditional KYC process requires to fill in the physical KYC form by collecting photo ID and signature of the customers along with required documents. Keeping in mind the objective of faster customer onboarding, the Bank implemented Electronic Know Your Customer (e-KYC). This e-KYC deals with electronic process for customer onboarding, identification and verification of customers’ identity towards creating the customer digital KYC profile.



#### ➔ Remittance Software

The Government of Bangladesh is working hard to expedite remittance inflows from the different parts of the world through formal Banking channel for enhancing the strength of the economy of the country. The Bank has been consistently

trying to bring remittance from foreign countries for a long time. The Bank upgraded the existing software in 2020 to serve more people with an appropriate level of control and functionalities. The upgraded system is a web based solution which includes features like tracking

remittances, viewing reports, ensuring remitter and beneficiary through providing different services. Moreover, any regulatory report on the demand of Central Bank can be provided with the support of this web based solution.

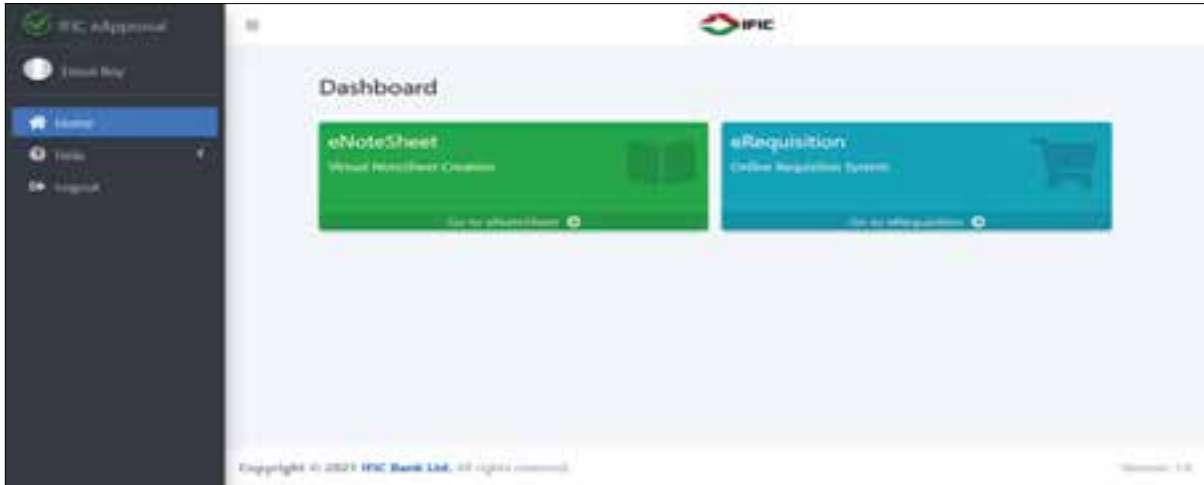
➤ **Paperless Office**

In the era of digitalization, IFIC Bank has familiarized a concept of Banking without paper. The purpose of enabling this digital environment is to serve the stakeholders digitally in a faster manner. Under this

project, some modules have gone live.

- **e-Notesheet:** Being part of this project, e-Notesheet is an in-house development. The days of printing notesheets and signing by

different stakeholders are gone. Now anyone can generate a Notesheet from any place through the internet and the stakeholders can review and approve the Notesheet through this system.



- **e-forms:** All types of service request forms are available on IFIC Bank's website which are in editable PDF format. One can easily fill in the forms and print them to request for the desired services.

- **Self Service Statement:** Customer can send request for a half yearly statement from IFIC Bank's website which is directly integrated with the respective software. The statement

is a password protected portable document format (pdf) which can be unlocked by customer's account number.



- ▶ **Retail Certificates:** Customers usually require different types of certificates from the Bank. Usually the customers collect the certificates from the nearby business point. To fulfill prompt response, the Bank has introduced a process where the certificates are available on the internal portal of the Bank. The certificates are Deposit Scheme issue Certificate, Deposit Scheme Maturity Certificate, Fixed Deposit Certificate, Deposit & Loan Tax Certificate, Solvency Certificate and Balance Certificate.

### 11.1 DR Reconstruction & Relocation

The project is all about procurement and implementation of the core network infrastructure for ensuring the secondary connectivity with all sites of the Bank and data Synchronization with the Data Center in a proper manner such as LAN, links, vendor connectivity etc. The project was completed in August, 2020.



### 11.2 BACH II System Infrastructure

IFIC Bank implemented BACH II project in 2020 with the guidance of Bangladesh Bank. This new system is capable to handle multi-currency transaction, multiple sessions for BACH operations and foreign transaction through BACH process. Presently the multi-currency transaction is not available for use. However, the Bank is using other features of the system. To enable these features, the Bank has installed and

implemented security appliances in both Data Center & Data Recovery Site.

### 11.3 Reducing the End of Day (EOD) Processing Time

End of Day is an operation that needs to run at the end of each business day for preparing the core business system for the next business day. The Bank has been working for more automation, minimizing human errors and to reduce the operation time. The Bank took initiative in this regard. This re-engineering was successful and the Bank could re-map sequential process into parallel process and thus the EOD time reduced significantly.

### 11.4 IFIC Email Up-gradation

To meet business demand and future growth, the Bank has upgraded the exchange server for the mailing system of the Bank with reliability and performance features that simplified the email administration. In terms of security and mobility, the upgraded email system will provide enhanced security with greater mobility. Therefore, this initiative has reduced overhead costs with advanced features of Messaging Environment.

### 11.5 Core Infrastructure System Up-gradation

The Core Infrastructure system is the heart of the Technology. The Core Banking System of the Bank is built out of the Core Infrastructure. Under this infrastructure, world class Servers and Storage systems are used. As the Bank is expanding, to fulfill the customers' growing demand, the Technology team of the Bank takes initiatives to upgrade the existing Core Infrastructure. The up-gradation was done without hampering the customer services.

### 11.6 OPICS

Fusion OPICS is a front to back-office solution in order to centralize the treasury systems and gain increasing value from treasury operations. OPICS simplifies treasury processing and enables the Bank to manage risks

more effectively while reducing cost. OPICS speeds up business transaction process by sharing data in multiple points in a fully automated manner which reduces errors and provides accurate reconciled payments.

### 11.7 Firco Watch List Filtering

Firco Watch List Filtering (WLF) is a transaction filtering solution designed to ensure compliance and to detect and block transactions of listed parties. It is a back-end tool to strengthen the Anti-Money Laundering screening department of the Bank. The application is integrated with a Trade module of the Bank, which monitors each and every single transaction to match up with the existing OFAC, EU, HMT and UN sanction listed customers. This protects the Bank from getting involved from money laundering activities and to avoid terrorist financing.

### 11.8 Loan Origination (LO)

Loan Origination (LO) system is to accelerate the loan application process through the elimination of manual processes and to increase Bank's profit margins in lending. LO helps to tackle down consumers' onerous visits in branches and quickly responds to the consumer's application with the help of its integration with other module. It is helping the Bank to create a long lasting relationship with the customers by its analytical capability. The LO system consists of multiple options for single integrated solution to originate multiple credit facilities, assessment and approval, enhanced usability of documents and communications, increased automation and reduced risks.

### 11.9 IFIC Shohoj Rin

Shohoj Rin is a loan product, designed to target the group of people who has low or no access to the formal financial services, engaged in Agriculture & Agro-based activities, grass-root-level entrepreneurs, marginal & landless farmers and support other low-income individuals such as garments workers & other service holders, masons, electricians,

plumbers, fishermen, goldsmiths, weavers, blacksmiths, potters, carpenters, painters, vegetable sellers etc. To launch this product in the year 2020, the Technology Division of the Bank has set up all the parameters in the system.

#### 11.10 IFIC Cash Requisition System (CRS)

Cash Requisition System (CRS) is an in-house development as part of the continuous advancement in the Banking. CRS is a management information system tool to help the Banking in cash distribution and decision making among different branches/uposhakhas. Furthermore, CRS provides branch/

uposhakha wise information report regarding status of the altered note, charred note, damp note and mutilated note.

#### 11.11 Party Live

IFIC Bank has implemented Fusion Party Management that provides a customized process to enroll both non-customers (suppliers, agents, partners and so on) and new customers in the Bank, including prospects, walk-in and full customers. This is used for an enterprise or personal customer which can be further classified into more detailed categories such as Professional, Student, Staff or Sole Trader, Partnership, Private Limited

Company. Thus, this module helps the Bank for customer analysis.

#### 11.12 Cheque Book Management System

Cheque Book Management System (CBMS) is meant for all branch/uposhakha users to place the requisition of cheque book for a customer. This system is an in-house development program and it was launched in October, 2020. Automatic charge realization and activation of cheque books are one of the main benefits of a CBMS. CBMS also includes transparency and traceability of delivery point to avoid late submission and human error input.



#### 11.13 IFIC Corporate Channel "Aamar Trade"

In order to facilitate the trading business over and across the country, IFIC Corporate Channel "Aamar Trade" was launched in September, 2020. IFIC 'Aamar Trade' is a web based real time digital platform which is accessible from anywhere in the world to perform International & Local Trade business. It will enable our corporate customer to execute and manage the full life cycle of trade transactions, digitize Letter of Credits, Contracts, Collections, Bill Financing, Guarantees and Standby LC.

This solution has a comprehensive

dashboard for all features in a single page which include updates/ notifications of any real time transaction, present and future maturity and expired notification of products, customized on demand reports etc.

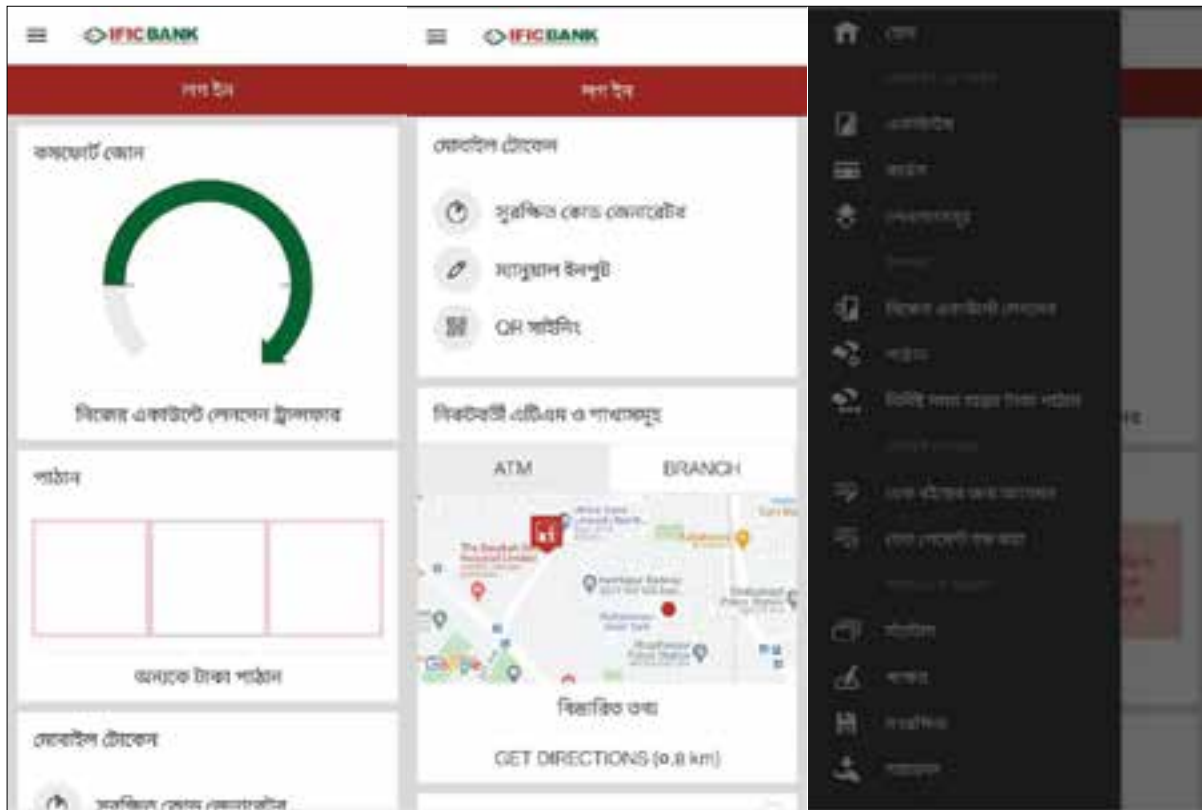
Any trade related service request or transaction can be initiated through online based secure website like issuance of LC/Bank Guarantee/ Shipping Guarantee, advance payment of remittance, response of claim against import bills/ documents, export bill submission, letter generation and so on.

The benefits comprise of single point access to all entities of

Corporate Customer, self-service customer portal, security and fraud mitigation, reporting and many others.

#### 11.14 IFIC "Aamar Bank" Bangla Version

IFIC Bank has launched a digital Banking solution in both web and mobile platform. IFIC Bank named their digital Banking solution as IFIC "Aamar Bank". As part of continuous development and end user's reachability, the Bangla version app was launched on 21<sup>st</sup> February, 2020 on the occasion of International Mother Language Day.



## 12. Corporate Governance

IFIC Bank is always committed to adopting highest corporate governance standards for attaining its operational goals. At IFIC, Corporate Governance is aimed at increasing the shareholders' value by being efficient, transparent, professional and accountable to all of its stakeholders, the society and the environment as well.

The Bank complies with the guidelines regarding composition of the Board of Directors, all of its Committees, terms of the Office of the Directors as well as competency and eligibility of the Directors as outlined by the Bangladesh Bank, the Companies Act, 1994 and the Bank Company Act, 1991 (Amended up to 2018). The Bank has also implemented the requirements of the Corporate Governance Code of the Bangladesh Securities and Exchange Commission as enumerated in its Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 published in Bangladesh Gazette on 10 June 2018.

Pursuant to the above Notification of BSEC, the compliance status of the Bank has been reported in this Annual Report for information. Some of the statements, i.e. Directors' remuneration, five years' operating and financial data, the report regarding meetings of the Board of Directors and its Committees, the report on the pattern of Shareholding, Management Discussion and Analysis, etc. have been incorporated in this Annual Report for information of the shareholders, stakeholders and all statutory and market regulators.

## 13. Human Resource Management (HRM)

IFIC Bank always emphasizes the quantitative, calculative, and strategic aspects of managing the human resource in a systematic way, considering "human resources" as the most important factor that can add distinguishable value for survival in this competitive world. Accordingly, the Bank gives utmost importance to recruit and retain

well educated, skilled, honest, sincere, and dedicated employees who are given on-the-job training for their professional development, career progression and adequate incentives for adding value to the Bank. The HRM Division took the leadership in fostering a positive work environment that places high value on professional relationships based on fair, competitive and merit-based quality.

The Bank develops diverse workforce by implementing progressive human resource management policies and strategies through organizational and employee development, compensation & benefits, HRIS and regulatory compliance.

To cope with the rapid technological changes around the world, the HRM Division has adopted a wide ranging HR software, which operates the central storage of HR data with a number of extensive workflows, notifications, process automation and analytical reports. It establishes a shared environment

for HR specialists, managers, and employees in order to provide the effective management and compliance.

### 13.1 Human Resource Planning

IFIC Bank believes that employees are the most valuable asset, as their professionalism and proficiency along with their diverse backgrounds and experiences contributes significantly to its success. The Bank seeks the most competent and cultured candidates and never discriminates on their race, language, religious beliefs, gender or age. Only the relevant skills and competencies of the employees are considered to be the attributes which create sustainable values.

The primary goal of Human Resource Management is to ensure that the right people will be in the right position at the right time by virtue of individual quality. IFIC Bank has its own job-wise Organogram along with appropriate hierarchy for all its branches and divisions at Head Office. Round the year, HRM Division circulates Internal Job Posting Circular (IJPC) open to all employees to fill up the vacant positions in the Bank which ultimately assist in talent acquisition, talent development and succession planning.

The Bank focuses on recruiting dynamic potential people through multi-step merit-based recruitment and selection process so that they can be turned into good resources at the entry level. In 2020, IFIC Bank established itself as one of the largest employment generators in the financial sector, which contributed a lot to the country's economy.

### 13.2 Recruitment

The HR Recruitment team is strategically aligned with the business goals of the Bank. To facilitate expansion of its business through the establishment of a network all over the country, the Bank has launched a recruitment drive by implementing a new framework through technology-driven interview process due to the

pandemic. And in 2020, despite the pandemic, IFIC Bank was one of the major employment generating financial institutions in the country.

### 13.3 Training & HR Development

IFIC Bank believes that the employees must be equipped with all necessary skills to meet the ever-changing demands of the fast-paced and competitive industry like banking. The Bank, therefore, always aspires to create a culture of continuous development to enable its employees to grow and succeed throughout their careers. The training and development plans of IFIC are designed towards an inclusive training plan which ensures skill gap minimization and leadership development.

Besides the in-house and customized training programs,

employees of the bank are sent to the training programs arranged by BBTA, BAB Research & Training Centre, BIBM and other reputed local training institutes. Besides, both on the job and off the job training programs, the Bank regularly arranges core banking training program on General Banking, Credit Management and Trade Operations for employee skill development.

In 2020, when the whole world becomes standstill, IFIC Bank continued to improve the training methods and modes by launching its virtual training program and consequently, transformed all its training courses from physical classroom sessions to virtual classrooms.

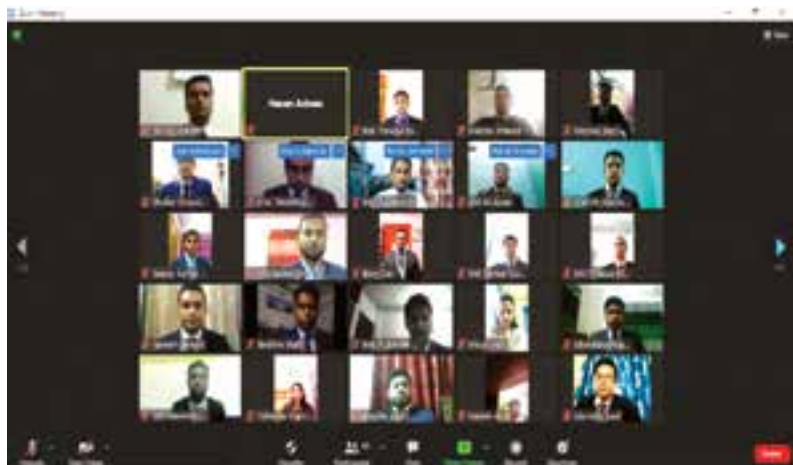


Image: Online Training via Zoom

A graphical presentation on the training programs organized by the

HRM Division during the year 2020 vis-à-vis key areas, organizers and

number of participants attended are appended below:

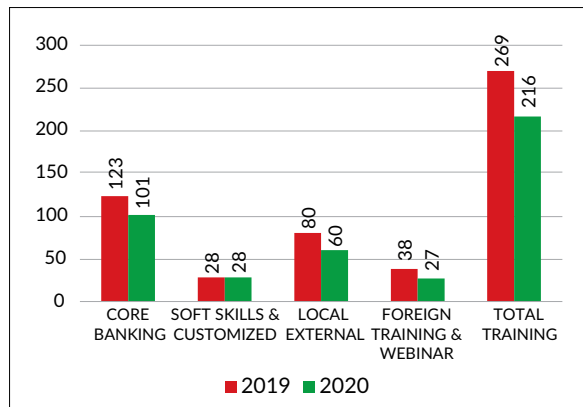


Figure 1: Training

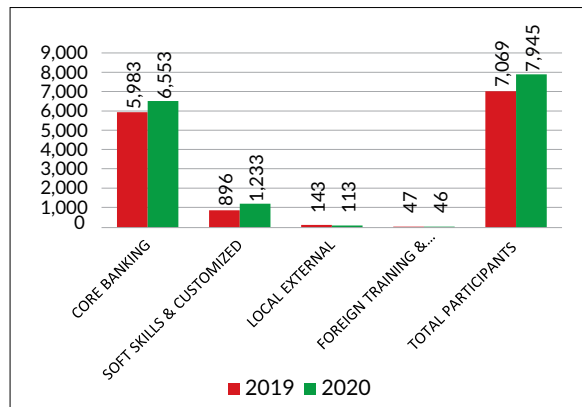


Figure 2 : Participants

### 13.4 Employee Engagement Program and Awards

IFIC Bank focuses on engaging its employees through different events, programs, and fun activities, where all the employees participate with equal enthusiasm. IFIC acknowledges every employee as part of "IFIC Family" who are firmly bound together to grow together to achieve mutual goals. Every year, IFIC Bank arranges welcoming program for the newborn baby of its employees, award giving ceremony for the meritorious children and celebrates Pohela Boishakh, Hemonto Sondhya and Pitha-Utshob. Other events like celebration of International Women's Day, children's art competition, participation in corporate sports events are also arranged to ensure greater levels of bonding and engagement among the employees.

Due to the outbreak of Covid-19 by the end of March 2020, some programs involving the employees were arranged in small scales through using online platforms. To boost up the employee motivated during the crisis period and keep their morale high, the Management of the Bank also remained in close contact with the employees throughout the year, hosted a series of webinars on working practices, business & service guidelines and communicated all important information on time as well.

### 13.5 Employee Health and Safety

IFIC Bank considers its human resources as the most valuable asset, and to ensure the health and personal wellbeing of them, the Bank has equipped its Branches and Head Office with modern safety measures. It arranges annual fire drill in collaboration with Bangladesh Fire Service & Civil Defence authority. The Bank also periodically arranges wellbeing programs for its employees with the assistance of external experts. It introduced emergency tele-medicine service to the employee & family members by 24/7 basis. It also provides medical insurance facilities to the employee as well as their family members.

In 2020, when the whole world was passing through the pandemic situation due to Covid-19, IFIC Bank gave the highest level of attention on employee health & safety issues. It took all possible health precautions for its employees to keep them safe. The Bank arranged real time PCR COVID 19 Test facility for employees & family members, provided Oxygen Cylinder in necessary cases, managed hospitalization facility when it was an emergency. HR continuously tried to ensure that the entire employee-ecosystem has been set up in such a manner so that all employees were in good health; they are motivated, engaged and

connected so the practice of Work from Home became the new normal.

### 13.6 Fostering a Balanced Work-Life

IFIC Bank believes that a proper work-life balance is the vital component for making positive relationship between the employees and the employer. It increases Bank's productivity and reduces the number of conflicts among the co-workers and management. The Management is putting tremendous efforts for employees to maintain work-life balance by instituting policies, procedures and actions that enable them to pursue more balanced life. The Bank offers leave to the employee in different natures, including Annual Mandatory Leave so that they can pass quality time with their family members. The employees, especially the female employees are always encouraged to leave office on time after completing their assigned tasks. A good amount of money has been invested by the Bank for the day care center, so that the employees can feel safe and secure for their children.

### 13.7 Grievance Management

To manage employee related issues, IFIC Bank has its own HR policies and a unique policy for the Redressal of the Grievance & Resentment raised by the employee which creates resentment among them irrespective of male or

female as well. IFIC Bank maintains 02 (two) dedicated HR Helpline Numbers for clarification of HR Policy, any HR related issues and/or sharing their grievance. Among the numbers, one is solely handled by a Female Employee on a full time basis due to the delicacy of the situation.

The disciplinary and grievance handling procedures provide clear instructions for dealing with difficulties which may arise as part of the working relationship, from either the employer's or employee's perspective. As part of complying with the Code of Conduct, IFIC Bank is committed to ensure equal opportunity, unbiased treatment favouring all individuals based on job related qualifications rather than any other basis or status. The Bank is strictly pursuing a policy of providing a work environment that is free from intimidation or harassment.

### 13.8 Succession Planning

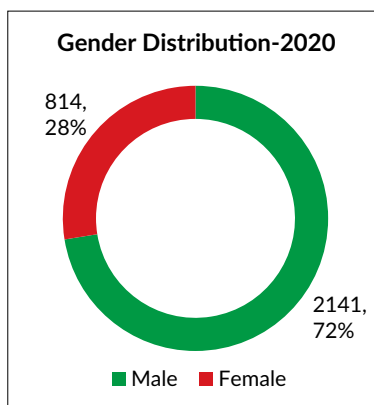
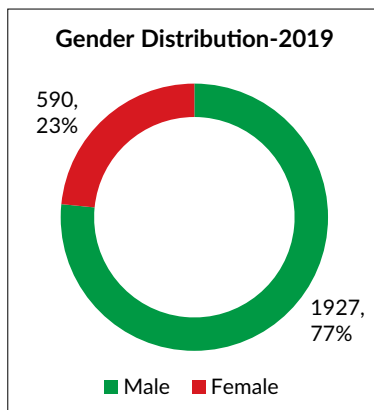
IFIC ensures that employees are recruited and developed to fill each key role within the Bank. The succession planning focuses on the identification and fostering of the talents to fill-up critical positions in the future. The succession planning is a set of resourcing and development processes that includes resourcing strategy, analysis of demand/supply of human resource, analysis of skills, the job filling process, and management development.

The Bank has a transparent selection process that gives wide range of opportunity to all the employees for unfolding their potentials. The Bank regularly arranges training for technical & management skill development so that the employees can cope up with higher responsibilities.

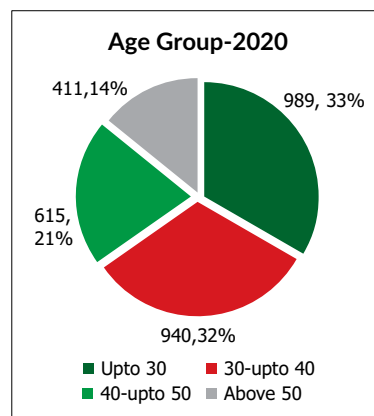
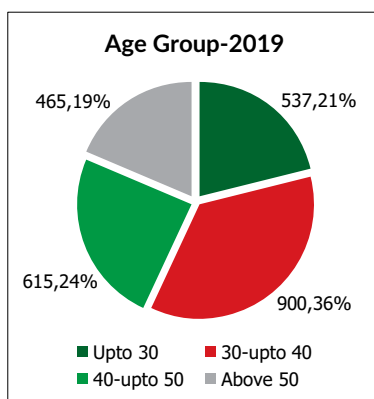
### 13.9 Employment Matrix/Human Capital of IFIC

In 2020, IFIC Bank's workforce grew sharply in comparison to the previous years, aligned with our expansion plans and goals. A detailed employee matrix is presented below:

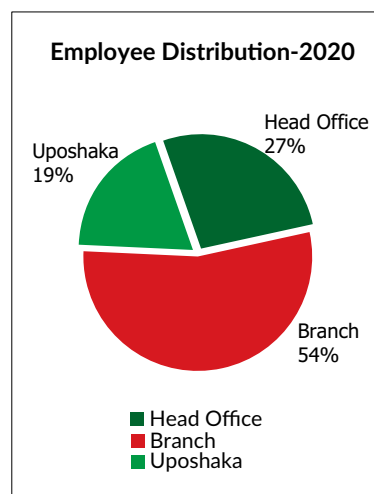
Gender Distribution	2019	2020
Male	1,927	2,141
Female	590	814



Age Distribution	2019	2020
Upto 30	537	989
30+ & upto 40	900	940
40+ & upto 50	615	615
Above 50	465	411



Employee Distribution	No. of Employee
Head Office	801
Branch	1,582
Uposhakha	572
Total:	2,955



### 13.10 Employee Performance Management

IFIC Bank has a progressive Performance Management Framework that is reviewed by the Management from time to time to improve the employee performance by setting the KPI (goal) for individual employee that are aligned to the strategic goals of the Bank. Under the process, HR is continuously working to achieve goals, review and assess progress, and develop the knowledge, skills and abilities of the employees.

In 2020, HR, as part of its Digitalization Road Map, has moved away from the traditional



Annual Performance Appraisal System to e-PMS and thereby optimized the process efficiency to increase employee productivity.

### **13.11 Employee Compensation & Benefits**

Employee compensation plays a key role as it is the basis of the employment relationship having critical importance to both the employees and the employer. Employees typically depend on Salary & Benefits, as it provides a large chunk of their income. For Banks, compensation decisions influence their cost of doing business and competitive position in the industry.

The Salary & Benefit strategy is an extremely important part of the overall HR Strategy to keep the company competitive and successful. Considering the strategic importance of effective pay packages, IFIC Bank keeps its package competitive and puts importance both on short term and long term benefits of its employees. The Bank's compensation and benefit strategy are designed in such a way that focuses on long term sustainability of the Bank.

## **14. Law and Legal Affairs**

Last year, i.e. in the year of 2020, amid unprecedented global Covid-19 pandemic situation, the Legal Affairs Department was re-designed and re-organized for providing various legal services and discharging legal operations in a cost effective and legally compliant manner to protect legal interests of the Bank and accelerating recovery of NPLs through court cases. In spite of almost a standstill scenario in the legal arena, the Bank has recovered more than BDT 42 million from 10 defaulted borrowers through the auction of mortgaged properties conducted by the Artha Rin Adalats. During the period a total of 62 Nos. of suits/cases, including 04 Writ Petitions were disposed of that helped to recover an amount of BDT 188.00 million from various accounts under litigations. At

present, there are 1,119 Nos. of Artha Rin Suits/Arthajari cases pending in the Artha Rin Adalats all over the country, 792 Nos. of cases under NI Act, 1881 pending in the Lower Courts and 65 Nos. of Cases (writs petitions/criminal & civil Misc. cases/appeals/revisions, etc.) pending before the Supreme Court. A total 169 Nos. of suits/cases for recovery of BDT 1,101.00 million have been filed. On the other hand, the Department vetted 448 Nos. of property documents to take lease of the premises for the Upashakhas, vetted 60 Nos. of various agreements and provided 384 Nos. of legal opinions as per the requirements of the different Branches and Divisions/Departments at Head Office enabling them to discharge their business responsibility in a compliant manner to safeguard the interest of the Bank.

The Department very effectively had conducted 93 Nos. of teleconferences with the Branches for effective and consistent follow-up along with vigorous monitoring of the court cases, added value to the process through continuous innovations and applications of the same. 17 Nos. of Training Sessions had also been conducted during the period. At present, all Branches, Divisions, Departments and Recovery HUBs have access to the Bank's Online Legal Case Management and Library System for getting updates on the status of the pending court cases and other related information. Legal opinions so far provided by the Department and other information have been preserved into the Case Management Software for effective monitoring and ready reference.

The Department pro-actively and effectively contributed to the redesigning of the Recovery Process of the Bank. As a result of the persuasive legal process, and creating tough measures, a huge numbers of defaulted borrowers are coming forward to settle their liabilities amicably outside the court. The Department, for the first time in the history

of the Bank, started appraising the performances of the panel lawyers and based upon which the Department is gradually de-listing the non-performers and re-allocating the cases to the top performing lawyers. For effective and early recovery of the litigated loans and to protect the legal interests of the Bank, the process of appointing expert lawyers had been started and that same would be continued to bring out the best outputs.

Apart from the above, Legal Affairs Department has also competently dealt with various sensitive cases filed/investigated by the Anti-Corruption Commission (ACC), Customs Intelligence, Criminal Investigation Department (CID) of Police, Police Bureau of Investigation (PBI), etc. against the Bank and its employees.

It is expected that the re-designing and re-organizing of the Legal Department and its continuous efforts for devising quality assurance mechanisms will tremendously strengthen the capability of and benefit the Bank in terms of legal compliance and recovery of non-performing loans under litigations in the coming years.

## **15. Process Management Office (PMO)**

"Process Management Office" (PMO) has been reformed with the sole responsibility for developing and documenting all policies, guidelines, operation manual and processes of the bank. The aim is to ensure a positive customer experience on every interaction and compliant banking operation by IFIC as well. PMO is pursuing the goal whilst safeguarding the bank's interests by placing appropriate controls to mitigate the associated risks.



In addition to developing new operational processes, PMO actively looks for opportunities to improve the ones in practice and often finds the scope of automation or potential improvement in workflow. Also, there is rigorous process-based audit and PMO identifies prospects of improvement from there. Eventually the updated process helps the bank to function much more effectively and efficiently.

Besides developing and improving the processes, PMO provides comprehensive training and pertinent materials of these processes directly to the end users. This helps to create a well-informed and confident set of employees who are aligned with the bank's goals as well.

## 16. Branch Expansion Program

During the year 2020, the Bank opened 6 (Six) new rural & urban Branches at Zirani Bazar, Kishoreganj, Nikunja, Araihasar, Keranihat & Chakaria to provide banking services to the customers. Thus, the total number of Branches of the Bank at the end of the year 2020 stood at 154 throughout the country. For business expansion, 3 (Three) new ATM Booths were also established in Garibe Newaz Avenue, Pabna & Independent Television Office. Besides, the Bank is planning to expand its network in the country by opening new

Branches and ATM Booths in the year 2021.

Furthermore, 7 (Seven) Branches were relocated with state of the art decoration work during the year 2020. For smooth business operation 5 (Five) Branches were renovated, 6 (Six) Branches were partially renovated, and property maintenance & repairing works were done for 3 (Three) Branches during the year of 2020.

### Uposhakha

During the year 2020, the Bank opened 250 (Two hundred and fifty) new Uposhakhas at different locations of the country. Thus, total number of Uposhakha of the Bank stood at 285 (Two hundred eighty five) at the end of the year 2020. The Bank is planning to open more Uposhakhas in the year 2021.

### Vision & Future Plan

To ensure quality logistic supports in time to all Branches & Uposhakhas, Service & Estate Division has taken several steps for the automation of the systems, i.e. the introduction of an automatic maintenance system, Central Procurement System and a centralization system for providing all types of logistic supports. By establishing low cost Branches & Uposhakhas throughout the country, IFIC bank is taking banking facility to the doorsteps of the general people. The Service & Estate Division is also working

relentlessly for establishing Branches & Uposhakhas in the prospective locations in line with the regulatory guidelines and also as per decisions of the Management.

## 17. Subsidiaries of IFIC

There are three subsidiaries of IFIC Bank Limited which are:

- a) **IFIC Securities Limited (IFICSL);**
- b) **IFIC Money Transfer (UK) Limited; and**
- c) **IFIC Investment Limited.**

## 18. Branding and Promotional Activities

IFIC Bank has carried out sustained promotional activities to create awareness about the brand and its products & services during the year 2020. IFIC has celebrated its 44<sup>th</sup> Anniversary in 2020 by undertaking a series of activities involving its customers, patrons, stakeholders and employees. An advertisement was published in the national dailies highlighting the anniversary day besides, nationwide branches and uposhakhas were decorated with promotional materials like danglers and banners. To promote the signature products IFIC Amar Account, IFIC Amar Bari (home loan product) and IFIC Shohoj Rin campaigns were launched across all the mainstream media (TVC and RDC airing in different

channels, series of Newspaper advertisements in national and local dailies, digital media advertisement, etc.).

Promotional activities for IFIC Shohoj Rin and IFIC Aamar Account across the media were very successful in 2020. The Bank received positive response from the customers as a result of those activities. The bank has also promoted its Digital Banking Channel – IFIC Aamar Bank among its customers.

ATN News Scroll and a sociocultural entertainment program “Ei-Banglay” in ATN News were also sponsored to increase the Bank’s brand visibility.

The Bank also sponsored a good number of events including Praner Mela organized by Dhaka University Sociology Alumni, Solo photo exhibition of Chanchal Mahmud, 45<sup>th</sup> Anniversary of Dhaka Metropolitan Police, Title sponsorship of New York Bangla Boi Mela 2020 by Muktaadhara Foundation Inc., Sponsoring the Research book named “Manobik Policar Proticchobi” by Bangladesh Police and various other events. The Bank also took initiatives for the promotion of its benchmark product ‘IFIC Aamar Account’, ‘IFIC Aamar Bari’, ‘IFIC Aamar Bank’, ‘IFIC Shohoj Rin’ in the form of souvenir and magazine advertisement in different publications throughout the year as well.

## 19. Corporate Social Responsibility

Corporate Social Responsibility (CSR) activities undertaken by the Bank during the year 2020 are as mentioned below:

1. The Bank made a donation to the Honorable Prime Minister’s Relief and Welfare Fund as financial assistance to combat the Corona Virus outbreak in the country;
2. The Bank made a donation to Bangladesh Police for the procurement of world class Personal Protective Equipment

(PPE) and Masks to combat Covid-19 pandemic;

3. The Bank made donation of Remdesivir Injections (Bemsivir) to the Government of Nepal for treating hospitalized Covid-19 patients in Nepal;
4. The Bank awarded ‘IFIC Bank Shangskriti Ratna Shommanona 2020’ to Mr. Ramendu Majumdar and also awarded ‘IFIC Bank Shahitya Puroshkar 2018’ to Researcher & Writer Mr. Ghulam Murshid and Fiction Writer Mr. Imdadul Haq Milon in different categories;
5. The Bank made a donation to the Bangladesh Shooting Sport Federation as a contribution for the development of the sports;
6. IFIC Bank inaugurated Mujib Corner at IFIC Tower and IFIC Rangamati Branch;
7. The Bank made a donation to the Grameen Jono kallyan Sangsad for helping the COVID-19 pandemic affected community;
8. The Bank made donation to Jalalabad Association, Dhaka for helping Covid-19 pandemic affected community in Sylhet;
9. The Bank made a donation to the renowned recitation artist Mr. Fakhru Islam for his medical treatment;
10. IFIC Bank donated blankets to the Honorable Prime Minister’s Relief and Welfare Fund for the cold stricken people;
11. IFIC Bank published press advertisements on ‘Suddhachar’ in different newspapers throughout the year;
12. IFIC Bank made a donation to the project of Pokkhikuler Asroy O Khaddo Nischit Koron Prokolpo.

## 20. Business Focus

The principal activities of the Bank

are banking and related businesses under the Bank Company Act, 1991 (Amended up to 2018). The core banking businesses include accepting deposits and granting loans and advances out of those deposits and earning profit through creating value from the gap between interest paid on deposits and interest earned on loans and advances. The depositors supply funds for loans and advances. The Bank collects deposits through deposit mobilization strategy comprising various deposit products. The Bank’s central revenue generating activities encompasses all kinds of commercial banking products and services to the customers that includes project finance, working capital finance and trade finance for corporate customers, CMSME loans to small traders and businesses, House Building Loan, Car Loan as well as wide range of lifestyle and need based loans for retail customers. The Bank has been able to develop state-of-the-art IT platform and online banking systems facilitating Any Branch Banking, SMS Banking, Internet Banking and Any Time Banking for 24 hours a day and 7 days a week through ATMs.

2020 has been a year of consolidating growth prospect of the Bank. Cashing on the consistent track record of positive growth, the Bank shall continue to deliver a strong performance, both operationally and financially.

The Bank aims to build a business that is durable in the long run, one that creates value for shareholders and also acts responsibly in the interests of the wider communities in which it operates. The Bank believes that those businesses that achieve sustainable growth have an appetite for change and a commitment to constant renewal in all that they do.

## 21. Shares of IFIC Bank Limited

The Authorized Capital and the Paid-up Capital of the Bank stood

at BDT 40,000.00 million and BDT 16,198.74 million respectively as on 31 December 2020. A total number of 1,600,879,068 shares are recorded with the Central Depository of Bangladesh Limited (CDBL), while 18,994,800 shares still remain in scrip form till the Balance Sheet date.

The consolidated Net Asset Value (NAV) per share was BDT 17.18 as on 31 December 2020 which was BDT 16.39 as on 31 December 2019. The consolidated Earnings per Share (EPS) were BDT 0.70 for the year ended on 31 December 2020 as against BDT 1.75 as on 31 December 2019. The Market Capitalization of IFIC was BDT 24,622.08 million at the end of the year 2020 as against BDT 14,578.86 million at the end of the year 2019.

## 22. Dividend

The Board of Directors in its 792<sup>nd</sup> Meeting held on 31 March 2021 has recommended 5% Stock Dividend as Bonus Shares for the Shareholders for the year 2020 subject to approval of the Shareholders in the 44<sup>th</sup> Annual General Meeting.

## 23. Appointment of External Auditors

In the 43<sup>rd</sup> Annual General Meeting of the Bank, "A" graded Chartered Accountants Company M/s. Howladar Yunus & Co. was appointed as the External Auditors of the Bank for the year 2020 subject to approval of Bangladesh Bank. Subsequently, Bangladesh Bank approved the appointment of the External Auditors. Since M/s. Howladar Yunus & Co., Chartered Accountants have completed their consecutive third year of the audit and in terms of the Bangladesh Bank's Guidelines and the Directives of BSEC, they are not eligible for re-appointment.

Meanwhile, M/s. M. J. Abedin & Co., Chartered Accountants has expressed their intention to work as the statutory auditors of the

Bank. With the recommendation of the Audit Committee of the Board of the Bank, the proposal for appointment of M/s. M. J. Abedin & Co., Chartered Accountants as the Statutory Auditors of the Bank for the year 2021 will be placed for approval of the Shareholders in the 44<sup>th</sup> AGM strictly following the terms/conditions of Bangladesh Bank's Guidelines and the Directives of BSEC.

## 24. Appointment of Compliance Auditors

In the 43<sup>rd</sup> Annual General Meeting of the Bank, M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants were appointed as the Compliance Auditors of the Bank for the year 2020. Since M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants have completed their second year of the audit, and in terms of the Directives of BSEC, they are eligible for re-appointment.

## 25. Rotation of Directors

In order to comply with the provision mentioned under Section 91(2) of the Company Act, 1994 and Clause Nos. 109 & 110 of the Articles of Association of the Bank, at least one third of the Directors shall retire from the Office in the 44<sup>th</sup> Annual General Meeting.

As per Clause No. 111 of the Articles of Association of the Bank, the retiring Directors are eligible for re-election.

## 26. Dependability for Internal Control and Financial Reporting:

The Board has collective responsibility for the management, direction and performance of the Bank and provides leadership within a framework of prudent and effective controls which enables risk to be appropriately assessed and managed. The Board sets the strategic direction, ensuring that the necessary resources are in place for the Company to meet its

objectives and deliver sustainable performance.

The Board takes a long term outlook and sees itself as responsible to a wide range of stakeholders, whilst pursuing its objectives in a manner consistent with its statutory duties, for the benefit of the Bank's members as a whole.

The Directors of the Board are selected on the criteria of proven skill and ability in their particular field of endeavor and a diversity of outlook and experience which directly benefits the operation of the Board as the custodian of the business.

The Board of Directors of the Bank is accountable for Bank's system of internal control. It has set appropriate policies on internal control and seeks regular assurance that the system is functioning effectively. Through the establishment of the Audit Committee, the Board of Directors regularly monitors the adequacy & effectiveness of internal control system of the Bank.

The MANCOM also reviews the overall effectiveness of the control system of the Bank & provides a certificate on yearly basis to the Board of Directors on the effectiveness of internal control policies, practices & procedures.

As per directives of Bangladesh Bank, a special meeting of the Board of Directors is arranged annually for reviewing the compliance/ implementation status of the observations/recommendations of Bangladesh Bank's comprehensive inspection report of the Bank.

According to the Company Law, the Directors are responsible for the preparation of the annual financial statements. The annual financial statements conform to International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and fairly present the affairs of the Bank and its subsidiaries as at the end of the financial year, profit & loss and cash-flows for that period.

Accounting policies supported by judgments, estimates and assumptions in compliance with IAS and IFRS are applied on the basis that the Bank shall continue as a going concern. Systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Based on the information and explanations given by management and the internal auditors, the Directors are of the opinion that the internal financial controls are adequate and that the financial records may be relied upon for preparing the financial statements in accordance with IAS and IFRS, and to maintain accountability for the Bank's assets and liabilities.

Through regulatory compliance and responsibilities within a Corporate Governance framework, minority Shareholders have been protected from abusive action by, or in the interest of, controlling Shareholders acting either directly or indirectly and have effective means of redress.

The Directors have a reasonable expectation that the Bank and its subsidiaries will have adequate resources to continue in operational existence and as a going concern for the foreseeable future.

## 27. Acknowledgement

The success of the Bank is mainly attributable to the support and co-operation received from the different group of stakeholders. With the sincere and devoted efforts of all the Executives, Officials and Members of the Staff, IFIC Bank was able to maintain steady growth during the year 2020. The Board of Directors takes this opportunity to thank them all for their efforts to make this happen. The Board expresses its profound gratitude to the Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Central Depository Bangladesh Limited for their continued support and co-operation for smooth functioning of the Bank. The Board also thank them for their unwavering support and co-operation, and hope that their support and co-operation will be continued in the days ahead as well. The Board gratefully acknowledges the support provided by the valued customers who have been with the Bank in the course of its journey. The Board also places on record its thanks and gratitude for the valuable contribution made

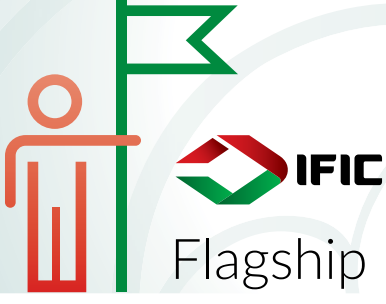
by all the patrons and well-wishers of the Bank in attaining sustainable growth and progress. The Board also expresses its appreciations to M/s. Howladar Yunus & Co., the External Auditors of the Bank, for their efforts for timely completion of the audit of the Financial Statements of the Bank. The Board of Directors further extends its thanks to both the print and electronic media personnel for extending media coverage to the Bank's various activities and events throughout the year.

Last but not the least, the Board expresses its thanks to the respected Shareholders of the Bank and assures them that the Bank will continue to add to the Shareholders' value through the gradual increase of the business and retaining customers' satisfaction for which they have placed trust and confidence.

For and on behalf of the Board of Directors



**Salman F Rahman MP**  
Chairman



Flagship Products & Services

আইএফআইসি  
**আমার একাউন্ট**  
সুবিধা যেমনই চাই, হিসাব একটাই



আইএফআইসি  
**সহজ** একাউন্ট  
হিসাব খুলি, এগিয়ে চলি

আইএফআইসি  
**সহজ** ঋণ  
দিন বদলের  
সাথী

আইএফআইসি  
**আমার ঋণ**  
সমৃদ্ধির পথে  
আপনার সাথে

আইএফআইসি  
**আমার প্রতিবেশী**

আইএফআইসি  
**আমার ভবিষ্যৎ**



আইএফআইসি  
**ওয়ান স্টপ**  
সার্ভিস  
একই কাউন্টারে সব ব্যাংকিং সেবা

Report of the  
Executive Committee of the Board



## Report of the Executive Committee of the Board

The Executive Committee (EC) of the Board of Directors of IFIC Bank Limited was lastly re-constituted by the Board of Directors of the Bank in its 673<sup>rd</sup> Meeting held on 27 April 2016 with the following 02 (Two) Members from the Board of Directors:

Mr. A. R. M. Nazmus Sakib	Chairman
Ms. Quamrun Naher Ahmed	Member

The Company Secretary of the Bank is the Secretary of the Executive Committee of the Board.

The above mentioned Executive Committee of the Board was formed in line with the directives of BRPD Circular No. 11 dated 27 October 2013.

The Terms of Reference of the Executive Committee, in addition to the roles and responsibilities mentioned in the BRPD Circular No. 11 dated 27 October 2013, as approved by the Board is as follows:

- 1. Business Discretionary Authority:** All business proposals up to 5% of Capital for new relationship & up to 10% of Capital (excluding large loans) for renewal & enhancement of existing relationship shall be placed before the Executive Committee for approval.
- 2. Discretionary Authority for Waiver of Interest:** The EC is empowered to consider waiver of interest proposals for settlement of long outstanding defaulted loans and advances within the purview of its discretionary authority.
- 3. Financial Power against expenditures:** The EC is also delegated based on Head of Expenditures with specific limit against following activities of the Bank:
  - ▶ Hiring of new premises, Renewal of existing premises and Improvement of the branch premises.
  - ▶ Purchase of Wooden & Steel Furniture, Office equipment, Electrical & gas equipment, Soft Furnishings, Computer hardware/software and its accessories, Air Conditioners, Generators, etc.

However, the Executive Committee (EC) may refer any proposal before the Board under delegation of EC considering complexity of the proposal.

The decisions of the Executive Committee as recorded in the Minutes of the Meetings are placed before the Board in the subsequent Meeting for ratification.

During the year of 2020, 09 (Nine) Meetings of the Executive Committee were held where a total of 146 nos. proposals/issues were considered/decided by the Committee.

The particulars of attendance of the members of the Executive Committee are given below.

Name of the Directors	Position	Total number of meetings held during 2020	Total attendance	Remarks
Mr. A. R. M. Nazmus Sakib	Chairman	09	09	
Ms. Quamrun Naher Ahmed	Member	09	09	

The Executive Committee expresses its sincere thanks to the Members of the Board and the Management of IFIC Bank Limited for their support and guidance in the course of carrying out the duties and responsibilities of the Committee. The Executive Committee also expresses its satisfaction regarding the roles and responsibilities discharged by the Management of the Bank.



A. R. M. Nazmus Sakib  
Chairman, Executive Committee



Report on the  
Activities of the Audit Committee of the Board



## Report on the Activities of the Audit Committee of the Board

The Audit Committee of the Board of Directors of IFIC Bank Limited was lastly re-constituted by the Board of Directors in its 771st Meeting held on 18 March 2020 in accordance with the directives of the BRPD Circular No.11 dated 27 October 2013 issued by Bangladesh Bank and also in line with the requirements of the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC) published in the Bangladesh Gazette on 10 June 2018.

The Audit Committee of the Board is comprised of 03 (Three) members from the Board of Directors including 02 (Two) Independent Directors. The composition of the Audit Committee of the Board is as follows:

<b>Ms. Rabeya Jamali</b>	Independent Director	Chairperson
<b>Mr. Anwaruzzaman Chowdhury</b>	Independent Director	Member
<b>Mr. Md. Zafar Iqbal, ndc</b>	Director	Member

The Company Secretary of the Bank is the Secretary of the Audit Committee of the Board.

The Audit Committee is a sub-committee of the Board of Directors and reports on its activities to the Board of Directors on a quarterly basis. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities which includes, but is not limited to, implementation of the objectives, strategies, risk mitigation, and overall business plans set by the Board for effective functioning of the Bank. The Committee also reviews the financial reporting process, the system of internal control and management of financial & operational risks through the Internal Control process.

The Audit Committee of the Board usually sits once in every month.

A total of 15 (Fifteen) Audit Committee Meetings were held during the year 2020.

The particulars of attendance of the members of the Audit Committee are given below.

Name of the Directors	Position	Total number of meetings held during 2020	Total attendance	Remarks
<b>Ms. Rabeya Jamali</b>	Chairperson	15	15	Directors who could not attend any meeting were granted leave of absence.
<b>Mr. Anwaruzzaman Chowdhury</b>	Member	15	11	
<b>*Mr. Md. Zafar Iqbal, ndc</b>	Member	11	11	

\* Mr. Md. Zafar Iqbal, ndc became a member on 15 June 2020 in place of Mr. Jalal Ahmed (retired Govt. nominated Director).

The Audit Committee, in the above mentioned 15 (Fifteen) meetings, discussed many issues some of which were:

- Highlights on Risk Based Internal Audit & Inspection Reports Conducted by ICC Division;
- Self-Assessment of Anti-Fraud of Internal Controls as on the Half year ended on 31.12.2019;
- Summary Report of Compliance on Irregularities/Lapses/Errors & Omissions found in the Risk Based Internal Audit & Inspection Report of 144 (One Hundred and forty Four) Branches for the year ended on 31.12.2019;
- Management Letter on the Financial Statements for the year ended 31 December 2019;
- Recommendation for approval Unmodified Audit Report and Audited Financial Statements as at and for the year ended 31 December 2019;
- Recommendation for approval un-audited Condensed Financial Statements as at and for the 1st Quarter ended 31 March 2020;
- Highlights on Risk Based Internal Audit & Inspection Reports conducted by ICC Division;
- Surprise Inspection conducted by the Department of Currency Management, Bangladesh Bank on Principal Branch;
- Re-appointment of External Auditors of the Bank;
- Self-Assessment of Anti-Fraud of Internal Controls as on the Half year ended on 30.06.2020;

- ➔ Recommendation for approval of un-audited Condensed Financial Statements as at and for the 2nd Quarter ended 30 June 2020;
- ➔ Recommendation for approval of un-audited Condensed Financial Statements as at and for the 3rd Quarter ended 30 September 2020;
- ➔ Annual Health Report of the Bank for the year 2019;
- ➔ Highlights on Risk Based Internal Audit & Inspection Reports conducted by ICC Division;
- ➔ Risk Based Internal Audit (RBIA) Plan for – 2021.

From our assessment of the various internal audit reports, it appears that IFIC Bank Limited maintained effective Internal Control on its overall activities during the year 2020.



**Rabeya Jamali**  
Chairperson, Audit Committee

Report of the  
Risk Management Committee of the Board



## Report of the Risk Management Committee of the Board

The Risk Management Committee of the Board of Directors of IFIC Bank Limited was lastly re-constituted by the Board of Directors of the Bank in its 771<sup>st</sup> Meeting held on 18 March 2020 with the following 04 (Four) Members:

Mr. Md. Zafar Iqbal, ndc	Chairman
Ms. Rabeya Jamali	Member
Mr. A. R. M. Nazmus Sakib	Member
Ms. Quamrun Naher Ahmed	Member

The Company Secretary of the Bank is the Secretary of the Risk Management Committee of the Board.

The above mentioned Risk Management Committee of the Board was formed in line with the directives of BRPD Circular No. 11 dated 27 October 2013.

The Risk Management Committee, as authorized by the Board, performs as per roles and responsibilities mentioned in the BRPD Circular No. 11 dated 27 October 2013.

During the year 2020, 05 (Five) Meetings of the Risk Management Committee were held where a total of 14 nos. proposals/issues were considered/decided by the Committee.

The particulars of attendance of the members of the Risk Management Committee are given below.

Name of the Directors	Position	Total number of meetings held during 2020	Total attendance	Remarks
*Mr. Md. Zafar Iqbal, ndc	Chairman	03	03	
Ms. Rabeya Jamali	Member	05	05	
Mr. A. R. M. Nazmus Sakib	Member	05	05	
Ms. Quamrun Naher Ahmed	Member	05	05	

\* Mr. Md. Zafar Iqbal, ndc became a member on 15 June 2020 in place of Mr. Jalal Ahmed (retired Govt. nominated Director).

However, the decisions of the Risk Management Committee as recorded in the Minutes of the Meetings are placed before the Board on a quarterly basis.

The Risk Management Committee expresses its sincere thanks to the Members of the Board and the Management of IFIC Bank Limited for their support and guidance in the course of carrying out the duties and responsibilities of the Committee. The Risk Management Committee also expresses its satisfaction regarding the roles and responsibilities discharged by the Management of the Bank.



Md. Zafar Iqbal, ndc  
Chairman, Risk Management Committee

Report of the Nomination and  
Remuneration Committee of the Board



## Report of the Nomination and Remuneration Committee of the Board

The Nomination and Remuneration Committee of the Board of Directors of IFIC Bank Limited was constituted by the Board of Directors of the Bank in its 771<sup>st</sup> Meeting held on 18 March 2020 in line with the requirements of the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC) published in the Bangladesh Gazette on 10 June 2018.

The Nomination and Remuneration Committee of the Board is comprised of 03 (Three) members from the Board of Directors including 01 (One) Independent Director. The composition of the Nomination and Remuneration Committee of the Board is as follows:

<b>Mr. Anwaruzzaman Chowdhury</b>	Independent Director	Chairperson
<b>Mr. A. R. M. Nazmus Sakib</b>	Director	Member
<b>Ms. Quamrun Naher Ahmed</b>	Director	Member

The Company Secretary of the Bank is the Secretary of Nomination and Remuneration Committee of the Board.

The Nomination and Remuneration Committee, as authorized by the Board, performs roles and responsibilities as mentioned in the Corporate Governance Code of BSEC published in the Bangladesh Gazette on 10 June 2018.

During the year 2020, 01 (One) Meeting of the Nomination and Remuneration Committee were held where a total of 01 no. proposal/issue was considered/decided by the Committee.

The particulars of attendance of the members of the Nomination and Remuneration Committee are given below.

Name of the Directors	Position	Total number of meetings held during 2020	Total attendance	Remarks
<b>Mr. Anwaruzzaman Chowdhury</b>	Chairman	01	01	
<b>Mr. A. R. M. Nazmus Sakib</b>	Member	01	01	
<b>Ms. Quamrun Naher Ahmed</b>	Member	01	01	

The Nomination and Remuneration Committee expresses its sincere thanks to the Members of the Board and the Management of IFIC Bank Limited for their support and guidance in the course of carrying out the duties and responsibilities of the Committee. The Nomination and Remuneration Committee also expresses its satisfaction regarding the roles and responsibilities discharged by the Management of the Bank.



**Anwaruzzaman Chowdhury**  
Chairman/Chairperson, Nomination and Remuneration Committee

# Corporate Governance Practices

Corporate Governance indicates the policies and procedures applied by us to attain certain sets of our objectives, corporate missions and visions with regard to shareholders, employees, customers, suppliers and different regulatory agencies and the community at large. The role of governance is to maximize shareholders' wealth. Corporate Governance depends on managerial performance as well as a consideration of social responsibility, the socio-cultural-environmental dimension of business procedure, legal and ethical practices with a focus on customers and other stakeholders of our organization.

We are committed to excellence in corporate governance, transparency and accountability. This is essential for the long term performance and sustainability of our Company, and to protect and enhance the interests of our shareholders and other stakeholders.

Our governance framework plays an integral role in supporting our business. It provides the structure through which our strategy and business objectives are set, our performance is monitored, and the risks we face are managed. It includes a clear framework for decision making and accountability across our business and provides guidance on the standards of behavior we expect from our people.

We regularly review our governance arrangements as well as developments in the market practices, expectations and regulation to establish good corporate governance in our Bank. We have modernized our governance system and implemented the rules as several prudential regulations specifying qualification of a Bank Director and a Chief Executive Officer and most importantly 3 (three) Circulars/Circular Letters issued by Bangladesh Bank on 27 October

2013 in connection with formation and responsibilities of Board of Directors of a Bank Company to comply with the existing rules and regulations in line with the Bank Company Act, 1991 (Amended up to 2018) as well as Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission.

## **We consider good corporate governance to be a pre-requisite for value creation and reliability:**

- ➔ Governance principles;
- ➔ Transparency in business transactions;
- ➔ Statutory and legal compliances;
- ➔ Protection of shareholders' interests;
- ➔ Commitment to values and ethical conduct of business;
- ➔ Applying values to create value.

## **Members' Meetings**

The supreme authority in the Bank's affairs, within the limits established by the Articles of Association and statutory law, rests with legitimate meetings of the Members of the Bank. The Bank's Annual General Meeting is held within statutorily allowed time every year and may also hold any other meeting, as and when required. At Members' meeting, each share carries one vote. Decisions at Members' meetings are taken by majority vote unless there are contrary provisions in the Bank's Articles of Association or statutory law.

Although Members acting through the forum of the General Meeting exercise ultimate check over a company, yet they do not interfere with the exercise of powers which are vested in the Board.

## **The Board of Directors**

The Board of Directors, collectively, is the supreme authority in the Bank's affairs between Members' meetings. They owe a duty to the

shareholders and exercise care, skill and diligence in discharging their responsibilities and in exercising the powers vested in them.

The key purpose of the Board of Directors of IFIC Bank Limited is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and other stakeholders. In addition to business and financial issues, the Board deals with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics and ensures that its organization and operation are, at all times, in correct and appropriate order. The Board is, among other things, responsible for setting business objectives, strategies and business plans, formulating risk policies, confirming key aspects of the Bank's internal organization and making decisions on the establishment of branches. As a mechanism of budgetary control, the Board approves budget and reviews the business plan on quarterly basis so as to give directions as per changing economic and market environment. The Board also reviews the policies and guidelines issued by Bangladesh Bank and gives directions for their due compliance. Furthermore, Board of Directors develops and reviews corporate governance framework as well as recommends to the shareholders to appoint an external auditor.

## **Composition of the Board**

The Board of IFIC Bank Limited consists of 8 (eight) Members including the Managing Director as Executive Director and ex-officio member of the Board. As per the guidelines of Bangladesh Bank and as well as in compliance with the Bangladesh Securities and Exchange Commission's Corporate Governance Code, there are 2 (two) Independent Directors in the Board.



### **Re-election of Directors**

In compliance with the Companies Act, BSEC's Notification and Bank's Articles of Association, each Director, other than the Independent Director and the Managing Director, retires by rotation once in every three years and is required to stand for re-election by the shareholders at the Annual General Meeting.

### **Independent Director**

To comply with the Corporate Governance Code of Bangladesh Securities and Exchange Commission, the Board of Directors appointed 2 (two) Independent Directors in the Board, re-appointment of one of them already approved by the shareholders and re-appointment of the other will be placed for approval in the 44<sup>th</sup> Annual General Meeting. A full compliance report of the said guidelines is provided hereafter.

### **Board Meetings**

During the year 2020, there were 19 meetings of the Board. The attendance by each Director at the Board Meeting held during the year is provided hereafter.

### **Executive Committee**

As approved by Bangladesh Bank, the Board has its Executive Committee. The committee comprises of 2 (two) Members from the Board. In order to have proper functioning and quick disposal of credit proposals, the Board has delegated authority to Executive Committee of the Board to approve proposal within certain limit and it is observed to be very effective to accelerate the various decisions which otherwise had to wait for disposal by the Board. meeting. The committee met 9 times during the year 2020. The report of the Executive Committee is deployed hereinbefore.

### **Audit Committee**

Audit Committee of the Board of a bank can play an effective role in providing a bridge between

the Board and the Management, Shareholders, Depositors and other Stakeholders, and help in ensuring efficient, safe and sound banking practices. Role of the Audit Committee is also important in evolving an effective procedure for financial reporting disclosure, developing a suitable internal control system and maintaining liaison with internal and external auditors to minimize various business risks.

As guided by Bangladesh Bank, the Audit Committee assists the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The Committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Bank's process for monitoring compliance with laws and regulations and its own code of business conduct. The report is given hereinbefore.

### **Risk Management Committee**

To assist the Board of Directors in fulfilling its oversight responsibilities and to play effective role in minimizing current and future risks arising on the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters, the Risk Management Committee has been constituted. The Risk Management Committee in Management level has also been reorganized. The report of the Risk Management Committee is deployed hereinbefore.

### **Nomination & Remuneration Committee**

To assist the board in the formulation of the nomination criteria or policy for determining qualifications, positive attributes,

experience and independence of directors and top level executives as well as a policy for the process of considering remuneration of the directors and top level executives, the Nomination and Remuneration Committee (NRC) has been constituted. The report of the NRC is deployed hereinbefore.

### **Directors' Remuneration**

The non-executive directors (Directors other than the Managing Director) of the Board representing shareholders do not take any remuneration or reimbursement of any expenses for attending Board meeting or for any other purpose. The Board members receive only BDT 8,000.00 for attending the Board/Committee meetings. The fees given to the directors are disclosed in the note to the financial statements.

### **Management**

The Managing Director, as directed by the Board of Directors, is the Chief Executive Officer (CEO) of the Bank. In terms of the financial, business and administrative authorities vested upon him by the Board, the CEO discharges his own responsibilities. He remains accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management. He also ensures that Bank's accounts and finances conform to applicable laws and accepted standards. Therefore, being empowered by the Board, the Managing Director leads the Management consisting of the executives of the Bank. Management functions through several committees headed by the Managing Director or empowered executives of the Bank. The committees are SMT, MANCOM, ALCO, Risk Management and Basel Committee etc. Management enjoys absolute power in respect of recruitment, posting and promotion of manpower in accordance with Bangladesh Bank's guidelines.

In addition, Board has delegated adequate administrative, business and financial power to the Management for quick and efficient discharge of Bank's activities.

#### **Compliance of BRPD Circular Letter No. 03**

The Bank complied with the BRPD Circular Letter No. 03 dated 25 March 2018 and appointed Mr. Dilip Kumar Mandal as Chief Financial Officer and Mr. Md. Monitur Rahman as Chief Information Technology Officer.

#### **Financial, Statutory and Regulatory Reporting and Compliance**

In the preparation of quarterly, semi-annual and annual financial statements, the Bank has complied with the requirements of the Companies Act 1994, Bank Company Act, 1991 (Amended up to 2018) and rules & regulations of Bangladesh Bank, BSEC and Stock Exchanges. Status of various compliances is given hereafter.

#### **Internal Control**

The Board of Directors acknowledges their overall responsibility for the Bank's system of internal control and for reviewing its effectiveness. Internal control is an ongoing process for identifying, evaluating and managing the significant risks faced by the Bank. The Bank has taken all-out efforts to mitigate all sorts of risk as per guidelines issued by Bangladesh Bank. Internal Control & Compliance Division, Risk Management and Credit Risk Management Unit are working towards mitigation of operational and compliance risks of the Bank.

#### **External Audit**

M/s. Howladar Yunus & Co., Chartered Accountants is the statutory auditors of the Bank. They do not provide any other accounting, taxation or advisory services to the Bank except certification of cash incentives payable to the exporters, if any.

#### **Audit and Inspection by Bangladesh Bank**

Bangladesh Bank also undertakes audit & inspection at the Bank at their determined intervals.

Compliance with observations and recommendations made by Bangladesh Bank helps the Bank to improve internal control, risk management, corporate governance and regulatory compliance maximizing benefit for all stakeholders.

#### **Proclamation to Shareholders**

The Bank acknowledges and takes necessary steps to provide shareholders with all relevant and reliable information to allow them to make informed judgment and decisions. Regulated path and way are completely followed for appropriate and effective communication. All relevant information are posted in the website of the Bank for convenience of the shareholders. Moreover, as per BSEC's Code, all the price sensitive information having possible impact on share prices of the Bank are communicated to the shareholders by publication in the national dailies, Online news portal and to the DSE, CSE, and BSEC through email and official letters for further dissemination. Quarterly Financial Statements are communicated to all the Members through DSE, CSE and BSEC as well as publication of the same in at least two widely circulated national dailies. Audited yearly financial statements are published through Annual Report and the report is furnished to the shareholders as well as to the regulators. Finally, we arrange Annual General Meeting as our statutory duty to give our shareholders parliamentary session to communicate their assertions about the Bank. All the suggestions or recommendations made by the Members in the AGM or any time during the year are taken very seriously for compliance and better corporate governance of the Bank.

#### **Credit Ratings**

The Bank is rated by Credit Rating Agency of Bangladesh (CRAB) Limited. They have re-affirmed both the long term rating of the Bank to "AA2" and short term rating at "ST-2" with validity up to 30 June 2020. The Emerging Credit

Rating Limited also rated the Bank "AA" for long term and "ST-2" for short term with validity up to 30 June 2021.

#### **Compliance Report on BSEC's Notification**

The Bangladesh Securities and Exchange Commission (BSEC) requires all listed companies to report on the compliance of the conditions described in BSEC's Notification dated 03 June 2018 on 'comply' basis. The Board of Directors of IFIC Bank Limited has taken appropriate steps to comply with the conditions.

## Compliance Report on BSEC's Notification

The Bangladesh Securities and Exchange Commission (BSEC) requires all listed companies to report on the compliance of the conditions described in BSEC's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969 on 'comply' basis. The Board of Directors of IFIC Bank Limited has taken appropriate steps to comply with the conditions as detailed hereunder:

### Annexure-I

#### Compliance of Condition No. 1 (5) (xxii): Board Meetings held during the year 2020 and attendance by each Director:

SL No.	Name of the Directors	Position	No. of Meetings held	No. of Meetings attended	Remarks
01.	Mr. Salman F Rahman MP	Chairman	19	19	Directors who could not attend any meeting were granted leave of absence by the Board.
02.	Mr. Ahmed Shayan Fazlur Rahman	Vice Chairman	19	14	
03.	Mr. Anwaruzzaman Chowdhury	Independent Director	19	17	
04.	Ms. Rabeya Jamali	Independent Director	19	19	
05.	Mr. Jalal Ahmed (Up to 14 June 2020)	Govt. Nominated Director	05	05	
06.	Mr. A. R. M. Nazmus Sakib	Govt. Nominated Director	19	19	
07.	Ms. Quamrun Naher Ahmed	Govt. Nominated Director	19	19	
08.	Mr. Md. Zafar Iqbal, ndc (Since 15 June 2020)	Govt. Nominated Director	14	14	
09.	Mr. Mohammad Shah Alam Sarwar	Managing Director & CEO	19	19	

### Annexure-II

#### Compliance of Condition 1 (5) (xxiii): The pattern of Shareholding as on 31 December 2020

- Parent or Subsidiary or Associated Companies and other related parties: Nil
- Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:

SL	Name of the Directors	Shares held	Name of the Spouses	Shares held
01.	Mr. Salman F Rahman MP	32,406,599	Mrs. Syeda Rubaba Rahman	Nil
02.	Mr. Ahmed Shayan Fazlur Rahman*	Nil	Mrs. Shazreh Rahman	Nil
03.	Mr. Anwaruzzaman Chowdhury	Nil	Mrs. Holy Begum Chowdhury	Nil
04.	Ms. Rabeya Jamali	Nil	N/A	Nil
05.	Mr. A. R. M. Nazmus Sakib**	Nil	Mrs. Fetematuj Jahera	Nil
06.	Ms. Quamrun Naher Ahmed**	Nil	Mr. A. B. M. Siddiqur Rahman	Nil
07.	Mr. Md. Zafar Iqbal, ndc**	Nil	Mrs. Zohra Noor	Nil

\* Representing M/s. New Dacca Industries Limited against its holding of 34,196,512 nos. shares of the Bank.

\*\* Directors nominated by the Ministry of Finance, Govt. of the People's Republic of Bangladesh against its holding of 530,485,326 nos. shares of the Bank.

Managing Director & CEO and his spouse and minor children	- Mr. Mohammad Shah Alam Sarwar	Nil
Company Secretary and his spouse and minor children	- Mr. Md. Mokammel Hoque	Nil
Chief Financial Officer and his spouse and minor children	- Mr. Dilip Kumar Mandal	Nil
Head of Internal Audit and Compliance and his spouse and minor children	- Mr. M. Mozibar Rahman	Nil

(c) Executives [Top 5 (five) salaried employees of the company, other than stated in 1 (5) (xxiii)(b)]:

SL	Designation	Name	Shares held
01.	DMD & Head of International Division	Mr. Shah Md. Moinuddin	Nil
02.	DMD & Head of Business	Mr. Md. Nurul Hasnat	Nil
03.	DMD & Chief Credit Officer & CRO	Mr. Syed Mansur Mustafa	Nil
04.	DMD & Chief of Operations & IT	Mr. Md. Monitur Rahman	Nil
05.	SEVP & Head of HRM	Mr. K A R M Mostofa Kamal	Nil

(d) Shareholders holding ten percent (10%) or more voting interest in the Company: Govt. of the People's Republic of Bangladesh holds 530,485,326 nos. shares which is 32.75 percent of the total outstanding shares of the Bank.

#### Annexure-C

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

#### (Report under Condition No. 9)

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>1</b>	<b>Board of Directors</b>			
1 (1)	<b>Size of the Board of Directors:</b> The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1 (2)	<b>Independent Directors:</b>			
1 (2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		
1 (2) (b)	<b>Independent Director means a Director:</b>			
1 (2) (b) (i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1 (2) (b) (ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1 (2) (b) (iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1 (2) (b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1 (2) (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1 (2) (b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (2) (b) (vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1 (2) (b) (viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
1 (2) (b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBF); and	✓		
1 (2) (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1 (2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and			No Vacancy occurred
1 (2) (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	✓		
1 (3)	Qualification of Independent Director:			
1 (3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1 (3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1 (3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	✓		
1 (3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 <sup>th</sup> Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or			N/A
1 (3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1 (3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1 (4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
1 (4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1 (4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1 (4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		Roles and responsibilities are as per Bangladesh Bank's guidelines and service rules of the Bank
1 (4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1 (5)	The Directors' Report to Shareholders shall include the following additional statements or disclosures:			
1 (5) (i)	An industry outlook and possible future developments in the industry;	✓		
1 (5) (ii)	The segment-wise or product-wise performance;	✓		
1 (5) (iii)	Risks and concerns including internal and external risks factors, threat to sustainability and negative impact on environment, if any;	✓		
1 (5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;			N/A
1 (5) (v)	A discussion on continuity of any extra-ordinary activities and their implications (gain or loss);			N/A
1 (5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any others instruments;			N/A
1 (5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			N/A
1 (5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			The quarterly net profit in Q2, Q3 & Q4 showed downturn compared to Q1 mainly for enforcement of maximum lending cap at 9.0% and Covid-19 pandemic

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (5) (x)	A statement of remuneration paid to the Directors including Independent Directors;	✓		
1 (5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1 (5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1 (5) (xiv)	A statement that International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1 (5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1 (5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1 (5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	✓		
1 (5) (xviii)	An explanation that significant deviations from the lat year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A
1 (5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each Director;	✓		
1 (5) (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1 (5) (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1 (5) (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1 (5) (xxiii) (c)	Executives (top 5 (five) salaried employees of the company, other than stated in 1. (5) (xxiii)(b); and	✓		
1 (5) (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1 (5) (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1 (5) (xxiv) (a)	A brief resume of the director;	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (5) (xxiv) (b)	Nature of his or her expertise in specific functional areas; and	✓		
1 (5) (xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1 (5) (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1 (5) (xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓		
1 (5) (xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1 (5) (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five year's explaining reasons thereof;	✓		
1 (5) (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;			Financial performance of peer Banks are not available
1 (5) (xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1 (5) (xxv) (f)	Risks and concerns issues related to the financial statements explaining such risks and concerns mitigation plan of the company; and	✓		
1 (5) (xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1 (5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1 (5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1 (6)	Meetings of the Board of Directors : The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code;	✓		
1 (7)	Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer:			
1 (7) (a)	The Board shall lay down a Code of Conduct based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No.6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company;	✓		
1 (7) (b)	The Code of Conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior, confidentiality, conflict of interest, compliance with laws, rules and regulations, prohibition of insider trading, relationship with environment, employees, customers and suppliers and independency.	✓		



Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
3 (1)	Appointment:			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3 (2)	Requirement to attend Board of Directors' Meetings:			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3 (3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			
3 (3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3 (3) (a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3 (3) (a) (ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3 (3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee</b> For ensuring good governance in the company, the Board shall have at least following sub-committees			
4 (i)	Audit Committee; and	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
<b>5</b>	<b>Audit Committee</b>			
5 (1)	Responsibility to the Board of Directors:			
5 (1) (a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5 (1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5 (1) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5 (2)	Constitution of the Audit Committee:			
5 (2) (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5 (2) (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5 (2) (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5 (2) (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			N/A
5 (2) (e)	The company secretary shall act as the secretary of the Committee;	✓		
5 (2) (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5 (3)	Chairperson of the Audit Committee:			
5 (3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
5 (3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		Shall be invited to remain present
5 (4)	Meeting of the Audit Committee:			
5 (4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5 (4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5 (5)	Role of Audit Committee (the Audit Committee shall):			
5 (5) (a)	Oversee the financial reporting process;	✓		Role of Audit Committee as per Bangladesh Bank guidelines and services rules of the bank
5 (5) (b)	Monitor choice of accounting policies and principles;	✓		
5 (5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		Role of Audit Committee as per Bangladesh Bank guidelines and services rules of the bank
5 (5) (d)	Oversee hiring and performance of external auditors;	✓		
5 (5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5 (5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5 (5) (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5 (5) (h)	Review the adequacy of internal audit function;	✓		
5 (5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5 (5) (j)	Review statement of all related party transactions submitted by the management;	✓		
5 (5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		Role of Audit Committee as per Bangladesh Bank guidelines and services rules of the bank
5 (5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds 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: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	✓		
5 (6)	Reporting of the Audit Committee:			
5 (6) (a)	Reporting to the Board of Directors-			
5 (6) (a) (i)	The Audit Committee shall report on its activities to the Board.	✓		
5 (6) (a) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5 (6) (a) (ii) (a)	Report on conflicts of interests;			N/A
5 (6) (a) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5 (6) (a) (ii) (c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5 (6) (a) (ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			N/A
5 (6) (b)	Reporting to the Authorities:			
5 (6) (b)	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5 (7)	Reporting to the Shareholders and General Investors:			
5 (7)	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			N/A
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
6 (1)	Responsibility to the Board of Directors:			
6 (1) (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (1) (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6 (1) (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		Terms of Reference of the committee shall be the same as mentioned in the Corporate Governance Code
6 (2)	Constitution of the NRC:			
6 (2) (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6 (2) (b)	All members of the Committee shall be non-executive directors;	✓		
6 (2) (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6 (2) (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6 (2) (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			N/A
6 (2) (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			N/A
6 (2) (g)	The company secretary shall act as the secretary of the Committee;	✓		
6 (2) (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6 (2) (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6 (3)	Chairperson of the NRC:			
6 (3) (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6 (3) (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			N/A
6 (3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		Shall be invited to remain present

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6 (4)	Meeting of the NRC:			
6 (4) (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			N/A
6 (4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6 (4) (d)	(d) The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6 (5)	Role of the NRC:			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6 (5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6 (5) (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6 (5) (b) (i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		Role of NRC shall be the same as mentioned in the Corporate Governance Code
6 (5) (b) (i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6 (5) (b) (i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6 (5) (b) (ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6 (5) (b) (iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6 (5) (b) (iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6 (5) (b) (v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6 (5) (b) (vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6 (5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
<b>7</b>	<b>External or Statutory Auditors</b>			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			

Condition No.	Title	Compliance Status (✓ has been Put in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7 (1) (i)	Appraisal or valuation services or fairness opinions;	✓		
7 (1) (ii)	Financial information systems design and implementation;	✓		
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7 (1) (iv)	Broker-dealer services;	✓		
7 (1) (v)	Actuarial services;	✓		
7 (1) (vi)	Internal audit services or special audit services;	✓		
7 (1) (vii)	Any service that the Audit Committee determines;	✓		
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7 (1) (ix)	Any other service that creates conflict of interest.	✓		
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:  Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		Shall be invited to remain present
<b>8</b>	<b>Maintaining a website by the Company:</b>			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8 (2)	The company shall keep the website functional from the date of listing.	✓		
8 (3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance:</b>			
9 (1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9 (2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9 (3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

Date: 31 March 2021

**The Board of Directors**  
IFIC Bank Limited  
Head Office  
Dhaka

**Subject: Declaration on Financial Statements for the year ended on 31 December 2020**

Dear Sirs

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of IFIC Bank Limited for the year ended on 31 December 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December 2020 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.



**Dilip Kumar Mandal**  
Chief Financial Officer



**Shah A Sarwar**  
Managing Director & CEO

## **IFIC Bank Limited**

Head Office: IFIC Tower, 61 Purana Paltan, GPO Box: 2229, Dhaka-1000, Bangladesh  
Tel: 9563020, IP Phone No. : 09666716250 (Hunting), Fax: 880-2- 9554102, Swift: IFIC BD DH, E-mail: info@ificbankbd.com



# Hoda Vasi Chowdhury & Co

## Chartered Accountants

Annexure-B

[Certificate as per condition No. 1(5)(xxvii)]

### Report to the Shareholders of IFIC Bank Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by IFIC Bank Limited (the "Bank") for the year ended on 31 December 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Bank. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Bank has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission as explained in Annexure-C;
- (b) The Bank has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the Bank as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the Bank is satisfactory.

For Hoda Vasi Chowdhury & Co  
Chartered Accountants

Dated: 13 April 2021  
ICAB Enrolment Number 1512

  
Shaikh Hasibur Rahman FCA  
Place: Dhaka  
Partner



## Management Discussion and Analysis

## Management Discussion and Analysis

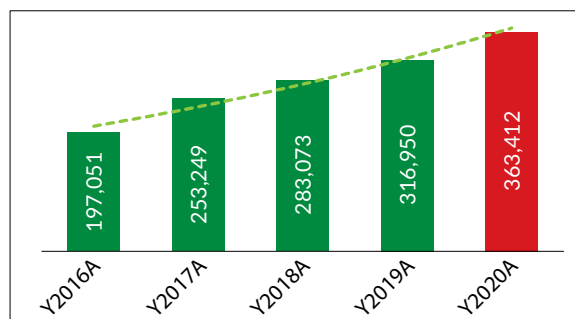
The year 2020 was a very challenging year for the global economy and lives due to outbreak of COVID-19. Though the Bank's operation almost stopped upto Q2, the profitability of the Bank was highly impacted due to enforcement of new regulation for maximum lending cap of 9.0% from 1 April 2020. Net interest income [NII] of the Bank witnessed significantly dent which ultimately impact the bottom line financial result. However Bank remains continued to expand its network across the country as part of financial inclusion and bringing the banking net of large number of unbanked people. During the year 2020, the Bank has opened 250 number of new 'Uposhakhas' across the country and total footsteps of the Bank reached to 439 at the end of Y2020.

A brief review of comparative analysis and discussion of financial performance and operating result of the Bank and the underlying forces affecting these have been presented below:

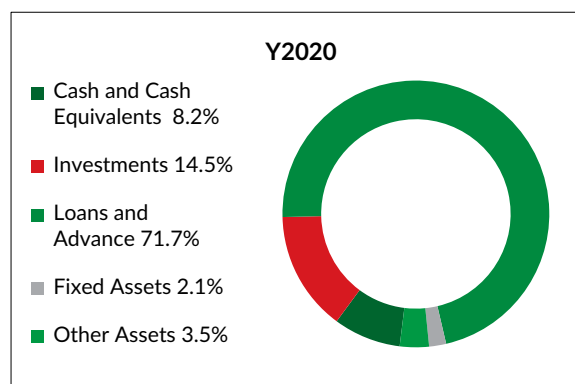
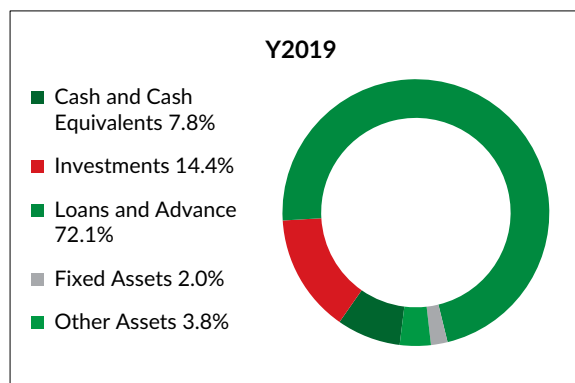
### Financial Position of the Bank

Particulars	BDT in mln		
	2020	2019	Change
Cash & Bank Balance	29,718	24,582	20.89%
Investments	52,722	45,500	15.87%
Loans and Advances	260,650	228,589	14.03%
Fixed Assets	7,496	6,384	17.42%
Non-banking & Other assets	12,826	11,895	7.83%
<b>Total Assets</b>	<b>363,412</b>	<b>316,950</b>	<b>14.66%</b>
Borrowing from banks & FI	13,022	8,216	58.50%
Subordinated debt	2,100	2,800	-25.00%
Deposits	296,374	258,368	14.71%
Other Liabilities	26,699	22,969	16.24%
Shareholders' Equity	25,217	24,597	2.52%
<b>Total Liabilities &amp; Equity</b>	<b>363,412</b>	<b>316,950</b>	<b>14.66%</b>

Despite of the critical situation, IFIC has emerged as a successful institution by maintaining its Balance sheet growth. At the end of year 2020, balance sheet size [including off balance sheet] of the Bank increased to BDT 363,412 million compared to BDT 316,950 million of Y2019 representing 14.7% growth over last year and 84.4% cumulative growth from the year 2016.



Assets are the backbone of any business and it is important to maintain a healthy asset profile to face any uncertainty. Total assets of the Bank has increased in 2020 by 14.7% with regard to 12% of the year 2019. Among all total assets loans and advances contributes the lion part i.e. 71.7% and investments be on the second i.e.14.5%. Total asset composition of Y2020 and Y2019 has been pointed out below.



### Cash and cash equivalent

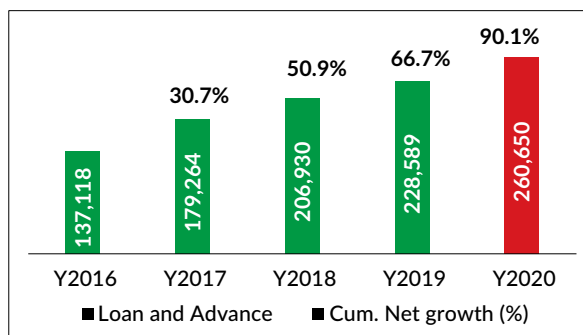
IFIC maintains required cash and cash equivalent that is necessary to meet statutory reserves and day to day prudential liquidity. In 2020 cash resources was BDT 29,718 million contributing 8.2% of total assets which is effectively above the Cash Reserve Ratio (CRR) specified by Bangladesh Bank. IFIC's treasury management team works tirelessly to preserve adequate liquidity levels so that it can response any changes in cash flow requirements efficiently.

## Investments

IFIC's total investment reached at BDT 52,722 million which contributed 14.5% of total assets with 15.9% growth from last year. Govt. securities comprises 89.1% of total investment which posted 13.6% growth over last year. These securities are mostly used for the purpose of maintaining the Statutory Liquid Ratio (SLR) in line with Bangladesh Bank regulation. The remaining 10.9% of investment comprises investment in listed and un-listed securities and investment against overseas joint venture operation in Nepal, Oman, Pakistan.

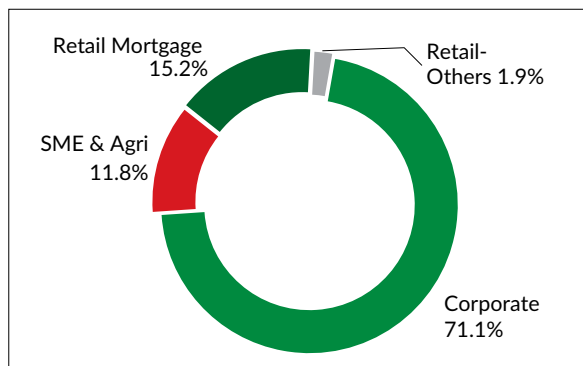
## Loans and advances

A Bank's fundamental earning assets are loans and advances which consist 71.7% of total asset of the Bank. In 2020 a growth of 14.03% has been reported in this section which pushed the total loans and advances to BDT 260,650 million from BDT 228,589 million of 2019. IFIC has a diversified portfolio comprising corporate, SME and retail. IFIC focuses on the expansion of mortgage backed small ticket home loan under retail segment since last couple of years. At the end of year 2020 the Bank recorded total home loan (Amar Bari) of BDT 39,580 million compared to BDT 32,616 million with 21.4% growth over last year.



## Sector-wise loan portfolio

Diversification is what IFIC focuses when disbursing loans which results in a unique loan portfolio reducing risk exposure. In 2020, retail finance contributed 17.1%, SME & Agri sector made 11.8% and corporate 71.1% of total loan portfolio.



## Asset Quality

A comprehensive and prudent process is adopted by the Bank from loan origination, approval, disbursement

and timely recovery, which has helped to maintain the NPL ratio at 3.97% [Y2019: 5.37%] below industry average of 7.66% of December Y2020. Precise diversification of the portfolio and avoidance of over-concentration on any single sector have also helped maintain the quality of the loan portfolio. Bank maintained well coverage against NPL portfolio and at the end of year 2020, Bank made total coverage of BDT 15,313 million against its total loan portfolio in the form of loan loss provision and interest suspense to mitigate future credit risk.

## Fixed assets

With an increase of BDT 1,111 (+17.4%) million, Fixed Asset of the Bank reached at BDT 7,495 million in the year 2020 which comprised of land, building & premises, computer & equipment, furniture and fixtures and right of use of leased assets etc. Fixed assets increased mainly for expansion of its branch/upshakha network and Right of Uses (RoU) which has arisen for adoption of IFRS 16: Leases.

## Other assets

Other assets include deferred tax asset, accrued interest receivable on investment and loans, advance payment to vendors, re-imbursable legal fees, and receivable from Bangladesh Bank for Sanchayapatra and non-banking assets. Other assets reached at BDT 12,826 million at the end of Y2020 vis-à-vis BDT 11,895 million of Y2019. Other assets of the Bank increased by BDT 930.41 million [+7.8%] in 2020 from that of 2019 mainly for increases of advances, deposits and prepayments.

## Composition of liabilities

Components of total liabilities are as follows:

### Borrowings

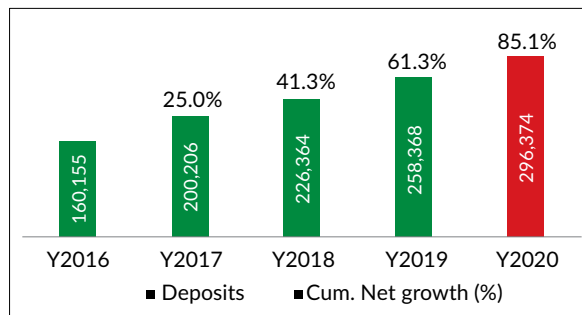
Refinancing from Bangladesh Bank represents 96.1% of total borrowings which mostly relating to EDF, stimulus packages and refinance under different scheme of SME. At the end of Y2020, borrowing of the Bank stood at BDT 13,022 million opposed to BDT 8,216 million of Y2019. The borrowings of the bank has increased by BDT 4,806 million (+58.5%) which is mainly for Refinance from Bangladesh Bank to support different business communities and industrial undertakings during the pandemic.

### Subordinated Bond

To keep pace with the growth of risk weighted assets and increased CRAR requirement under Basel III, the Bank issued 07 (seven) years Non-Convertible Coupon Bearing Subordinated Bonds amounting to BDT 3,500 million in 2016. The issued instrument is un-secured, non-convertible in nature and has been redeemed at 20.0% of its face value each year which was started from May 2019. By the end of Y2020, the total outstanding of the subordinated bond amounts was BDT 2,100 million. This subordinated bond has been rated by CRAB as AA3 (Hyb) in Long Term category with 'Stable' outlook valid up to 28 June 2021 which is judged to be of very high quality, subject to very low credit risk.

### Deposits

Despite the pandemic the Bank is maintaining its upward with sustainable deposit over the years with a growth of 14.7% in Y2020. At the end of Y2020 total deposit of the Bank stood at BDT 296,374 million opposed to BDT 258,368 million of Y2019 with net addition of BDT 38,006 million. Though the total deposit of the Bank grew by 14.7%, core deposit [net off whole sale Bank deposit] increased by 18.4% with net addition of BDT 46,106 million. On the other hand CASA deposit of the Bank continue to increase by BDT 37,500 million over prior year representing growth of 51.7%, mainly for net growth of BDT 30,902 million of IFIC flagship products IFIC Aamar Account. At the end of Y2020 balance of IFIC Aamar Account stood at BDT 63,263 million compared to BDT 32,361 million which demonstrated net growth of 95.5% over prior year.



In the Y2019 Bank launched its another product "IFIC Shohoj Account" with target market of low income group. the balance of this product stood at BDT 870 million at the end of year 2020 with the growth of 535.4% compared to the previous year. With the positive impact of IFIC Aamar Account overall CASA ratio stayed at 37% at the end of year 2020 vis-à-vis 28% of year 2019.

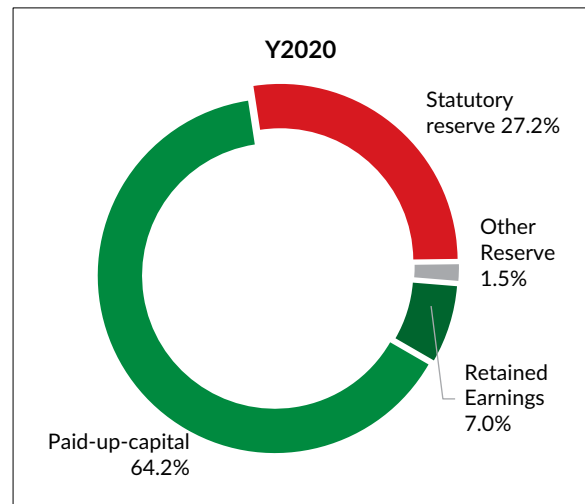
### Other liabilities

As on 31 December 2020 other liabilities stood at BDT 26,699 million representing an increase of 16.2% from BDT 22,969 million of 31 December 2019. Other liabilities comprise items such as provision for loans loss, investment, other assets, provision for taxes, interest payable, interest suspense, lease liability and accrued expenses. Provision for loan loss & interest suspense is 60.4% of total other liabilities followed by provision for corporate tax of 30.5% and remaining 9.1% represents interest payable, accrued expenses and lease liabilities. The Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank, International Accounting Standards [IAS] and International Financial Reporting Standards [IFRS], Income Tax Ordinance 1984, and internal policies of the bank. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of the past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Other liabilities of the bank increased compared to last year mainly for maintaining

'special general provision for COVID-19' of BDT 1,200 million in line with Bangladesh Bank directives, interest suspense of BDT 837.9 million and provision of corporate tax of BDT 815.7 million over prior year.

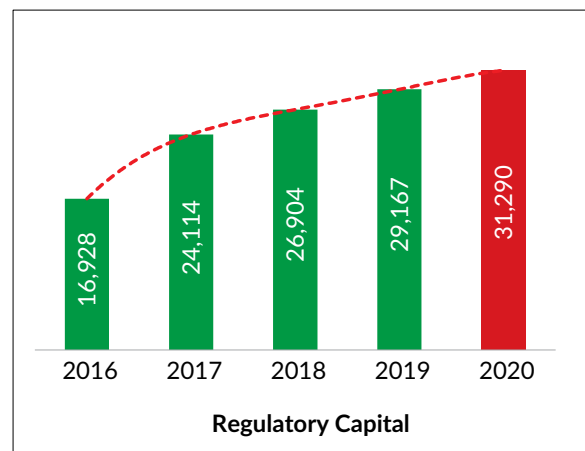
### Shareholders' equity

Bank reported shareholders' equity of BDT 25,217 million compared to BDT 24,597 million of year 2019. The shareholder's equity is composed of paid up capital, statutory reserve, general reserve and retained earnings. Bank is resuming its concentration on managing and maintaining its capital at appropriate levels to support the bank's future business strategy and meet regulatory requirements. The paid up capital increased by 10% through issuance of stock dividend for the year 2020.



### Capital adequacy under Basel-III

As per Basel III guidelines of Bangladesh Bank, the Bank follows the standardized approach for measurement of market risk and basic indicator approach for measurement of operation risk.



As part of the risk management strategy, Bank is always focused to maintain strong Capital to Risk Weighted Assets (CRAR) to ensure strong Capital base with adequate buffer to absorb any unforeseen

shocks in the future. In line with that the honourable shareholders of the Bank approved rights issue at the rate 1R:5 in its Extra Ordinary General Meeting [EGM] held on 12 November 2020 which had subsequently been rejected by Bangladesh Securities & Exchange Commission [BSEC] on the ground of non-fulfilment of underwriting commitment by the Bank as per condition of Rights Issue Rules 2006. To meet regulatory capital and strengthen the capital base, Bank has already taken initiatives to issue Non-Convertible Redeemable Subordinated Bond (Tier-II capital) to the extent of BDT 5,000 million in compliance with BASEL III requirement of Bangladesh Bank. At the end of Y2020 the Bank maintained total capital of BDT 31,290 million against the requirement of BDT 31,955 million. Capital to Risk Weighted Ratio [CRAR] stands at 12.24% against the requirement of 12.50%. Though the Bank maintained 10.0% of minimum capital, Bank able to maintain only 2.24% of Capital Conservation Buffer compared to the regulatory requirement of 2.5% mainly for credit rating of some clients had expired due to Covid-19 pandemic situation, credit rating of those clients could not be completed in due time. Bank has been pursuing the clients for credit rating as early as possible and completion of which will significantly reduce the risk weighted assets as well as improve the ratio of CCB. However, the Bank maintained surplus capital of 0.46% on a consolidation basis. At the end of year 2020, Tier-I capital and Tier-II capital ratio were 9.42% and 2.82% respectively on a standalone basis and the on a consolidated basis were 10.13% and 2.84% respectively.

## Financial Performance of the bank

### Based on separate financial statements

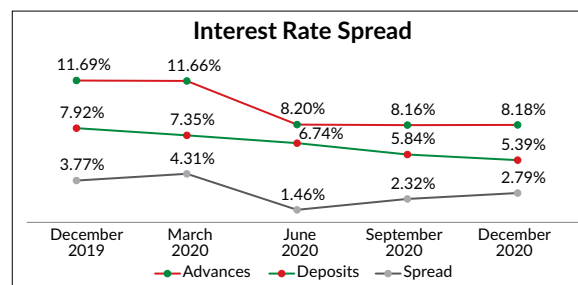
The financial performance of the bank during the year 2020 and in-depth financial analysis is given below:

Particulars	Y2020	Y2019	%
Interest income	21,159	24,426	-13.4%
Interest expense	18,295	18,028	1.5%
<b>Net interest income</b>	<b>2,864</b>	<b>6,398</b>	<b>-55.2%</b>
Investment income	3,455	2,626	31.5%
Fees & commission income	1,509	1,662	-9.2%
Other operating income	597	433	37.8%
<b>Operating revenue</b>	<b>8,425</b>	<b>11,120</b>	<b>-24.2%</b>
Operating expenses	5,523	5,999	-7.9%
<b>Profit before provision</b>	<b>2,902</b>	<b>5,120</b>	<b>-43.3%</b>
Loan loss provision	1,237	943	31.2%
<b>Profit before taxes</b>	<b>1,664</b>	<b>4,177</b>	<b>-60.2%</b>
Tax Expenses	1,102	1,734	-36.4%
<b>Profit after taxation</b>	<b>562</b>	<b>2,444</b>	<b>-77.0%</b>

### Interest Income

During the year 2020, Bank earned total interest income of BDT 21,159 million vis-à-vis BDT 24,426 million earned in Y2019. The interest income reduced by 13.4% compared to last year due to come into

effect of maximum lending cap of 9.0% w.e.f. 01 April 2020. Due to this lending cap weighted average return on lending come down to 8.18% at the end of Y2020 which was 11.66% up to Q1 Y2020 vis-à-vis 11.69% of Y2019.



### Interest Expense

During the year 2020 Bank incurred total interest expense of BDT 18,295 million compared to BDT 18,028 million of Y2019 denotes 1.5% higher mainly for increase the volume of deposit. However, weighted average cost of deposits came down to 5.39% at the end of Y2020 vis-à-vis 7.92% of year 2019.

### Net Interest Income

At the end Y2020 total NII stood at BDT 2,864 million vis-à-vis BDT 6,398 million of the Y2019 which is (-55.2%) lower than Y2019. NII dragged significantly due to sharp fall of average return on lending from Q2 whereas the cost of deposits fall gradually over the period which ultimately narrowed the interest spread. At the end of Y2020 interest spread come down to 2.79% vis-à-vis 3.77% of the Y2019.

### Investment Income

Investment income of the Bank reached at BDT 3,455 million vis-à-vis BDT 2,626 million compared to prior year. Investment income grew by 31.5% compared to last year mainly for higher amount of interest earning on Treasury bills/bond due to higher volume of holdings.

### Commission, Exchange & Brokerage Income

At the end Y2020 commission exchange brokerage income of the Bank reached at BDT 1,509 million vis-à-vis BDT 1,662 million compared to prior year representing 9.2% below over last year mainly for lower level exchange gain and commission income from trade business due to COVID 19 pandemic.

### Other Operating Income

At the end of Y2020, other operating income of the Bank reached at BDT 597 million vis-à-vis BDT 433 million of Y2019. Other operating income of the bank increased by BDT 164 million or 37.8% opposed to last year due to increase the number of accounts and volume of business.

### Operating expenses

In the year 2020 Bank incurred total operating expenses of BDT 5,522.9 million as opposed to BDT 5,999.3 million of Y2019. Operating expenses is BDT 476.35 million or 8.0% lower than the prior year due

to absence of 'charges on loan loss'. However after exclusion of charges of loan loss operating expenses of the Bank increased by BDT 282 million or 5.4% over prior year mainly for higher level of depreciation and interest expenses on lease (as applied IFRS 16), outsourced staff cost which were required to support capacity building and expansion of network at 439 across the country including 285 Uposhakhas during the year and CSR expense during the pandemic situation of the country

#### Profitability

At the end of Y2020 operating profit of the Bank stood at BDT 2,902 million opposed to BDT 5,120 million achieved in Y2019. Operating profit of the Bank decreased by 43.3% compared to prior year mainly for lower Net Interest Income (NII) as explained above.

#### Provision for loans, investments and other assets

In line with the Bangladesh Bank direction and regulations, Bank charged loan loss provision of BDT 1,237 million in Y2020 against its lending portfolio, other assets, investments and off balance sheet exposure including 1% additional general provision for Covid 19 compared to BDT 943.0 million charged in Y2019. Provision expenses of Y2020 is 31.2% higher compared to prior year mainly additional general provision for Covid 19 and lower recovery against written off.

#### Profit Before Tax (PBT)

The Bank earned PBT during the year 2020 amounting to BDT 1,664 million (-60%) vis-à-vis BDT 4,177 million of Y2019 due to sharp reduction of NII.

#### Provision for Tax

**Current Tax:** The Bank has made current tax provision in the books of accounts considering prevailing tax laws and prior years' excess/surplus provision. At the end of year 2020 total current tax expense of the Bank stood at BDT 963 million vis-à-vis BDT 1,700 million of Y2019.

**Deferred Tax:** At the end of year 2020 total deferred tax expense of the Bank stood at BDT 139 million compared to BDT 34 million of year 2019. According the IAS 12: *Income Taxes* and subsequent direction of Bangladesh Bank, IFIC recognized deferred tax assets on loan loss provision [category of doubtful and bad/loss] and timing difference of its tax assets and liabilities including newly adopted IFRS 16: *Leases*.

Total tax expense of the Bank stood at BDT 1,102 million compared to BDT 1,734 million of Y2019 which is BDT 632 million lower than prior year mainly for lower level of operating profit.

#### Profit After Tax (PAT) – Solo

At the end of Y2020 PAT of the Bank stood at BDT 562 million vis-à-vis BDT 2,443 million which is 77.0% lower than the previous year mainly due to the lower NII and higher level of general provision of Covid -19 against loan portfolio as per Bangladesh Bank direction.

#### Profitability based on consolidated financial statements

The consolidated profit after tax including the results of operations of the Bank's subsidiaries and associates reached to BDT 1,133 million in the year 2020 from BDT 2,828 million in the year 2019. In 2020 profit after tax of IFIC Securities Ltd increased to BDT 50 million from BDT 23 million of year 2019 and IFIC Money Transfer (UK) Limited earned net profit of BDT 7.0 million in the year 2020 against the profit of BDT 4.7 million earned in 2019. On the other hand share of profit of associates, Nepal Bangladesh Bank Ltd and Oman Exchange LLC under equity method of accounting stood at BDT 509 million and BDT 13 million respectively in the year 2020 from BDT 530 million and BDT 24 million respectively of year 2019.

#### EPS, NOCFPS and NAV/share

Lower NII resulted lower net profit and EPS for the year 2020. At the end of Y2020 EPS of the Bank stood at BDT 0.35 compared to BDT 1.51 of the year 2019 on standalone basis and consolidated EPS of the Bank stood at BDT 0.70 compared to BDT 1.75 of year 2019. At the same time Net Operating Cash Flow per Share of the Bank (NOCFPS) reached at BDT 5.69 from BDT 8.56 of last year on standalone basis and BDT 5.30 [Y2019: BDT 8.58] on consolidated basis. On the other hand at the end of Y2020 NAV per share of the Bank stood at BDT 15.57 [2019 BDT 15.18] on standalone basis and consolidated NAV stood at BDT 17.18 in Y2020 compare to BDT 16.39 of Y2019.

#### Effective Tax Rate Reconciliation

The effective tax rate of the Bank stood at 64.5% during the year 2020 compared to 41.5% of the year 2019 upon considering add backs of income, non-deductible expenses as per tax laws in force, adjustment of tax savings arising due to reduced tax rates on dividend and capital gains and effect of deferred tax; whereas applicable tax rate for banks is 37.5%.as per income tax ordinance 1984. The relationship between tax expense and accounting profit has been stated below:

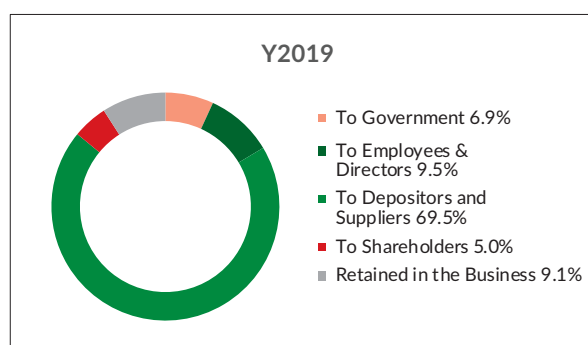
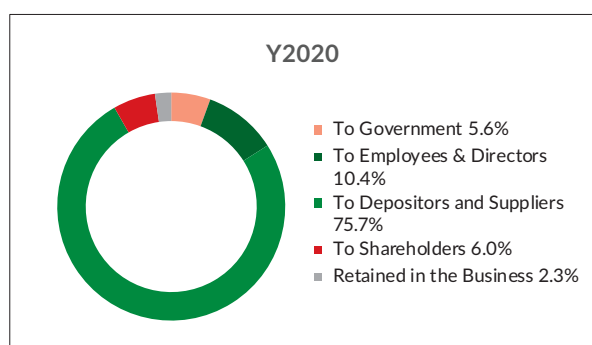
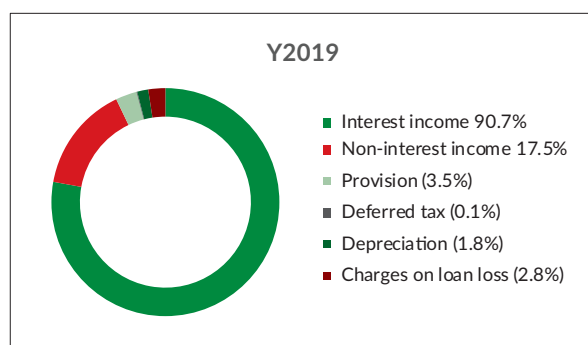
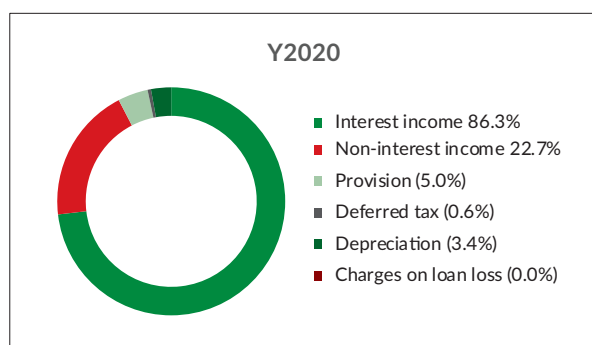
Amount in Million

Particulars	Tax Amount		Effective Tax Rate	
	2020	2019	2020	2019
<b>Profit before income tax</b>	<b>1,664</b>	<b>4,177</b>	-	-
Income Tax as per applicable tax rate	624	1,567	37.5%	37.5%
<b>Factors affecting the tax charge for current year:</b>				
Non deductible expense	561	169	34%	4%
Tax savings from reduced tax rates: Dividend/Capital Gains	(12)	(37)	-1%	-1%
Adjustment Made in Current Year	(235)	1	-14%	0%
Effect of Deferred Tax	139	34	8%	1%
<b>Total income tax expenses</b>	<b>1,077</b>	<b>1,734</b>	<b>64.5%</b>	<b>41.5%</b>

# Value Added Statement

BDT in million

Particulars	2020		2019	
	Amount	%	Amount	%
Interest income	21,159	86.3%	24,426	90.7%
Non-interest income	5,560	22.7%	4,722	17.5%
+ / (-) Provision	(1,237)	-5.0%	(943)	-3.5%
+ / (-) Def. tax income / (expense)	(139)	-0.6%	(34)	-0.1%
+ / (-) Depreciation	(825)	-3.4%	(491)	-1.8%
+ / (-) Charges on loan losses			(758)	-2.8%
<b>Total Value Added by the Bank</b>	<b>24,517</b>	<b>100.0%</b>	<b>26,922</b>	<b>100.0%</b>
<b>Distribution of value addition</b>				
<b>Government</b>	<b>1,366</b>	<b>5.6%</b>	<b>1,844.48</b>	<b>6.9%</b>
Corporate tax	1,239		1,661	
Value Added Tax (VAT) etc.	127		184	
<b>Employees &amp; Directors</b>	<b>2,559</b>	<b>10.4%</b>	<b>2,569</b>	<b>9.5%</b>
Salaries and benefits	2,557		2,568	
Director's remuneration	2		1.6	
<b>Depositors and suppliers</b>	<b>18,558</b>	<b>75.7%</b>	<b>18,726</b>	<b>69.6%</b>
Depositors as interest	18,295		18,028	
Supplier and other vendors	263		698	
<b>Providers of capital</b>	<b>1,473</b>	<b>6.0%</b>	<b>1,339</b>	<b>5.0%</b>
Dividend	1,473		1,339	
<b>Expansion and growth</b>	<b>562</b>	<b>2.3%</b>	<b>2,444</b>	<b>9.1%</b>
Statutory Reserve	333		835	
Retained earnings	229		1,608	
<b>Total distribution by the Bank</b>	<b>24,517</b>	<b>100%</b>	<b>26,922</b>	<b>100%</b>





# Human Capital

Human Resource Management concentrates on its internal sources for cashing in a competitive advantage over others. It regards people as the most important single asset of the organization. IFIC Bank always emphasizes the quantitative, calculative, and strategic aspects of managing the human resource in a systematic way, considering “human resources” as the most important factor that can add distinguishable value for survival in this competitive world. They are at the heart of our success. Therefore, the Bank gives utmost importance to recruit and retain well educated, skilled, honest, sincere, and dedicated employees who are given on-the-job training for their professional development, career progression and adequate incentives for adding value to the Bank. HRM Division takes the leadership in fostering a positive work environment that places high value on professional relationships based on fair, competitive and merit-based quality. It also ensures compliance with employment and often oversees health, safety, and security. The Bank recognizes individual contributions and does the best to turn them into resources. The employees are considered as the Bank’s living brand ambassadors.

The Bank develops diverse workforce by implementing progressive human resource management policies and strategies through organizational and employee development, compensation & benefits, HRIS and regulatory compliance.

With the rapid technological changes around the world, automation has been a crucial area of development for any organization especially service oriented firms like Banks. Accordingly, IFIC Bank HRM Division has adapted a wide ranging HR software, which operates the central storage of HR

data with a number of extensive workflows, notifications, process automation and analytical reports. It establishes a shared environment for HR specialists, managers, and employees in order to provide the effective management and compliance.

IFIC Bank continuously works on restructuring its Organogram based on volume of business, change of technology, automation of process, business complexity and functionality; and places its employees at the right place through appropriate process. Continuous learning initiatives help the Bank to overcome employee skill deficiencies. All the effort in combination ultimately assists in maximizing the outcome in the bottom line.

## Human Resource Planning

IFIC Bank believes that employees are the most valuable asset, as their professionalism and proficiency, along with their diverse backgrounds and experiences contributes significantly to its success. The Bank seeks the most competent and cultured candidates and never discriminate on the ground of their race, language, religious beliefs, gender or age. Only the relevant skills and competencies of the employees are considered to be the attributes which create sustainable values.

The primary goal of human resource management is to ensure that the right people will be in the right position at the right time by virtue of individual quality. IFIC Bank has its own job-wise Organogram along with appropriate hierarchy for all its branches and divisions at Head Office. Round the year, HRM Division circulates Internal Job Posting Circular (IJPC) open to all employees to fill up the vacant positions in the Bank which ultimately assist in talent acquisition, talent development and succession planning. Therefore, the most suitable employees are selected for the appropriate

positions of the Branches and Divisions at Head Office through a transparent and merit-based placement process.

Internal Job Posting Circular enables the Bank to create more career opportunities for the employees and enhances upward mobility in the organization. The Bank focuses to recruit dynamic potential people through multi-step merit-based recruitment and selection process so that they can be turned into good resources at the entry level. In 2020, IFIC Bank established itself as one of the largest employment generators in the financial sector, which contributed a lot to the country’s economy.

IFIC Bank always focuses to uplift its homegrown employees and does not recruit people from outside the organizations if not critically required. It gives more focus on recruiting the fresher as Management Trainees and Transaction Service Officer. In 2020, the Bank promoted a total of 273 officers to higher grades for taking higher responsibility and continuous demonstration of capability.

## Recruitment

The HR Recruitment team is strategically aligned with the business goal of the Bank. To expand our business network all over the country, the Bank has launched a recruitment drive by implementing a new framework through technology-driven interview process due to the pandemic. And in 2020, despite the pandemic, IFIC Bank was one of the major employment generating financial institutions in the country.

## Training & HR Development

IFIC Bank believes that the employees must be equipped with all necessary skills to meet the ever-changing demands of this fast-paced, competitive industry. Therefore, the Bank aims to create a culture of continuous development to enable them to

grow and succeed throughout their careers. The investment in training gives the employees a greater understanding of their responsibilities within their role and also an opportunity to expand their knowledge base. The training and development plans of IFIC are designed towards an inclusive training plan which ensures skill gap minimization and leadership development.

Besides the in-house and customized training programs,

employees of our bank are sent to the training programs arranged by BBTA, BAB Research & Training Centre, BIBM and other reputed local training institutes. Management Trainee Development Program and Induction Program for new joiners are regularly conducted. Both on the job and off the job training programs, Head Office Orientation followed by case presentations and written and practical examinations have been conducted to make the training session more effective.

We regularly arrange core banking training program on General Banking, Credit Management and Trade Operations for employees skill development.

In 2020, when the whole world becomes standstill, IFIC Bank continues to improve the training methods and modes. IFIC Bank launched its virtual training programs and consequently, transformed all its training courses from classroom sessions to virtual classrooms.



Image: Online Training via Zoom

In the first 03 months of 2020, a good number of participants (16) have attended different foreign training and conference on Leadership Development, Strategic Management, Credit, Relationship Management, Foreign Trade and HR Auditing in India, Sri Lanka, and Hong Kong.

More focus was given on the control & compliance issues

and ensured training on Money Laundering Prevention Act-2012 & Amendment Act-2015, Anti-Terrorism Act-2009 & Amendment Act-2013, Integrated Supervision System (ISS), ICT Security Awareness covering all branches, uposhakhas and Head Office.

Besides these, some general programs were also conducted on the Soft Skills Development of the

relevant desk officials of IT, HR and Finance & Accounts Division.

Emphasis was also given to the need for the negotiation skills in sales and marketing, IFIC Bank has arranged a separate training program on Sales and Negotiation for the employees involved in relationship management.

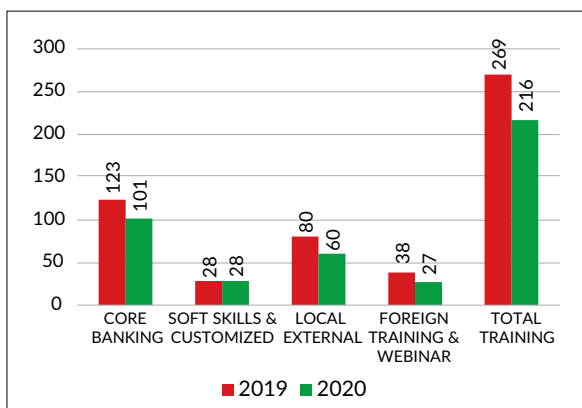


Figure 1: Training

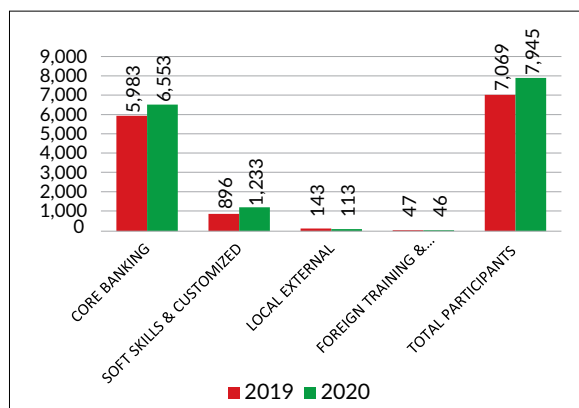


Figure 2 : Participants

Also, to enhance the Team Building & Leadership knowledge, skills & abilities necessary to become a future leader and raise competencies in managing organizational challenges, HRM Division in collaboration with reputed training institutes organized training in Team

Building & Leadership and Sales & Negotiation Excellence. And all these happened in a safe & secured environment fully complied with safety measures like social distancing, use of masks in the current context.

To acquaint the officers with the inter-dynamics of relationship

based marketing, insights on how to maximize relationship marketing opportunities and business outcomes & help them to develop their Banking Skills employees of IFIC Bank participated in webinar arranged by Malaysian Institute of Management (MIM) and Singapore Institute of Management (SIM).



Image: Sales & Negotiation Excellence



Image: Team Building & Leadership

### Employee Engagement Program And Awards

IFIC Bank focuses on engaging its employees through different events, programs, and fun activities, where all the employees participate with equal enthusiasm. IFIC acknowledges every employee as part of "IFIC Family" who are firmly bound together to grow together to achieve mutual goals. Employee engagement activities are aimed at enhancing the employee commitment and their sense of belongingness to the Bank. Every year, IFIC Bank arranges welcoming program for the newborn baby of its employees, arranges award giving ceremony for the meritorious children and celebrates Pohela Boishakh, Hemonto Sondhya and Pitha-Utshob. Other events like celebration of International Women's Day, children's art competition, participation in corporate sports events are also arranged to ensure greater levels of bonding and engagement among the employees.

Due to pandemic in 2020, IFIC Bank emphasized on avoiding any public crowd from the end of March, 2020. However, some

programs involving the employees were arranged in small scales using an online platform. To keep up the employees motivated during the crisis moment and put their morale high, Management of the Bank remained in close contact with them throughout the period, hosted a series of webinars on working practices, business & service guidelines and continued to ensure all important information being communicated.

### Employee Health And Safety

IFIC Bank considers its human resources as the most valuable asset, and to ensure the health and wellbeing of them, the Bank has equipped its Branches and Head Office with modern safety measures. It arranges annual fire drill in collaboration with Bangladesh Fire Service & Civil Defence authority. The Bank also periodically arranges wellbeing programmes for its employees with the assistance of external experts. It provides emergency tele-medicine service to the employee & family members by 24/7 basis. It also provides medical insurance facilities to the employee as well as their family members.

In 2020, when the whole world

was passing through the pandemic situation due to Covid-19, IFIC Bank gave the highest level of attention on employee health & safety issues. It took all possible health precautions for its employees to keep them safe. The Bank arranged real time PCR COVID 19 Test facility for employees & family members, provided Oxygen Cylinder in necessary cases, managed hospitalization facility when it was an emergency. All these efforts helped IFIC to keep the employees safe from major casualties. HR continuously tried to ensure that the entire employee-ecosystem has been set up in such a manner so that all employees were in good health; they are motivated, engaged and connected so the practice of Work from Home became the *new normal*.

### Fostering A Balanced Work-Life

IFIC Bank believes that a proper work-life balance is the vital component for making positive relationship between the employees and the employer. It increases Bank's productivity and reduces the number of conflicts among the co-workers and management. The Management is putting

tremendous efforts for employees to maintain work-life balance by instituting policies, procedures and actions that enable them to pursue more balanced lives. The Bank offers leave to the employee in different natures, including Annual Mandatory Leave so that they can pass quality time with their family members. The employees, especially the female employees are always encouraged to leave office on time after completing their assigned tasks. A good amount of money has been invested by the Bank for the day care center, so that the employees can feel safe and secure for their children.

### Grievance Management

To manage employee related issues, IFIC Bank has its own HR policies that are easily accessible. It has a unique policy for the Redressal of the Grievance & Resentment raised by the employee under which, employees may raise any of their issues, including harassment which creates resentment among them irrespective of male or female. IFIC Bank maintains 02 (two) dedicated HR Helpline Numbers for clarification of HR Policy, any HR related issue and/or sharing their grievance. Among the numbers, one is solely handled by a Female Employee on a full time basis due to the delicacy of the situation.

The disciplinary and grievance handling procedures provide clear instructions for dealing with difficulties which may arise as part of the working relationship, from either the employer's or employee's perspective. As part of complying with the Code of Conduct, IFIC Bank is committed to ensure equal opportunity, unbiased treatment favouring all individuals based on job related qualifications rather than any other basis or status. The Bank's policy is to provide a work environment that is free from intimidation or harassment. Such harassment by co-workers, supervisors or outsiders is strictly prohibited.

The Bank makes sure every individual is treated in the same way in similar circumstances and are dealing with all issues fairly

and reasonably. The Bank also ensures that the employees are well aware of what is expected from them in terms of standards of Code of Conduct and the likely consequences of continued failure to meet the code of conduct.

### Succession Planning

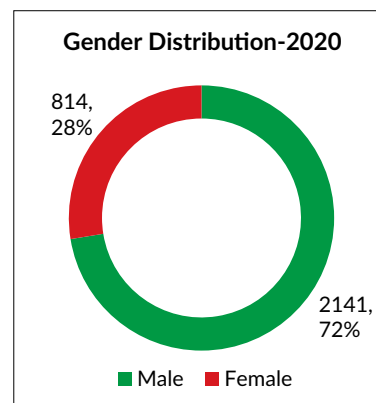
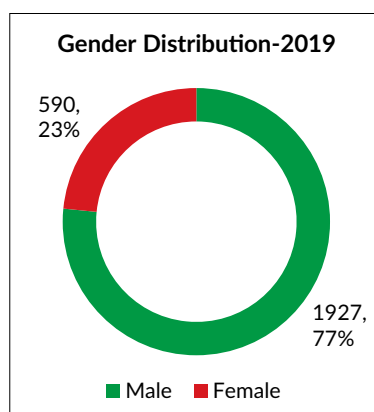
IFIC ensures that employees are recruited and developed to fill each key role within the Bank. The succession planning focuses on the identification and fostering of the talents to fill-up critical positions in the future. The succession planning is a set of resourcing and development processes that includes resourcing strategy, analysis of demand/supply of human resource, analysis of skills, the job filling process, and management development.

The Bank has a transparent selection process that gives wide range of opportunity to all the employees for unfolding their potentials. The Bank regularly arranges training for technical & management skill development so that the employees can cope up with higher responsibilities.

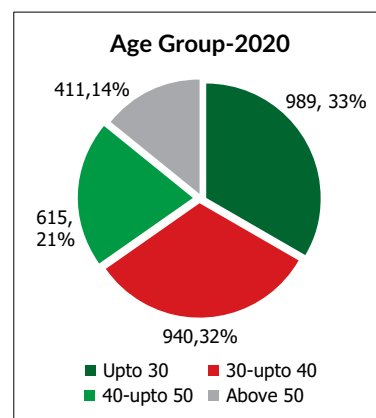
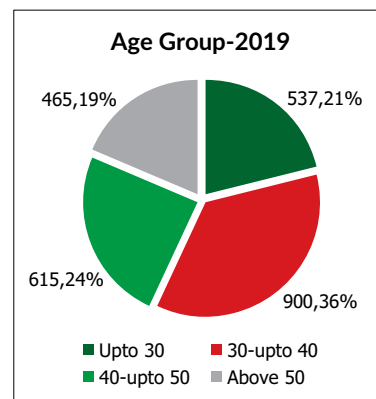
### Employment Matrix/Human Capital of IFIC (Except Contactual)

In 2020, IFIC Bank's workforce grew sharply in comparison to the previous years, aligned with our expansion plans and goals. A detailed employee matrix is presented below:

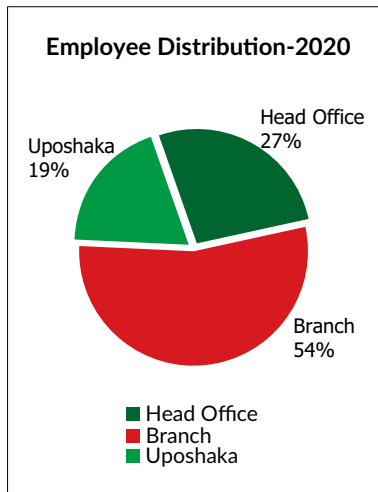
Gender Distribution	2019	2020
Male	1,927	2,141
Female	590	814



Age Distribution	2019	2020
Upto 30	537	989
30+ & upto 40	900	940
40+ & upto 50	615	615
Above 50	465	411



Employee Distribution	No. of Employee
Head Office	801
Branch	1,582
Uposhakha	572
Total:	2,955



**Employee Performance Management**

IFIC Bank has a progressive Performance Management Framework that is reviewed by the Management from time to time to improve the employee performance by setting the KPI (goal) for individual employee that are aligned to the strategic goals of the Bank. Under the process, HR is continuously working to achieve goals, review and assess progress, and develop the knowledge, skills and abilities of the employees.

In 2020, HR, as part of its Digitalization Road Map, has moved away from the traditional Annual Performance Appraisal System to e-PMS and thereby optimized the process efficiency to increase employee productivity.

**Employee Compensation & Benefits**

Employee compensation plays a key role as it is the basis of the employment relationship having critical importance to both the employees and the employer. Employees typically depend on Salary & Benefits, as it provides a large chunk of their income. For Banks, compensation decisions influence their cost of doing business and competitive position in the industry.

The current competitive conditions in the banking industry of Bangladesh have made it difficult to acquire and retain the top talents. The Salary & Benefit

strategy is an extremely important part of the overall HR Strategy to keep the company competitive and successful. Considering the strategic importance of effective pay packages, IFIC Bank keeps its package competitive and puts importance both on short term and long term benefits of its employees. The Bank's compensation and benefit strategy is designed in such a way that focuses on long term sustainability of the Bank.

The Management of IFIC Bank believes that excellent salary and benefit strategy does not just differentiate the organization in the job market, it brings the differentiation between the organizations as well as the employees and top talents feel that their success is in their pockets.

Keeping in mind of fostering a talent centric culture and reinforcing a conducive work environment, HR has introduced some progressive initiatives in its Pay Structure in the year 2020.



Initiatives Undertaken by  
IFIC Bank to Combat  
Covid-19

# Combating COVID-19 Pandemic- An Organization's Journey to be Exemplified

COVID-19, the catastrophic contagion the world could have ever experienced. In spite of magnificent advancement in all segments of human capacity, this microscopic spiked virus has traumatized the entire mankind. Inevitably the impact was manifold – Human life is at stake, decades of practicing social structure has been collapsed and the overall business ecosystem got devastated. An emerging country like Bangladesh has also encountered these consequences even in a lot worse manner. Every organization in the country trying its level best to cope with the impact and at least ensure survival.

Unlike others, IFIC Bank had taken some smart moves which have not only succeeded in combating COVID consequences, but also these actions will be followed as an SOP at organizational scale in coming days to handle such calamity.

IFIC's prime focus was ensuring the safety of its employees. If employees are safe, business will be flourished. For this, two Mottos were followed:

- A. Turn the iconic IFIC Tower into a Bio-security Zone;
- B. Control the business points (i.e. Branches and Uposhakhas) across the boundary.

The top Management was the brain of the whole plan, but mainly two units, through almost flawless harmonization, have executed the whole operations. Those are -

- (a) Human Resource Management Division for policy and guidelines;
- (b) Service & Estate Division as the executioner:
  - i) Tower Management Dept. of the Division to take care the IFIC Tower;
  - ii) Logistics Dept. of the

Division to ensure all sorts of logistical facility

- iii) Safety & Security Dept. of the Division for safety and access control as well as ensuring that the rules are properly followed in all the business points around the country as well as at IFIC Tower.

Let's explain the approaches the Service & Estate Division have covered based on those two Mottos.

## Turning IFIC Tower into a Bio-security Zone

The primary objective was to protect the iconic building from infiltration of virus and terminate any suspected infection. A holistic approach covering the following was initiated.

### Confinement of the premises

The building was literally locked down. Officers for emergency duty to run critical operations of the bank were arranged with food and lodging to stay at the Tower for around 50+ people. They were not allowed to leave the premises during the lock down unless extreme emergency. Full-fledged logistical supports covering food and lodging were arranged with all necessary facilities. On the contrary, no visitors were allowed, neither any unauthorized officials could enter the premises without prior permission. Movement from floor to floor was strictly monitored.

### Precaution to stop infection

Extensive disinfection procedures were performed as follows:

- (a) Set up hand wash basin with soap at the entrance of the building;
- (b) Set up shoe cleaning pad at the entrance of the building;
- (c) Cleaning of car tire using

disinfectant at the entrance of the parking;

- (d) Setting hand sanitization equipment at the entrance and different floor points;
- (e) Checking of temperature using thermal guns at every entry point;
- (f) Deep cleaning of the working zone and common areas (like lobby, cafeteria, toilet) with higher frequency;
- (g) Placement of sitting arrangement with required social distance;
- (h) Providing PPE for people coming into human contact frequently.

### Employee's physical safety

IFIC always believed – Employees' health-safety is the first priority. It was ensured in three ways:

- (a) Roster duty was followed to minimize turnaround of the employee's physical presence at the office;
- (b) Encouraged 'Work-from-Home' as much as possible and made arrangement for logistical support like providing laptops to the executives.
- (c) Mandatory social distancing and made arrangement for virtual meetings by strictly prohibiting in-presence meetings.

### Imposing Dos and Don'ts Strictly

Unless the habitual behavioral change occurs within the people, the effectiveness of any new process will be minimized. For this, the bank imposed the following rules for the employees:

- (a) Musk use made Mandatory. Social Distancing to be strictly followed;
- (b) STOP tearoom. No food at any floor;
- (c) No external food. Not going

outside for lunch. Bring your own lunch-box;

- (d) Division-wise scheduled entry to the central cafeteria for lunch.

#### **Emergency Medical Support**

A permanent medical officer has been deployed at IFIC Tower. Also, a panel of doctors were appointed who can be reached anytime over the phone for any medical need. The DMFR Modular Lab was contracted for collection and testing of samples for any employee who is being suspected for COVID.

A good number of oxygen cylinders were kept standby to meet any emergency need. The Rapid-Response-Team was always on the toe to support the employees. The testing cost was also borne by the bank. Above all, the HRD took all-out effort to get the critically ill officers admitted into hospitals.

**High Employee Motivation:** Keeping the employee's motivation high and intact was most challenging. No plan can be fully effective unless 'people's

engagement' is ensured. The bank has set up a real example by taking the following steps:

- (a) Brave-Heart Honorarium for the out-sourced officers;
- (b) No down-sizing of the jobs;
- (c) Frequent motivational message from the CEO and the top Management;
- (d) Arrangement of Police help for the safety of lady officers by approaching to the IG of Police.

#### **Control all the Business Points across the Boundary**

Like the head office, it is always next to impossible to arrange the same level of bio-safety for around 500+ business points (branches & Uposhakhas). Still maximum possible measures were implemented which can be summarized as follows:

- (a) Issuance special COVID management guideline;
- (b) Daily reporting of the officials by the branch managers to

the head office which was further updated to the top management. In case of non-reporting, proactive approach to the respective Manager for reporting.

Excepting the IFIC Tower that was restricted to perform specific activities, all other measures were equally applicable for all the business points and have been meticulously monitored by the safety and security department through the centralized security surveillance system.

In a nutshell, the holistic approach taken by IFIC during the very unusual COVID pandemic period and nationwide lockdown are undoubtedly the best probable approach a corporate body in Bangladesh could undertake. Therefore, the consequences were very similar one that is expected - minimum affect without hampering usual business growth, and that is the exemplary 'Success Story' of IFIC to combat COVID-19 pandemic from an organizational perspective.

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### **Initiatives adopted by Alternative Delivery Services**

COVID-19 pandemic was a sudden attack to the entire mankind and world economy. The movement was completely barred and the entire socio-economic activities got stuck. People were locked in home and struggled to survive. During this very tough time, IFIC was always with the customers and tried to provide the best services. Below are the few of the initiatives that were undertaken by the Bank to assist people and make them safe in this period.

#### **Free ATM Transactions**

IFIC was the first bank in Bangladesh market, who offered charge free cash withdrawal facilities from all the ATMs across the country for all the cardholders. This will allow customers to meet their financial need from the nearest ATM booth, with minimal movement.

#### **Reach the Customers over Phone**

During the pandemic period IFIC Bank employees reached out to each and every customer of the Bank. The key messages include that IFIC has been always with the customers even in such critical and difficult situation. Also, employees offered different remote services initiated by the Bank during the pandemic period. With this initiative, IFIC was able to represent itself to the customers more than a bank.

#### **Assist Customer through Central Business Support Team**

Customers had to face different types of issues during this hard time, especially on services offered and the branch timing. To support the customer base, IFIC formed a Central Business Support Team. The team used to receive feedbacks from the customers

logged into customer care and then took it up with the respective customer, concerned branch and Uposhakha to meet the customer needs.

#### **Onboarding to IFIC Amar Bank**

In order to limit the movement of the customers, IFIC extended its service by onboarding customers in IFIC's digital platform IFIC Amar Bank. Earlier the Customers were required to visit to branch for placing a request to onboard with Digital Channel. However, during the pandemic period, IFIC has extended multiple channels, where customer can onboard to digital channel dialing at the Contact Center as well as sending SMS to 26969. During this period around 15K customers were onboarded to the IFIC Amar Bank.

Offered Debit Card to Customers



During the pandemic, IFIC was one of the few banks that continued to provide new cards to the customers. IFIC expanded the options of the card requisition for the customers, where they can obtain the cards by simply sending an SMS or dialing to the customer care to place the requirement. More than 10K debit cards were

given to the customers during the pandemic period.

#### **Disbursement of Salary of RMG Employees**

The Government of Bangladesh declared a stimulus fund of 50,000 million Taka for the RMG sector to pay off the salaries of the employees. Based on the Circular

issued by Bangladesh Bank, all the banks to onboard different RMGs and arrange to pay their salaries. IFIC made arrangements with different MFS companies and managed to pay salaries of 62 RMGs and around 92K employees through different MFS companies and IFIC Accounts.

### **HR Initiatives**

HR deals with people and is always committed to ensure a healthy working environment for them. When Bangladesh announced the first confirmed corona virus case in March 2020, our first concern was how to keep the employee safe, and we gave the highest level of attention on employee health & safety issues. For smooth functioning during the pandemic, the Management immediately formed a Central Quick Response Team with the senior members to take the right decision at that crucial time. In line with the government instructions, HR issued health guidelines for the employees, including the dos and don'ts from time to time and closely monitored the issue to ensure that the instructions are meticulously followed.

Banking is a key service sector and its continuity in the development of the economy

is also the key priority. For employees who have been working during the pandemic, the Bank ensured all logistical supports for them and introduced Brave Heart Honorarium to keep the employee morale high. It introduced 24/7 medical consultation facility for its employees, along with their family members and as per record, employees availed the facility for 519 times during 2020. One paramedical officer was also made available full time basis to provide medical advice over the cell phone. IFIC Bank arranged in house diagnosis facility for employees and their family members having Corona symptoms too. A total of 137 members availed the facility up to December 2020. Besides, the Bank arranged diagnosis facility with some renowned medical facility providers. The Bank made an Oxygen Bank for its employees and arranged hospitalization facility in some emergency cases.

HR organized frequent webinars for all the employees to have interactive sessions with the CEO to keep them updated and create bonding among themselves during the pandemic situation. All those initiatives were taken to keep the employee well.

At the same time, to run the HR functions smoothly, we transformed our activities tech-savvy with the help of digital platforms. We continued the employee learning process using the digital platform and started the recruitment process through online interview and by taking examinations through different centers all over the country, so that the candidates can easily attend the exam as per their suitability. The HRM also arranged few employee engagement programs like celebration of the International Women's Day as well as award giving ceremony for the IFIC literacy award winners through digital platform this year.



Branding and  
Promotional Activities

## Branding and Promotional Activities

IFIC Bank has carried out sustained promotional activities to create awareness about the brand and its products & services in the year 2020. IFIC celebrated its 44<sup>th</sup> anniversary in 2020 by undertaking a series of activities engaging its customers, patrons, stakeholders and employees. An advertisement on the anniversary day was published in national dailies, nationwide branches and upshakhas were decorated with promotional materials like danglers and banners. To promote the signature products IFIC Aamar Account, IFIC Aamar Bari (home loan product) and IFIC Shohoj Rin campaigns were launched across all different mainstream media (TVC and RDC airing in different

channels, series of Newspaper advertisements in national and local dailies, digital media advertisement etc.).

Promotional activities for IFIC Shohoj Rin and IFIC Aamar Account across the media were very successful in 2020. The Bank received positive response from customers as a result of those activities. The bank has also promoted its **Digital Banking Channel- IFIC Aamar Bank** among its customers.

ATN News Scroll and a socio-cultural entertainment program “Ei-Banglay” in ATN News were also sponsored to increase the Bank’s brand visibility.

The Bank also sponsored a good number of events including Dhaka University Sociology Alumni organized Praner Mela, Solo photo exhibition of Chanchal Mahmud, 45<sup>th</sup> Anniversary of Dhaka Metropolitan Police, Title sponsorship of New York Bangla Boi Mela 2020 by Muktaadhara Foundation Inc., Sponsoring the Research book named “Manobik Policer Proticchobi” by Bangladesh Police and various other events. As well as the Bank has also published its benchmark product ‘IFIC Aamar Account’, ‘IFIC Aamar Bari’, ‘IFIC Aamar Bank’, ‘IFIC Shohoj Rin’ in the form of souvenir and magazine advertisement in different publications throughout the year.





**IFIC**



### এলো একাউন্ট খোলার দারুণ মুহূর্ত ঝটপট ঝামেলাহীন

যদি নগ্ন বা ব্যাঙ্কে এসে ডিজিটাল পদ্ধতিতে  
আমার একাউন্ট ও সমস্ত একাউন্ট-সহ  
যেহেতবে একফিট মূল্যে

সহস্রাব্দী উন্নয়নের সন্ধ্যায় একাউন্ট খুলতে সময় নেই। একাউন্ট আনলকিংয়ে সহজে ও সুদূর আওতায় সেতবেশে পান্ডাউনসমূহ।  
➤ আবেদন জমা দেওয়ার পর ৩ দিনের মধ্যেই ১ ঘণ্টার মধ্যেই খুলে দেওয়া হবে।

**বঙ্গবন্ধুর তরুণশতাব্দিকীর প্রত্যাঙ্গুপি**  
**বিশ্বের প্রথম আর্টসিয়াল**  
**বাল্যের বইমেলা**



১৩ ডিসেম্বর শনি দিনে সকাল ১০টায়  
**৯৮ থেকে ২৭ সেপ্টেম্বর**  
**উদ্বোধনঃ ১১টা থেকে ১২টা পর্যন্ত**

১০ টি উক্ত বইয়ের ১ কয়েকটি প্রতীকী  
প্রদর্শনমূলক সনদে ১ পরিচয় সনদে ১টি  
কল্পনা সনদে

সিআইপিএন আয়োজিত, আয়োজক: বিএনপি বঙ্গবন্ধু স্টেশন  
৯০/৯১ - ৯০/৯২ | উদ্ভোধন করবেন: জাতীয় সংসদসভার অধিবেশন উপস্থাপন  
উদ্ভোধনী সঙ্গীত ও পূজা, জাতীয় প্রত্যাঙ্গুপি, সনদে  
১১টা থেকে - ১০টা পর্যন্ত | **আমার বইমূল্য**  
পঞ্চম থেকে, ডিজিটাল বইটি বা বঙ্গবন্ধুর জীবনী বিক্রয়  
কল্পনা সনদে ১টি কল্পনা সনদে ১ কল্পনা সনদে  
সিআইপিএন বই, স্মৃতিসংকলন ও স্মৃতির সনদে  
১১টা থেকে - ১১টা পর্যন্ত | **স্মৃতির সনদ**  
জাতীয় সংসদসভার জীবনী সিআইপিএন বই  
পরিচয়সনদে: কল্পনা সিআইপিএন ১১ টির মূল্যে ১০০০টি  
১১টা থেকে - ১১টা পর্যন্ত | **স্মৃতি ও কল্পনা**  
আয়োজক: আনন্দবাবু স্মৃতিসংকলন, বঙ্গবন্ধু স্মৃতিসংকলন (সিআইপিএন), সেতবেশে বঙ্গবন্ধু  
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# বজুবনু

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IFIC



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**স্মৃতি ঋণ**  
দিন বদলের  
সাথী





Media Highlights

# আমাদের সমগ্র



আইএফআইসি ব্যাংক লিমিটেডের বিশেষ সাধারণ সভা অনুষ্ঠিত হয়েছে। গতকাল ডিজিটাল প্রাটফর্মে ব্যাংকের চেয়ারম্যান সালামান ফজলুর রহমানের সভাপতিত্বে এ সভা অনুষ্ঠিত হয়। এতে আরও উপস্থিত ছিলেন ব্যাংকের ভাইস চেয়ারম্যান আহমেদ ফজলুর রহমান এবং পরিচালনা পর্ষদের সদস্য রাবেয়া জামালী, এআরএম নাজমুস সাকিব, আনোয়ারুজ্জামান চৌধুরী, কামরুন্নাহার আহমেদ, মো. জাফর ইকবাল, সিইও শাহ এ সারওয়ার এবং কোম্পানী সচিব মোকাম্মেল হক প্রমুখ।

# আমাদের সমগ্র

## জেপি মরগ্যান চেজের স্বীকৃতি পেল আইএফআইসি ব্যাংক

দুর্ভাগ্যের নিউইয়র্কভিত্তিক আন্তর্জাতিক বণিক ব্যাংক জেপি মরগ্যান চেজের প্রধানমন্ত্রক '২০২০ মার্কিন ডলার ট্রান্সি: এলটি এমটি ১০০' উৎকর্ষ পেয়ে আইএফআইসি ব্যাংক। ঊন্থ তৃতীয়বার এ কৃতিত্ব অর্জন করল ব্যাংকটি। অটোমোটর ট্রেইট্রু গ্রুপসেস (এসটিপি) বা গ্রাহকদের অর্জিত ফলস্বরূপ পরিচালনা ব্যাংক ২২.৫৬ শতাংশ স্বত্বাধিকারকে সম্পূর্ণ করায় আইএফআইসি ব্যাংককে এ পুরস্কার দেওয়া হয়।

করোনা পরিস্থিতির কথা বিবেচনা করে জেপি মরগ্যান চেজ একটি অগ্রগতি পুরস্কার বিতরণী অনুষ্ঠানে আয়োজন করে। অনুষ্ঠানে আইএফআইসি ব্যাংকের সিইও শাহ এ সারওয়ারের কাছে অটোমোটর এ মার্কেট প্রসংসর্পের এবং সনস্পর্ক তুলে ধরে জেপি মরগ্যান চেজের এশিয়া প্যাসিফিক-সিয়ারিটলে ইনভেস্টিংসনস গ্রুপের গ্রন্থক ত্রিভিন ট্রান্স। বিবিসি।

# অগ্রন্যক্তি

## আইএফআইসি ব্যাংকের পরিচালক হলেন জাফর ইকবাল

বিভিন্ন স্তরে (২) অর্থ মন্ত্রণালয়ের আর্থিক প্রতিষ্ঠান বিভাগের অতিরিক্ত সচিব মো. জাফর ইকবালকে আইএফআইসি ব্যাংকের পরিচালক পদে নিয়োগ করা হয়েছে। ১৫ মার্চ তারিখে নিয়োগ বিজ্ঞপ্তি প্রকাশিত করা হয়েছিল। (২) অর্থ মন্ত্রণালয়ের অর্থ বিভাগের অতিরিক্ত সচিব মো. জাফর ইকবালকে আইএফআইসি ব্যাংকের পরিচালক পদে নিয়োগ করা হয়েছে। ১৫ মার্চ তারিখে নিয়োগ বিজ্ঞপ্তি প্রকাশিত করা হয়েছিল। (৩) জাফর ইকবালকে আইএফআইসি ব্যাংকের পরিচালক পদে নিয়োগ করা হয়েছে। ১৫ মার্চ তারিখে নিয়োগ বিজ্ঞপ্তি প্রকাশিত করা হয়েছিল। (৪) জাফর ইকবালকে আইএফআইসি ব্যাংকের পরিচালক পদে নিয়োগ করা হয়েছে। ১৫ মার্চ তারিখে নিয়োগ বিজ্ঞপ্তি প্রকাশিত করা হয়েছিল।



# আমাদের সমগ্র

আইএফআইসি সাহিত্য পুরস্কার প্যাঙ্কেন গোলাম মুরশিদ ও মিলন

সংগঠিত সংগঠন প্যাঙ্কেন গোলাম মুরশিদ ও মিলন

আইএফআইসি ব্যাংক সাহিত্য পুরস্কার প্যাঙ্কেন গোলাম মুরশিদ ও মিলন

# বণিবর্ষা



আইএফআইসি ব্যাংক মুক্তি বর্ষার উদযাপন

জাতির শিরা বঙ্গবন্ধু শেখ মুজিবুর রহমানের জন্মবার্ষিকী উপলক্ষে আইএফআইসি ব্যাংককে প্রধান কার্যালয়ে মুক্তি বর্ষার উদযাপন করা হয়েছে। প্রধান ব্যাংকের চেয়ারম্যান ও প্রধান উদ্বোধনী বক্তব্য রাখেন সিইও শাহ এ সারওয়ার। এ সময় বিভিন্ন বণিবর্ষার প্রদর্শনী, ব্যাংকের পরিচালক পর্ষদের সভাপতির সভাপতিত্বে প্রধান কার্যালয়ে প্রধান কার্যালয়ে, কার্যালয়ে অনুষ্ঠিত হয়।

# বণিবর্ষা

## আইএফআইসি ব্যাংকের ইংরেজি নববর্ষ উদযাপন

আইএফআইসি ব্যাংক ইংরেজি নববর্ষ ২০২০ উদযাপন করেছে। রাজধানীর পুরান পটিসে অনুষ্ঠিত আইএফআইসি টাওয়ারে ১ জানুয়ারি কেক কেটে নতুন বছরের শুভ সূচনা করেন ব্যাংকের ব্যবস্থাপনা পরিচালক ও প্রধান নির্বাহী শাহ এ সারওয়ার। এ সময় ব্যাংকের উপব্যবস্থাপনা পরিচালকসহ অন্য উর্ধ্বতন কর্মকর্তারা উপস্থিত ছিলেন। ব্যাংকের ১৪৮টি শাখা ও ৩৪টি উপশাখায় একই দিনে শাখা ব্যবস্থাপকদের নেতৃত্বে কেক কেটে নতুন বছরের সূচনা উদযাপন করা হয়।



# IFIC Bank EGM held

Business Desk

An Extra-Ordinary General Meeting (EGM) of IFIC Bank Limited was held on Thursday through digital platform with IFIC Bank Chairman Salman Faruk

Islah, Managing Director and CEO of the Bank M Shah Alam Sarwar and Company Secretary Md. Mokammel Hoque were present this virtual session.

A good number of shareholders attended the meeting both virtually and



Rahman MP in chair, says a press release.

Vice Chairman Ahmed Shayan Faruk Rahman, Directors of the Bank Ms. Rabeya Jamil, A.R.M. Nazmus Sakib, Amroozuzaman Chowdhury, Ms. Quamran Naher Ahmed, Md. Zafar

physically approved the proposal of revised Rights Share issue of the Bank @ 18.5 Lc, one Rights Share for five existing Shares.

Finally, the Chairman of the Bank Salman Faruk Rahman concluded the meeting by giving thanks to all.

# IFIC Bank starts giving loans to virus-hit CMSMEs

Business Desk

IFIC Bank Ltd has started distribution of sanctioned amount of loans to small traders under the Cottage, Micro, Small and Medium Enterprise (CMSME) bailout package announced by the government.

COVID-19 pandemic, says a press release.

Salman F Rahman MP, Chairman of IFIC Bank and Private Sector Industry and Investment Advisor to Prime Minister Sheikh Hasina inaugurated the event digitally.

The programme was also attended,



Bank started providing loan assistance namely "Shobay Iti" as per Bangladesh Bank's special interest scheme to registered small business owners of Bangladesh Small Business Association who are affected by the

among others, Md. Hedi Uddin, President of Bangladesh Small Business Association, Shah A Sarwar, Managing Director and CEO, IFIC Bank Limited and other senior management officials from the bank.



## IFIC Bank celebrates Int'l Women's Day

Business Desk

IFIC Bank Limited celebrated the International Women's Day on Thursday through various activities.

Managing Director and CEO of the bank Shah A Sarwar attended the programme in the digital arena, and other officers. Officers of the Bank along with colleagues were also present at the programme at IFIC House at Sector 7, Purbasaha, Dhaka.

প্রধানমন্ত্রী শেখ হাসিনা ঘোষিত করেনে আন্তর্জাতিক স্তরের ব্যবসায়ীদের মঙ্গল সপ্তাহে পাতকের আওতাধীন ছুটি ব্যবসায়ীদের সম্প্রদায়ের মধ্যে আন্তর্জাতিক মহিলা দিবসের ১০০তম বার্ষিকীতে ৩ বাংলাদেশ থেকেই বিভিন্ন পরিচিতির মধ্যে সংগঠিত একটি সাক্ষর অনুষ্ঠিত হয়েছে। উপস্থিতির প্রোগ্রামের পুরনো পটভূমি সুরমা টাওয়ারে এই সূচি সাক্ষর অনুষ্ঠিত হয়। আন্তর্জাতিক মহিলা দিবসের উপলক্ষে পাতকের বিভিন্ন সেক্টরে ৩০, ৩০ জন কর্মচারী ৩ বাংলাদেশ থেকেই বিভিন্ন পরিচিতির সাক্ষরিত হলে, মেসার্স উদ্দিন মিল মিল স্ট্রিকটের মাধ্যমে সূচিতে সাক্ষর করেন।



IFIC Bank Managing Director and CEO Shah A Sarwar cuts a cake to celebrate the International Women's Day at IFIC House at Purbasaha in the capital on Sunday.



**আন্তর্জাতিক মহিলা দিবস** : প্রোগ্রামের সিকুয়েন্স-২-এর ডিএমই উপায়ের আন্তর্জাতিক মহিলা দিবসের ১০০তম শাখা চালু করা হয়েছে। ঢাকা ইক-এক্সপ্লোরের এমডি কাজী সানাউল হক প্রধান অতিথি হিসেবে শাখার উদ্বোধন করেন। ৫ সদস্য ঢাকা ইক-এক্সপ্লোরের সিকও মো. সাইফুর রহমান মনুখমার, আন্তর্জাতিক মহিলা দিবসের ডিএমই শাহ মো. মঈনউদ্দিনসহ ব্যাংকের কর্মকর্তারা উপস্থিত ছিলেন। সংবাদ বিজ্ঞপ্তি।

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Salman F Rahman, MP, chairman of IFIC Bank and Private Sector Industry and Investment Advisor to the Prime Minister, speaking through a video conference at an inaugural function of IFIC Bank's loan assistance programme on "Shobay Iti" as per Bangladesh Bank's special interest scheme to registered small business owners of Bangladesh Small Business Association who are affected by the Covid-19 pandemic.

## IFIC Bank distributes loans among Covid-hit micro entrepreneurs

IFIC Bank Limited has started the distribution of sanctioned amount of loans to small traders under the Cottage, Micro, Small and Medium

Enterprise (CMSME) bailout package announced by the government, and a press release.

The Bank started providing loan assistance namely "Shobay Iti" as per Bangladesh Bank's special interest scheme among registered small business owners of Bangladesh Small Business Association who are affected by the Covid-19 pandemic.

Salman F Rahman, MP, Chairman of IFIC Bank and Private Sector Industry and Investment Advisor to the Prime Minister, inaugurated the event through digital platform.

The programme was also attended, among others, Md. Hedi Uddin, President of Bangladesh Small Business Association, Shah A Sarwar, Managing Director and CEO, IFIC Bank Limited,





### আইএফআইসি ব্যাংকের ৪৩তম বার্ষিক সাধারণ সভা অনুষ্ঠিত

আইএফআইসি ব্যাংক লিমিটেডের ৪৩তম বার্ষিক সাধারণ সভা গতকাল বুধবারের ভূটানে প্রাইমবোর্ডের মাঠে অনুষ্ঠিত হয়েছে। সভাপতি শহীদ মোহাম্মদ হোসেনের সভাপতিত্বে সভা শুরু শেষ ও বিভিন্ন কার্যক্রম সমাপ্ত করা হয়।

### আইএফআইসি ব্যাংকের ৪৩তম

বার্ষিক সাধারণ সভার আয়োজনে, এক প্রকারে দেশটির পুরনো স্মারকগুলি সংগ্রহ করে একটি প্রদর্শনীতে সাজিয়ে রাখা হয়েছে। এই প্রদর্শনীতে আইএফআইসি ব্যাংকের ইতিহাস, বর্তমান অবস্থা এবং ভবিষ্যৎ পরিকল্পনা প্রদর্শন করা হয়েছে।

### কালের কণ্ঠ



আইএফআইসি ব্যাংক : আইএফআইসি ব্যাংক ও বাংলাদেশ নোকাল মাসিক সমিতির মধ্যে সমঝোতা চুক্তি হয়েছে। গতকাল রাজধানীর পুরানা পল্টনের সুরমা টাওয়ারে আনুষ্ঠানিকভাবে আইএফআইসি ব্যাংকের ডিএমডি মো. নূরুল হাসিনাত ও বাংলাদেশ নোকাল মাসিক সমিতির সভাপতি মো. মেগাল উদ্দিন চুক্তিতে স্বাক্ষর করেন।

### কালের কণ্ঠ



আইএফআইসি : প্রধানমন্ত্রীর গ্রামে ত্রয়িবে এক লাখ কখন দিয়েছে আইএফআইসি ব্যাংক। প্রধানমন্ত্রীর কার্যালয়ে তাঁর মুখ্য সচিব ড. আহমদ কব্জাকিসের হাতে নতুন কখন তুলে দেন ব্যাংকের উপব্যবস্থাপনা পরিচালক মো. হোসেন মনিরুজ্জামান।

### কালের কণ্ঠ



### গুরুত্বপূর্ণ আমরাই প্রধান হুমিকা পালন করছি

গুরুত্বপূর্ণ আমরাই প্রধান হুমিকা পালন করছি। আমরা আমাদের কর্মসূচি পরিচালনা করে যাচ্ছি।

### অনিবারণ



অনিবারণ আইএফআইসি ব্যাংক।

### NEW AICB Shooting Federation receives Tk 1 crore

English Shooting Sports Federation on Tuesday received Tk one crore from its sponsor IFC Bank Limited for the development of the game. IFC Bank managing director and CEO Sheh A. Saeed handed over the cheque to BSSF secretary general Imrul Hossain during a ceremony at the IFC tower in the city. Hossain informed the media that the money will help the federation mainly to purchase arms and ammunition for the shooters. Commonwealth Games 2018 silver medal winner Abd-Isah Hossain and 2016 South Asian Games gold medalist Shahid Ahmed and some other national shooters were also present with officers on the occasion. IFC contributed the amount as part of its corporate social responsibility. — News Age

### আমাদের সমস্যা

### আইএফআইসি ব্যাংক 'বইমেলা সরাসরি' চরমপন্থে আঁইতে

আইএফআইসি ব্যাংক 'বইমেলা সরাসরি' চরমপন্থে আঁইতে।

### Financial Express



### IFC Bank and Nepal ID Bank donate Bangladesh for Nepal

IFC Bank and Nepal ID Bank donate Bangladesh for Nepal.



Shareholders' Information

## Directors' Shareholding Status

Shareholding of Directors as at 31 December 2020

Sl.	Name of the Directors	Status	Holding in %	2020	2019
1	Mr. Salman F Rahman MP	Chairman	2.00	32,406,599	29,460,545
2	Mr. Ahmed Shayan Fazlur Rahman*	Vice Chairman	2.11	34,196,512	35,482,892
3	Mr. Anwaruzzaman Chowdhury	Independent Director	Nil	Nil	Nil
4	Ms. Rabeya Jamali	Independent Director	Nil	Nil	Nil
5	Mr. A. R. M. Nazmus Sakib**	Govt. nominated Director	32.75	530,485,326	482,259,388
6	Ms. Quamrun Naher Ahmed**	Govt. nominated Director			
7	Mr. Md. Zafar Iqbal, ndc**	Govt. nominated Director			
8	Mr. Mohammad Shah Alam Sarwar	Managing Director & CEO	Nil	Nil	Nil

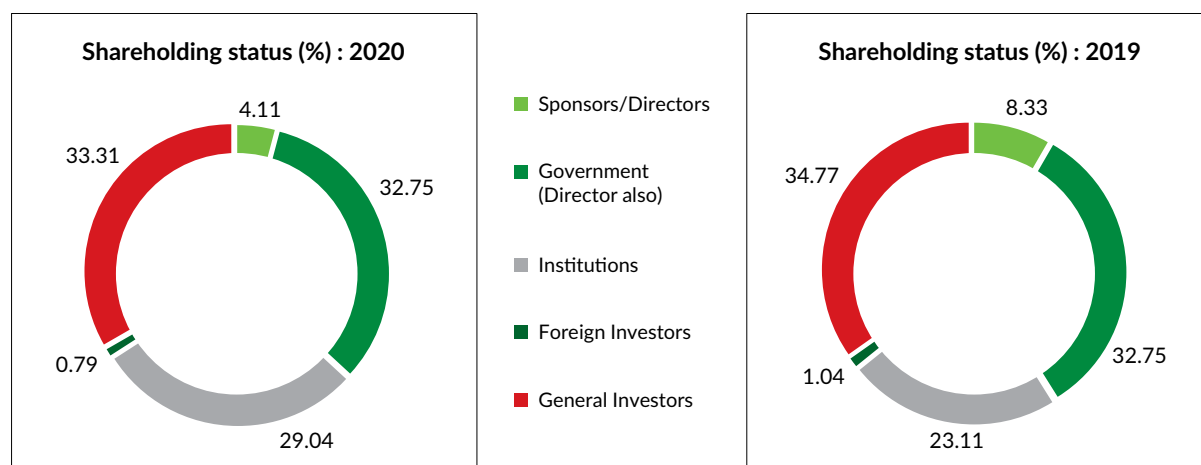
\* Represents M/s. New Dacca Industries Limited against its holding of 2.11% shares in the Bank.

\*\* Directors nominated by the Ministry of Finance, Govt. of the People's Republic of Bangladesh against its holding of 32.75% shares in the Bank.

## Distribution of Shareholding

Category	31 December 2020			31 December 2019		
	No. of Share	%	Amount in Taka	No. of Share	%	Amount in Taka
Sponsors/Directors	66,603,111	4.11	666,031,110	122,738,541	8.33	1,227,385,410
Government (Director also)	530,485,326	32.75	5,304,853,260	482,259,388	32.75	4,822,593,880
<b>Sponsors &amp; Directors</b>	<b>597,088,437</b>	<b>36.86</b>	<b>5,970,884,370</b>	<b>604,997,929</b>	<b>41.08</b>	<b>6,049,979,290</b>
Institutions	470,454,459	29.04	4,704,544,590	340,317,105	23.11	3,403,171,050
Foreign Investors	12,717,884	0.79	127,178,840	15,276,079	1.04	152,760,790
General Investors	539,613,088	33.31	5,396,130,880	512,021,495	34.77	5,120,214,950
<b>Total</b>	<b>1,619,873,868</b>	<b>100</b>	<b>16,198,738,680</b>	<b>1,472,612,608</b>	<b>100</b>	<b>14,726,126,080</b>

\* The Government is representing in the Board of the Bank by nominating 03 (Three) Directors and as such, Sponsors & Directors are at present holding 36.86% shares of the Bank.



# Five Years Performance of the Bank

## Key Financial Data and Indicators

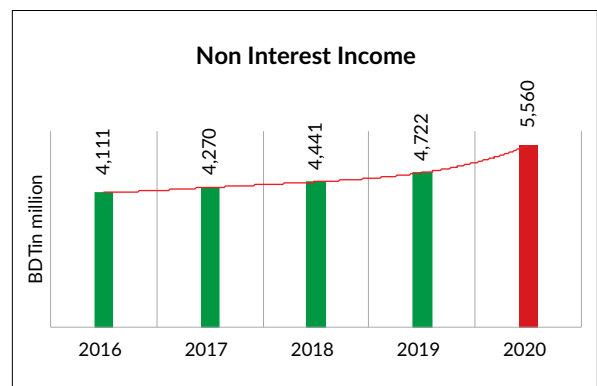
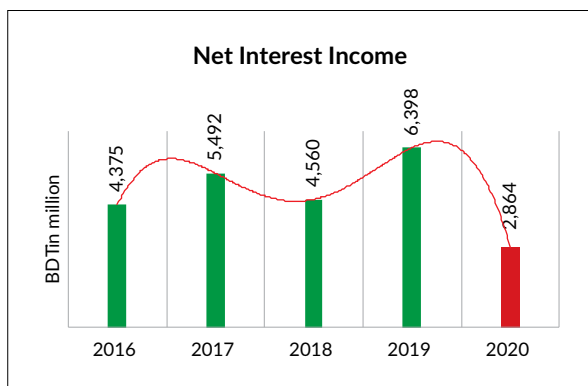
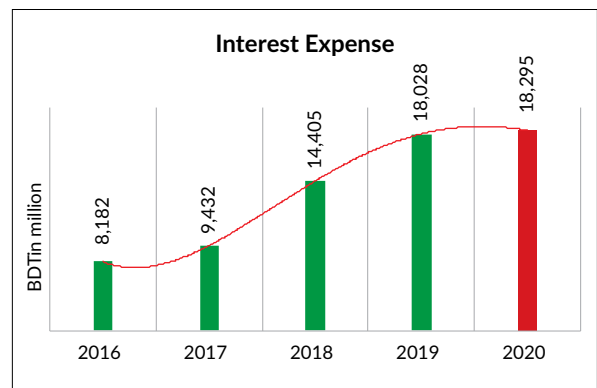
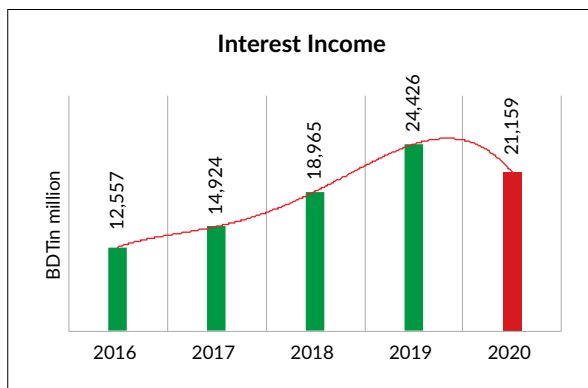
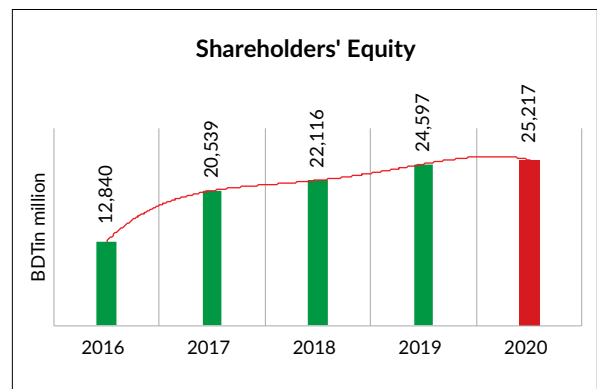
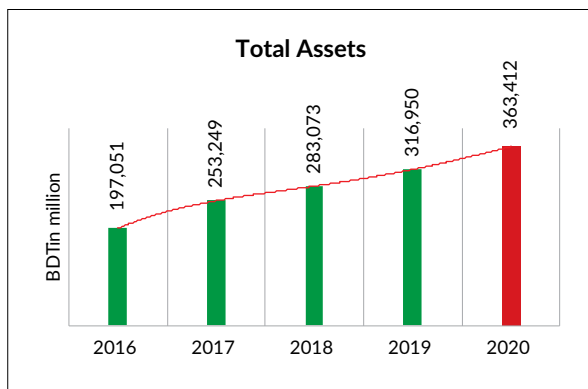
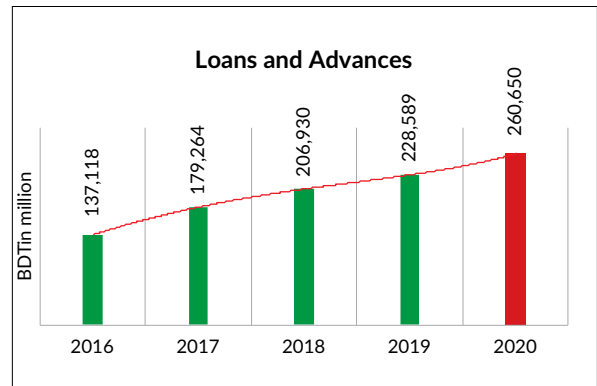
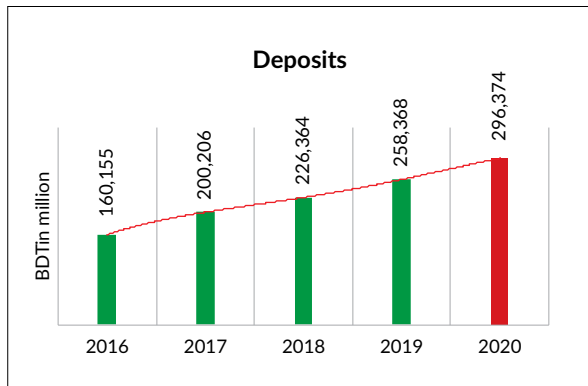
BDT in million

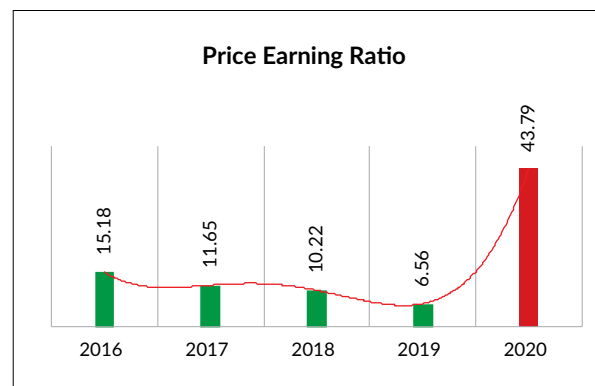
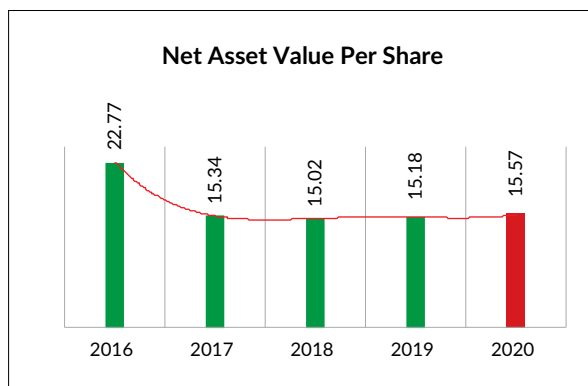
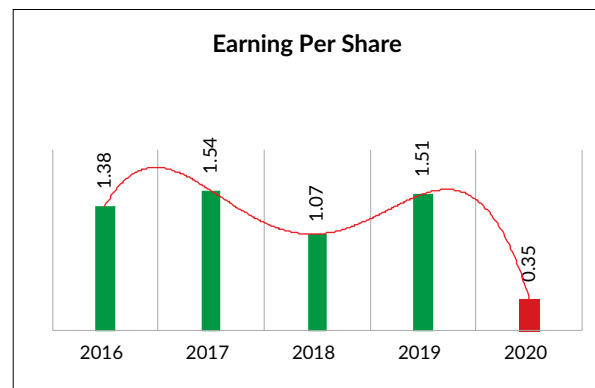
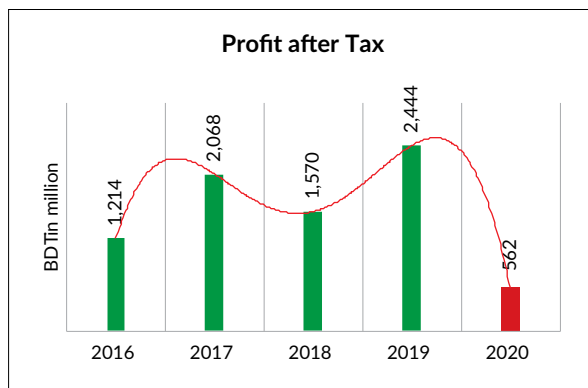
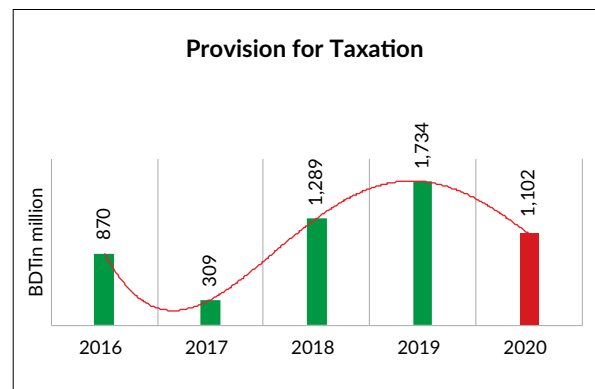
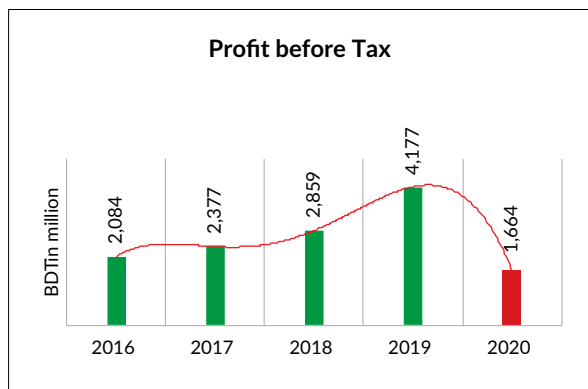
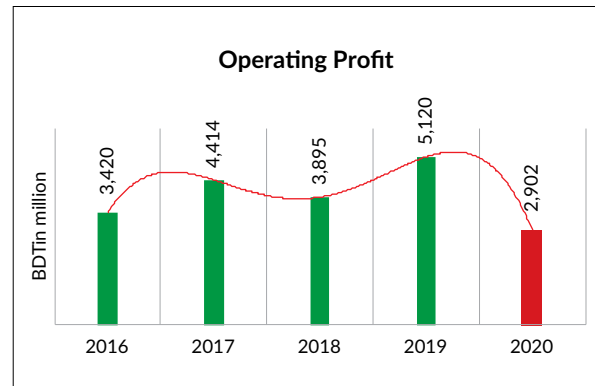
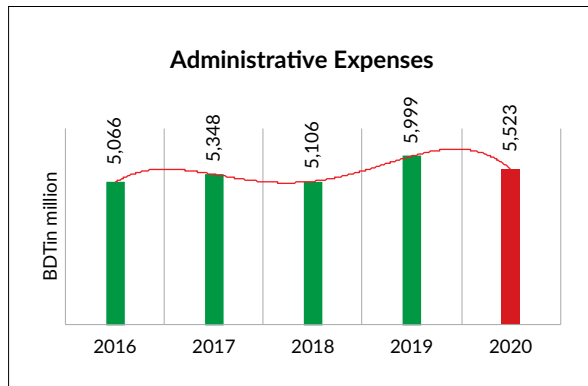
Particulars	2020	2019	2018	2017	2016
<b>Financial Position</b>					
Authorized capital	40,000	40,000	20,000	20,000	20,000
Paid-up capital	16,199	14,726	13,387	11,953	5,638
Reserves and Profit Surplus	9,018	9,871	8,729	8,586	7,202
Shareholders' equity	25,217	24,597	22,116	20,539	12,840
Deposits	296,374	258,368	226,364	200,206	160,155
Borrowings	13,022	8,216	9,969	8,474	5,827
Subordinated debt	2,100	2,800	3,500	3,500	3,500
Other liabilities	26,699	22,969	21,124	20,531	14,728
Total liabilities	338,195	292,353	260,957	232,710	184,210
Total Liability and Shareholders Equity	363,412	316,950	283,073	253,249	197,051
Cash and cash equivalents	29,718	24,582	28,077	29,932	23,076
Loans and advances	260,650	228,589	206,930	179,264	137,118
Investments	52,722	45,500	31,304	27,858	25,205
Fixed assets	7,495	6,384	5,438	3,528	3,488
Other Assets	12,452	11,896	11,325	12,666	8,164
Total assets	363,412	316,950	283,073	253,249	197,051
AD ratio	82.4%	84.08%	86.83%	85.04%	81.64%
Total off-balance sheet items	50,484	51,095	60,436	58,620	52,602
Interest earning assets	317,877	275,640	245,250	216,239	166,860
Non-interest earning assets	45,535	41,311	37,824	37,009	30,190
<b>Financial Performance</b>					
Interest income	21,159	24,426	18,965	14,924	12,557
Interest expenses	18,295	18,028	14,405	9,432	8,182
Net interest income (NII)	2,864	6,398	4,560	5,492	4,375
Non-interest income	5,560	4,722	4,441	4,270	4,111
Investment income	3,455	2,626	2,358	2,071	2,077
Administrative expenses	5,523	5,999	5,106	5,348	5,066
Operating profit	2,902	5,120	3,895	4,414	3,420
Provision for loans and assets	1,237	943	1,035	2,038	1,336
Profit before tax	1,664	4,177	2,859	2,377	2,084
Current tax	963	1,700	1,080	750	700
Deferred tax expense/(income)	139	34	209	(441)	170
Provision for Taxation	1,102	1,734	1,289	309	870
Profit after tax	562	2,444	1,570	2,068	1,214
<b>Trade Business</b>					
Import	77,078	86,203	101,642	97,908	92,927
Export	74,061	94,645	98,257	88,677	94,410
<b>Capital Measure</b>					
Risk weighted assets (RWA)	255,639	227,798	213,011	191,773	150,523
Common Equity Tier 1 Capital	24,086	23,421	20,877	18,875	11,609

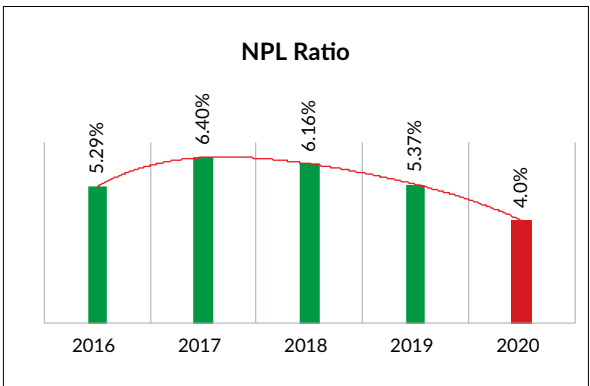
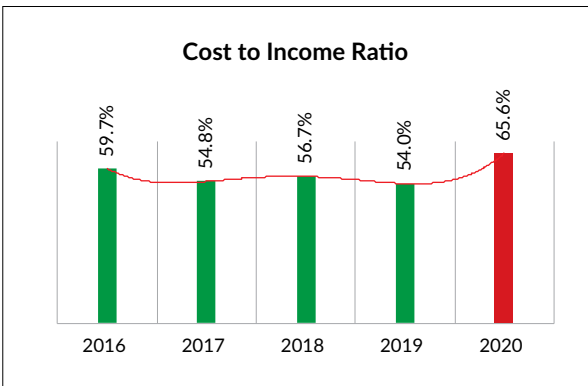
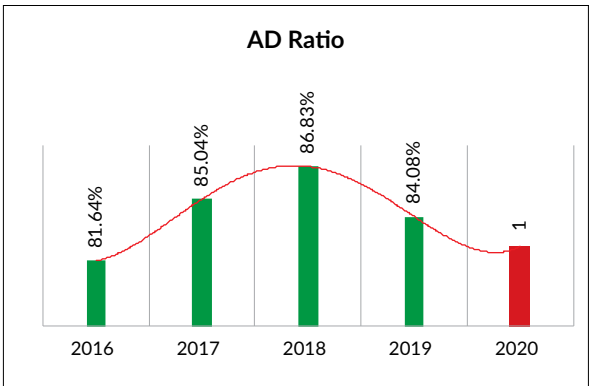
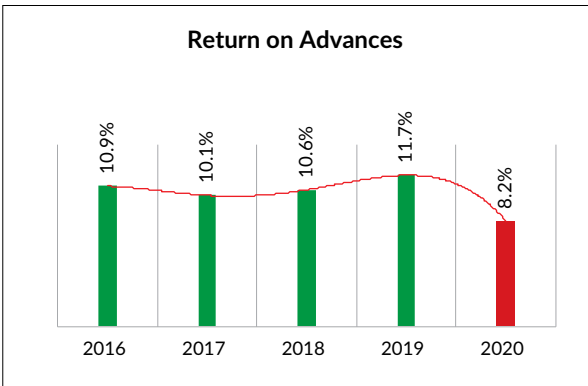
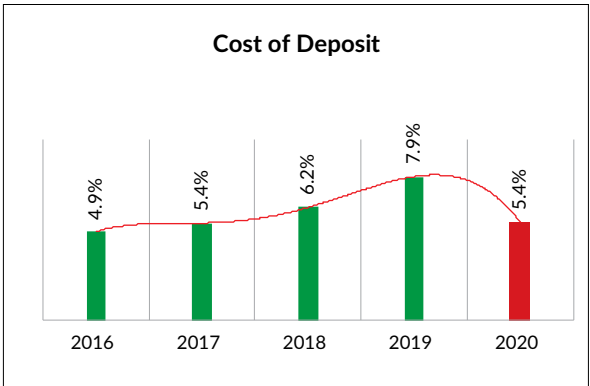
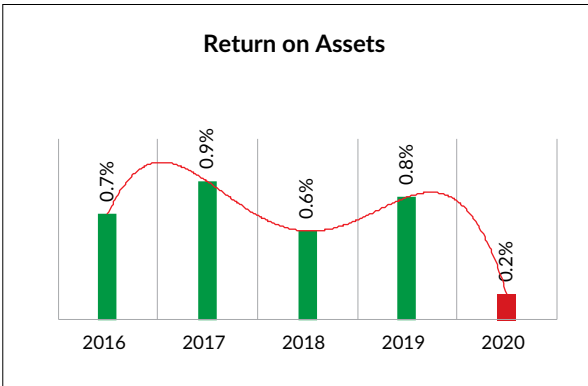
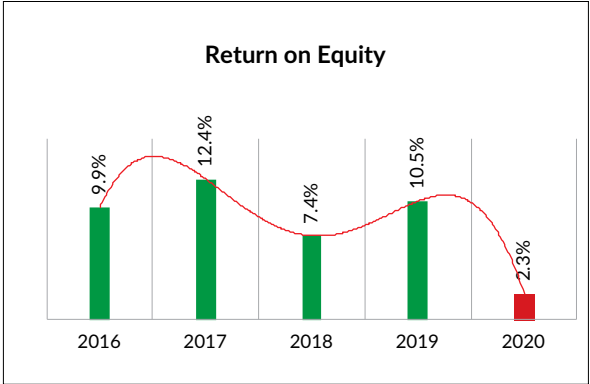
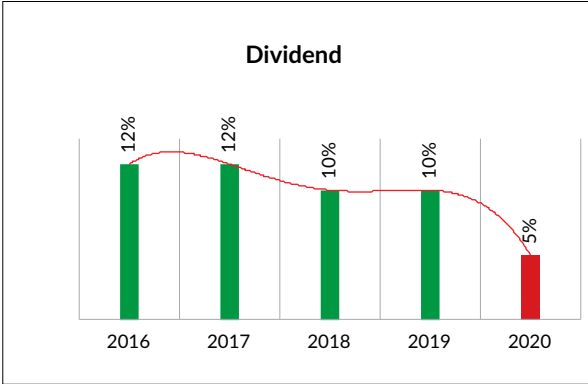
BDT in million

Particulars	2020	2019	2018	2017	2016
Tier-2 Capital	7,204	5,747	6,026	5,239	5,318
Total Regulatory Capital	31,290	29,167	26,904	24,114	16,928
Common Equity Tier 1 to RWA	9.42%	10.28%	9.80%	9.84%	7.71%
Tier 2 Capital to RWA	2.82%	2.52%	2.83%	2.73%	3.53%
Capital to Risk-weighted Asset Ratio (CRAR)	12.24%	12.80%	12.63%	12.57%	11.25%
<b>Assets Quality</b>					
Non-performing loans (NPLs)	10,346	12,265	12,740	11,478	7,251
Provision for loans and advances	7,842	6,034	5,954	5,909	4,677
NPLs to total loans and advances	3.97%	5.37%	6.16%	6.40%	5.29%
<b>Share Information</b>					
Number of shares outstanding	1,620	1,473	1,339	1,195	564
Number of shareholders	39,267	41,573	41,721	44,421	31,569
Market price per share (Tk.)	15.2	9.9	10.9	18.0	20.9
Operating profit per share (Tk.)	1.79	3.48	2.91	3.69	6.07
Earnings per share (Tk.)	0.35	1.51	1.07	1.54	1.38
Stock Dividend	5%	10%	10%	12%	12%
Dividend coverage ratio (times)	0.69	1.66	1.17	1.44	1.79
Market capitalization	24,622	14,579	14,592	21,515	11,784
Net asset value (NAV) per share (Tk.)	15.57	15.18	15.02	15.34	22.77
Price earning ratio (times)	43.79	6.56	10.22	11.65	15.18
<b>Profitability Ratio (%)</b>					
Return on average assets (RoA)	0.2%	0.8%	0.6%	0.9%	0.7%
Return on average equity (RoE)	2.3%	10.5%	7.4%	12.4%	9.9%
Net interest margin on average earning assets	1.0%	2.5%	2.0%	2.9%	2.7%
Return on Advances	8.2%	11.7%	10.6%	10.1%	10.9%
Cost of Deposit	5.4%	7.9%	6.2%	5.4%	4.9%
Cost to income ratio	65.6%	54.0%	56.7%	54.8%	59.7%
Operating profit per employee (million)	1.0	2.0	1.5	1.8	1.3
<b>Liquidity Ratio (%)</b>					
Cash reserve ratio (CRR)	4.5%	5.8%	5.8%	6.7%	6.6%
Statutory liquidity ratio (SLR)	18.5%	19.1%	15.0%	15.6%	15.0%
<b>Other information (Figure in Number)</b>					
Number of employees	3,011	2,559	2,556	2,512	2,536
Number of branches	154	148	147	141	134
Number of Uposhakaha	285	35	-	-	-
Number of correspondent banks	416	422	440	475	500
Number of ATMs	51	93	93	88	72
Number of deposit account	828,588	845,830	776,867	819,350	760,634
Number of loan account	56,464	39,764	41,301	36,624	27,968

# Five Years Graphical Presentation





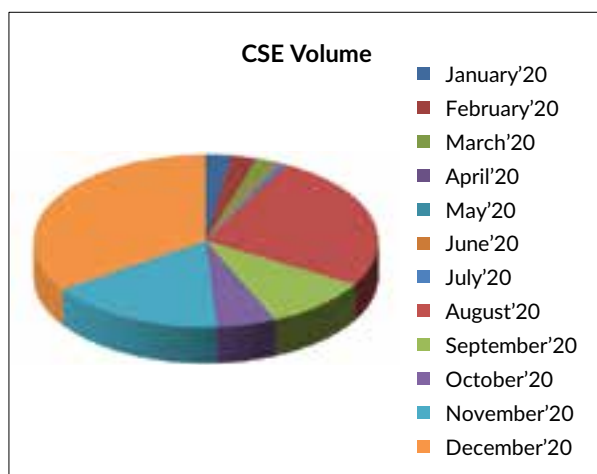
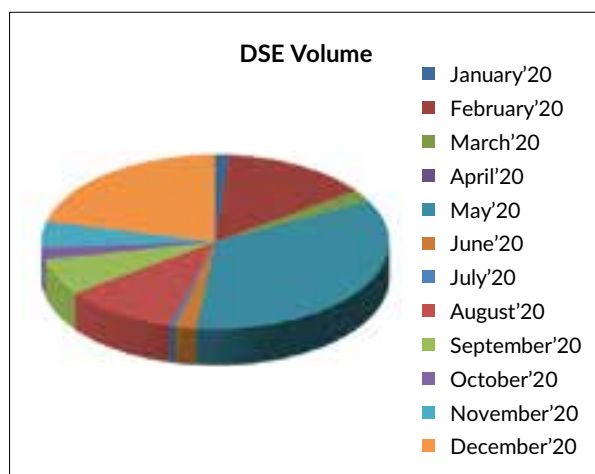
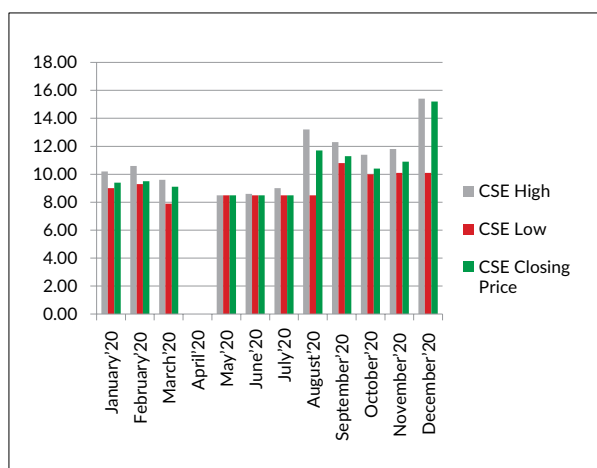
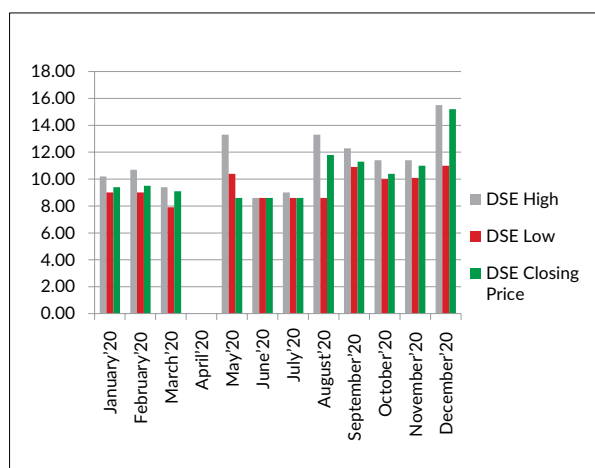




## Market Price Information

Monthly High, Low, Closing price and Volume of Company's shares traded on Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) during the year 2020:

Month	DSE				CSE				Total Volume on DSE & CSE
	High	Low	Closing Price	Volume	High	Low	Closing Price	Volume	
January'20	10.20	9.00	9.40	35,833,424	10.20	9.00	9.40	2,441,332	38,274,756
February'20	10.70	9.00	9.50	404,858,294	10.60	9.30	9.50	2,438,329	407,296,623
March'20	9.40	7.90	9.10	65,855,833	9.60	7.90	9.10	1,643,313	67,499,146
April'20	Market was closed due to Covid-19				Market was closed due to Covid-19				-
May'20	9.10	8.60	8.60	527,831	8.50	8.50	8.50	108,150	635,981
June'20	8.60	8.60	8.60	57,454,603	8.60	8.50	8.50	485,205	57,939,808
July'20	9.00	8.60	8.60	16,249,393	9.00	8.50	8.50	705,191	16,954,584
August'20	13.30	8.60	11.80	313,769,745	13.20	8.50	11.70	25,948,931	339,718,676
September'20	12.30	10.90	11.30	199,311,864	12.30	10.80	11.30	10,081,059	209,392,923
October'20	11.40	10.00	10.40	65,743,208	11.40	10.00	10.40	5,659,248	71,402,456
November'20	11.40	10.10	11.00	141,890,125	11.80	10.10	10.90	16,740,039	158,630,164
December'20	15.50	11.00	15.20	625,532,226	15.40	10.10	15.20	34,865,740	660,397,966



## Financial Calendar

Although the Bank makes an all-out effort to observe the following events on the dates as mentioned hereunder, yet all the future dates are provisional and subject to change.

24 March 2021	Compliance under Listing Regulation 19(1)
31 March 2021	Adoption of the audited Financial Statements for the year ended 31 December 2020
31 March 2021	Disclosure on Price Sensitive Information
25 April 2021	Record Date for 44 <sup>th</sup> Annual General Meeting
29 April 2021	Notice of the 44 <sup>th</sup> Annual General Meeting
27 May 2021	44 <sup>th</sup> Annual General Meeting
2 <sup>nd</sup> week of June 2021	5% Stock Dividend distribution for the year 2020
26 April 2021	Announcement of first quarter (Q1) financial results
Last week of July 2021	Announcement of second quarter (Q2) financial results
Last week of October 2021	Announcement of third quarter (Q3) financial results

### Other Information

#### Stock Details

Particulars	DSE	CSE
Stock Symbol	IFIC	IFIC
Company Code	11103	22010
Listing Year	1986	1997
Market Category	A	A
Electronic Share	Yes	Yes
Face Value (BDT)	10.00	10.00
Market Lot (number)	1	1
Total Number of Securities	1,619,873,868	1,619,873,868

## Dividend Distribution Policy

The Company ensures that an appropriate balance is maintained between adequately rewarding the shareholders and ensuring that adequate financial resources are available to fuel the growth aspirations of the Company. Company's Dividend Distribution Policy specifies the financial parameters that will be considered when declaring dividends by strictly following the directives/guidelines of the regulatory authorities (BB, BSEC & others), internal and external factors for declaring dividends and the circumstances under which shareholders can or cannot expect any dividend. The formation of Dividend Distribution Policy is under process.

## Redressal of Investors' Complaints

The investors are warmly treated at IFIC. Complaints received from the investors are handled promptly with utmost care to mitigate/resolve the issues at the earliest.

### Availability of Annual Report 2020 and other Information

Annual Report 2020 and other information about IFIC Bank may be viewed on the Bank's website at [www.ificbank.com.bd](http://www.ificbank.com.bd). Copies of Annual Report 2020 also submitted to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and the Registrar of Joint Stock Companies & Firms, Dhaka.

### Investors' Inquiries

All correspondences with regard to company matters, matters relating to shares and other related issues to be made to the following address:

#### The Company Secretary

##### IFIC Bank Limited

Head Office

IFIC Tower

61 Purana Paltan, Dhaka-1000

IP Phone No. 09666716250, Ext. 122

Fax No. 02-9554102

E-mail: [mokammel@ificbankbd.com](mailto:mokammel@ificbankbd.com)

# Glimpses of the 43<sup>rd</sup> AGM



The 43<sup>rd</sup> Annual General Meeting of the Bank was held on 27 August 2020 by using digital platform



IFIC Bank Limited



An Extra-Ordinary General Meeting of the Bank was held on 12 November 2020 through using digital platform.

# Market Discipline - Disclosures on Risk Based Capital

## (Under Pillar 3 of Basel III Framework)

For the year ended 31 December 2020

Consolidated Basis

### Background

In order to make the bank's capital adequacy assessment more risk sensitive and to abide by the international norms and practices, Bangladesh Bank took the initiative to implement Basel-III framework. Banks in Bangladesh implemented Basel-III Framework fully since 01 January, 2019. These disclosures under Pillar 3 of Basel III are made following 'Guidelines on Risk Based Capital Adequacy (RBCA) - Revised Regulatory Capital Framework for banks in line with Basel III' for banks. These quantitative and qualitative disclosures are intended to complement the Minimum Capital Requirement (MCR) under Pillar 1 and Supervisory Review Process (SRP) under Pillar 2 of Basel III. The purpose of these disclosures is to present relevant information on the adequacy of capital in relation to overall risk exposures of the Bank so that the market participants can assess the position and direction of the Bank in making economic decisions.

### A) Scope of application

#### Qualitative Disclosures

(a) The name of the top corporate entity in the group to which this guidelines applies.

The Risk Based Capital Adequacy and related disclosures are applicable for "International Finance Investment & Commerce Bank Limited" (known as **IFIC Bank Limited**) which is the top corporate entity of the group.

(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted)

#### Brief Description of the Subsidiaries:

1. **IFIC Securities Limited:** IFIC Securities Limited, a fully owned subsidiary company of IFIC Bank Limited was incorporated as a public limited company in Bangladesh on 2 November 2010 vide certificate of incorporation no. C-87904/10 having registered office at IFIC Tower, 61, Purana Paltan, Dhaka -1000. The total paid up capital of IFIC Securities Limited is Tk. 2,200 million divided into 220 million shares of Tk. 10 each; out of which IFIC Bank Limited holds 219,999,400 shares (99.99%). It acquired membership of Dhaka

Stock Exchange Limited for brokerage transaction vide Bangladesh Securities Exchange Commission (BSEC) certificate no. 3.1/DSE-192/2009/316 dated 1 January 2009. The main objectives of the company is to carry out the business of stock brokers/ dealers relating to dealing of shares and securities as well as other related services. The operation of the company starts on 10 March 2011.

2. **IFIC Money Transfer (UK) Limited:** IFIC Money Transfer (UK) Limited was incorporated as a private limited company with Companies House in England and Wales under registration no. 07379137 on 16 September 2010. The company is a wholly owned subsidiary of IFIC Bank Limited. IFIC Bank Limited got permission from Bangladesh Bank for opening a fully owned subsidiary in UK. IFIC Money Transfer (UK) Limited obtained Money Laundering registration on 17 January 2011 issued by HM Customs and Excise. The company got registration from Financial Services Authority (FSA) on 16 June 2011 under Payment Services Regulations 2009. The company commenced its operation on 31 August 2011. The registered office is located at Ferrari House, 2nd Floor, 102 College Road, Harrow, Middlesex, United Kingdom HAI IES, London, UK. Present Address: 18 Brick Lane, London E1 6RF, UK.

#### Brief Description of the Joint Ventures/ Associates of the Bank:

1. **Nepal Bangladesh Bank Limited:** Nepal Bangladesh Bank Limited, a joint venture commercial bank between IFIC Bank Limited and the Nepali Nationals, started its operation with effect from 06 June 1994 in Nepal with 50% equity from IFIC Bank Limited. The Bank has so far opened 99 (ninety-nine) branches at the different important locations in Nepal. IFIC Bank presently holds 40.89% shares in Nepal Bangladesh Bank Limited.

2. **Oman Exchange LLC:** Oman Exchange LLC, a joint venture between IFIC Bank Limited and the Omani Nationals, was established in 1985 to facilitate remittance by the Bangladeshi wage earners from the Sultanate of Oman. IFIC Bank holds 49% shares in the Exchange Company and the balance 51% is held by the Omani sponsors. Oman having its registered office is Hamriya, PO Box 114, Post code 994, Hey Al Mina, Hamriya, Muscat, Sultanate of Oman.

3. **MCB Bank Limited, Pakistan:** IFIC Bank had two branches in Pakistan, one in Karachi and the other in Lahore. Karachi Branch was opened on 26 April 1987 while the Lahore Branch was opened on 23 December 1993.

To meet the Minimum Capital Requirement of the State Bank of Pakistan, the overseas branches of IFIC in Pakistan was merged with a reputed leasing company named National Development Leasing Corporation Ltd. (NDLC) and emerged as NDLC-IFIC Bank Limited with effect from 02 October 2003 and it was subsequently renamed as the NIB Bank Limited with effect from 28 November 2005. In 2017 NIB Bank Limited again merged with MCB Bank Limited and IFIC Bank now holds 175,508 shares of MCB Bank Limited

**Brief Description of Off-shore Banking Unit:** Off-shore Banking Unit (OBU) is a separate business unit of IFIC Bank Limited. Bank obtained permission for OBU operations from Bangladesh Bank vide its letter no. BRPD (P-3) 744 (104)/2009-4233 dated 17 November 2009. The unit commenced its operation from 10 May 2010. Presently the Bank has 01 (one) Off-shore Banking Unit in Bangladesh. The OBU is governed under the rules and regulations of Bangladesh Bank.

#### Basis for Consolidation:

The quantitative disclosures are made on the basis of consolidated audited financial statements of the bank and its subsidiaries as at and for the year ended December 31, 2020. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standards 27: Separate Financial Statements and Bangladesh Financial Reporting Standards 10: Consolidated Financial Statements. The consolidated financial statements are prepared to a common financial year ended 31 December 2020. All intra-group transactions, balances and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gain, but only to the extent that there are no evidence of impairment.

(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.

Not Applicable

#### Quantitative Disclosures

(d) The aggregate amount of surplus capital of issuance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not Applicable

## B) Capital Structure

#### Qualitative Disclosures

(a) Summary information on the terms and conditions

of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.

Under Basel-III capital adequacy framework, total regulatory capital of a bank are categorized into two tiers: (1) Tier 1 Capital (going-concern capital), and (2) Tier-2 Capital (gone-concern capital). The Tier 1 Capital is further subdivided into (a) Common Equity Tier 1 (CET1) and (b) Additional Tier 1. Total eligible regulatory capital of IFIC Bank Limited consists of partly CET1 Capital and partly Tier-2 Capital. The CET1 Capital of the bank comprises Paid-up Capital, Statutory Reserve, General Reserve and Retained Earnings. Paid-up Capital of the Bank is already above the minimum requirement of BDT 4,000.00 Million as per the directives of Bangladesh Bank. In addition, Tier-II Capital includes General Provision, Sub-ordinated Bond.

Banks are required to maintain a capital conservation buffer of 2.50% during the year 2020, above the regulatory minimum capital requirement of 10%. Banks may distribute dividends as per the DOS Circular no. 1 and 7 published in the year 2021. Capital conservation buffer is applicable both at the solo level as well as at the consolidated level. As per the Bangladesh Bank instructions contained in BRPD letter No. BRPD(BFIS)661/14B(P)/2015-18014 dated 24 December 2015, Deferred Tax Assets arising out of Specific Provision on Classified Loans is allowable to a maximum of 5% as Common Equity Tier-1 Capital (CET-1) while calculating CET-1 as per Basel III.

#### Quantitative Disclosures

(b) The amount of Regulatory capital, with separate disclosure of:

#### CET1 Capital

Particulars	BDT in Million	
	Solo	Consolidated
Fully Paid-up Capital	16,198.74	16,198.74
Statutory Reserve	6,864.78	6,864.78
General Reserve	155.07	155.07
Retained Earnings	1,775.21	4,248.08
<b>CET1 Capital Total [A]</b>	<b>24,993.79</b>	<b>27,466.66</b>
Additional Tier 1 Capital [B]	Nil	Nil
<b>Total Tier 1 Capital [C]=[A]+[B]</b>	<b>24,993.79</b>	<b>27,466.66</b>
General Provision	5,104.10	5,335.40
Subordinated Debt	2,100.00	2,100.00
<b>Tier 2 Capital Total [D]</b>	<b>7,204.10</b>	<b>7,435.40</b>

(c) Regulatory Adjustments/Deductions from capital

BDT in Million		
Particulars	Solo	Consolidated
Deferred tax assets (DTA)[1]	907.94	907.94
Regulatory Adjustments / Deductions from capital [E]	907.94	907.94
<b>(d) Total eligible capital [F]=[C]+[D]-[E]</b>	<b>31,289.95</b>	<b>33,994.12</b>

### C) Capital Adequacy

#### Qualitative Disclosures

(a) A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.

According to BB Guidelines, IFIC Bank is assessing Risk Based Capital Adequacy under Basel-III from 01 January 2015. Under Basel-III framework the capital requirement is determined for Credit Risk and Market Risk under Standardized Approach and Operational Risk under Basic Indicator Approach and summed-up to determine total Risk Weighted Assets and thereafter the Minimum Capital Requirement (MCR). The Bank assesses the capital requirement considering the existing size of portfolio, concentration of portfolio to different risk weight groups, asset quality, profit trend etc. on quarterly rest. The Bank also forecasts the adequacy of capital in terms of its capacity of internal capital generation, maintaining the size of the portfolio, asset quality, conducting credit rating of the borrowers, segregation of portfolio to different risk weight groups etc.

IFIC Bank has maintained Capital to Risk-weighted Asset Ratio (CRAR) of 12.96% as on 31 December 2020, whereas Minimum Capital Requirement (MCR) is 12.50% from 01 January 2019 as per BRPD circular No.18 dated 21 December 2014. The Bank has thus maintained excess capital of 0.46% above the minimum requirement of 12.50%. However, the Bank is continuously evaluating its capital position in comparison to its risk weighted asset's position and exploring ways and means to raise capital both internally and externally.

#### Quantitative Disclosures

BDT in Million		
Particulars	Solo	Consolidated
<b>(b) Capital requirement for Credit Risk</b>		
On-Balance Sheet	27,675.60	28,417.17

Particulars	Solo	Consolidated
Off-Balance Sheet	1,698.63	1,698.63
<b>Total</b>	<b>29,374.23</b>	<b>30,115.79</b>
<b>(c) Capital requirement for Market Risk</b>		
Interest Rate Related Instruments	52.10	52.10
Equities	946.61	946.61
Foreign Exchange Position	92.60	92.60
Commodities	Nil	Nil
<b>Total</b>	<b>1,091.31</b>	<b>1,091.31</b>
<b>(d) Capital requirement for Operational Risk</b>	<b>1,489.30</b>	<b>1,568.73</b>

(e) Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio:

- For the consolidated group
- For stand alone

Ratios	Solo	Consolidated
Total Capital	12.24%	12.96%
CET1 Capital	9.42%	10.13%
Total Tier 1 Capital	9.42%	10.13%
Total Tier 2 Capital	2.82%	2.84%

#### (f) Capital Conservation Buffer

As per Bangladesh Bank Transitional Arrangements for implementation of Basel III, creation of Capital Conservation Buffer (CCB) has been made effective from 1 January 2016, 2017, 2018 and 2019 at 0.625%, 1.25%, 1.875% and 2.50% respectively above the regulatory minimum capital requirement of 10%. The minimum total capital plus CCB for the year 2020 is 12.50%. IFIC Bank maintained CCB 2.24% for the year 2020.

#### (g) Available Capital under Pillar 2 Requirement

BDT in Million		
Particulars	Solo	Consolidated
Total Eligible Regulatory Capital [A]	31,289.95	33,994.12
Minimum Capital Requirement under Pillar 1[B]	25,563.87	26,220.67

Particulars	Solo	Consolidated
Capital Conservation Buffer[C][1]	6,390.97	6,555.17
<b>Minimum Capital Requirement including CCB[D=B+C]</b>	<b>31,954.83</b>	<b>32,775.84</b>
<b>Available Capital for Pillar 2 [E=A - D]</b>	<b>(664.88)</b>	<b>1,218.28</b>

**Note:** Bangladesh Bank, vide letter no. DBI-1/32/2020/1543 dated 14 June 2020 has provided forbearance to IFIC Bank of BDT 2,889.68 million regarding provision requirement against Loans and Advances as of 31 December 2019. Out of BDT 2,889.68 million, we have already kept BDT 578.50 M in 2020 and the rest will have to be maintained within next two years.

Again, Bangladesh Bank vide letter no. DBI-1/32/2021/927 dated 31 March 2021 has provided forbearance to IFIC Bank of BDT 1,473.26 million regarding provision requirement against Loans and Advances as of 31 December 2020. As per the letter, IFIC Bank will have to maintain the above provision in the subsequent three years.

## D) Credit Risk

### Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to credit risk, including:

Definitions of past due and impaired (for accounting purposes).

As per relevant Bangladesh Bank guidelines, the Bank defines the past due and impaired loans and advances for strengthening the credit discipline and mitigating the credit risk of the Bank. The impaired loans and advances are defined on the basis of (i) Objective/Quantitative Criteria and (ii) Qualitative judgment. For this purpose, all loans and advances are grouped into four (4) categories, namely- (a) Continuous Loan (b) Demand Loan (c) Fixed Term Loan and (d) Short-term Agricultural & Micro Credit.

### Definition of past due/overdue:

- Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date;
- Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date;
- In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid

within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six months of the expiry date.

- The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/overdue after six months of the expiry date.

However, a continuous loan, demand loan or a term loan which will remain overdue for a period of 02 (two) months or more but less than 03 (three) month, will be put into the "Special Mention Account (SMA)", the prior status of becoming the loan into impaired/classified/nonperforming.

### Definition of impaired / classified /non-performing loans and advances are as follows:

Continuous loan is classified as follows:

**Substandard:** If it is past due /overdue for 3 (three) months or beyond but less than 9 (nine) months;

**Doubtful** - If it is past due / overdue for 9 (nine) months or beyond but less than 12 (twelve) months;

**Bad/Loss** - If is past due / overdue for 12 (twelve) months or beyond.

Demand loan is classified as follows:

**Substandard** - If it remains past due / overdue for 3 (three) months or beyond but less than 9 (nine) months from the date of expiry or claim by the Bank or from the date of creation of forced loan;

**Doubtful** - If it remains past due / overdue for 9 (nine) months or beyond but less than 12 (twelve) months from the date of expiry or claim by the Bank or from the date of creation of forced loan;

**Bad/Loss** - If it remains past due / overdue for 12 (twelve) months or beyond from the date of expiry or claim by the Bank or from the date of creation of forced loan.

Fixed Term Loans are classified are as follows:

In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the due date, the amount of unpaid installment(s) will be termed as 'past due or overdue installment'. In case of Fixed Term Loans:

**Substandard** - If it remains past due / overdue for 3 (three) months or beyond but less than 9 (nine) months from the date of expiry or claim by the Bank or from the date of creation of forced loan.

**Doubtful** - If the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months or beyond but not over 12 (twelve) months from the date of expiry or claim by the Bank or from the date of creation of forced loan.

**Bad/Loss** - If the amount of 'past due installment is equal to or more than the amount of installment(s) due within 12 month and beyond months, the entire loan will be classified as "Bad/Loss".

*Short-term Agricultural and Micro-Credit is classified as follows:*

The Short-term Agricultural and Micro-Credit will be considered irregular if not repaid within the due date as stipulated in the loan agreement. If the said irregular status continues, the credit will be classified as 'Substandard' after a period of 18 months, as 'Doubtful' after a period of 30 months and as 'Bad/Loss' after a period of 60 months from the stipulated due date as per the loan agreement.

Description of approaches followed for specific and general allowances and statistical methods

The Bank is following the general and specific provision for loans and advances/investments on the basis of Bangladesh Bank guidelines issued from time to time (please refer to Annexure - I).

Discussion of the bank's credit risk management policy

The Board approves the credit policy, credit exposure limits and credit risk management policy keeping in view relevant Bangladesh Bank guidelines to ensure best practice in credit risk management and maintain quality of assets. Authorities are properly delegated ensuring checks and balance in credit operation at every stage, i.e. screening, assessing risk, identification, management and mitigation of credit risk as well as monitoring, supervision and recovery of loans with provision of early warning system. There is a separate credit risk management division for dedicated credit risk management, separate credit administration division for ensuring perfection of securities and credit monitoring and recovery division for monitoring and recovery of irregular loans. Internal control & compliance division independently assess the quality of loans and compliance status of loans at least once in a year.

#### Quantitative Disclosures

(b)	Total gross credit risk exposures broken down by major types of credit exposure.	Please refer to Annexure - II.
(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.	Please refer to Annexure - III.
(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	Please refer to Annexure - IV.

(e)	Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	Please refer to Annexure - V.
(f)	By major industry or counterparty type: ▶ Amount of impaired loans and if available, past due loans, provided separately	Please refer to Annexure - VI.

Particulars	BDT in Million
• Specific and general provisions	
Specific provision	2,737.58
General provision	4,668.69
• Charges for specific allowances and charge-offs during the period	
Specific provision	(349.13)
General provision	2,182.73

(g) Non-Performing Assets ( NPAs):	BDT in Million
Gross non-performing assets (NPAs)	10,345.76
Non-Performing Assets (NPAs) to Outstanding Loans & advances	3.97%
<b>Movement of Non-Performing Assets (NPAs)</b>	
Opening balance	12,265.47
Additions	226.19
Reductions	(2,145.90)
<b>Closing balance</b>	<b>10,345.76</b>
<b>Movement of specific provisions for NPAs</b>	
Opening balance	3,086.70
Provisions made during the period	(349.12)
Recoveries of amounts previously written off	161.05
Write-off	Nil
Write-back of excess provisions	Nil
Provision transferred to general reserve	Nil
<b>Closing balance</b>	<b>2,737.58</b>



## E) Equities: Disclosures for Banking Book Positions

### Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to equity risk, including:

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and

Differentiation between holdings of equities for capital gain and those taken under other objectives is being clearly identified. Investment in equity securities is broadly categorized into two parts:

- i. **Quoted Securities** (Common or Preference Shares & Mutual Fund) that are traded in the secondary market (Trading Book Assets) through the organization itself or other Portfolio Manager. Investment in quoted shares/securities are revalued at the end of the reporting period.
- ii. **Unquoted securities** are categorized as banking book equity exposures which are further sub-divided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future, i.e. held to maturity (HTM), and securities those are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Unquoted securities are valued at cost.

The equity positions are reviewed periodically by the senior management.

Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.

Important policies covering equities valuation and accounting of equity holdings in the Banking Book are based on the use of the cost price method for valuation of equities. The primary aim is to invest in these equity securities for the purpose of capital gain by selling them in the future or held for dividend income. Dividends are recognized in Profit and Loss Account only when the Bank's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Bank and the amount of the dividend can be measured reliably. Both Quoted and Un-Quoted equity securities are initially recognized at cost and necessary provisions are maintained if the prices fall below the cost price after comparing with their fair value. As per to Bangladesh Bank guidelines, the HFT equity securities are revalued once in each week using marking to market concept. However equity investment in associates/joint ventures are initially recognized at cost

and provision is maintained if cost is higher than lower of market value and net assets value of that investee as per instruction of Bangladesh Bank. Preference is given to purchase of shares of strong companies at face value through placement/ IPO.

### Quantitative Disclosures

(b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values including mutual funds where the share price is materially different from fair value.

Particulars	BDT in Million
Cost price of quoted shares	2,794.20
Fair value of quoted shares	3,897.21
<b>Decrease in value</b>	<b>1,103.01</b>
(c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	(46.23)
(d)	
• Total unrealized gains (losses)	950.04
• Total latent revaluation gains (losses)	Nil
• Any amounts of the above included in Tier 2 capital.	Nil

(e) Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

Capital Charge on Equities	BDT in Million
Specific Risk	473.31
General Market Risk	473.31
<b>Total</b>	<b>946.61</b>

## F) Interest rate risk in the banking book (IRRBB)

### Qualitative Disclosures

(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.

Interest Rate Risk is managed through the use of Gap analysis of rate sensitive assets and liabilities and monitored through prudential limits and stress testing. The IRRBB is monitored in movements/changes on a monthly basis and the impact on Net Interest Income is assessed. Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's

financial condition. Changes in interest rates affect both the current earnings (earnings perspective) as well as the net worth of the bank (economic value perspective). Re-pricing risk is often the most apparent source of interest rate risk for a bank and is often gauged by comparing the volume of a bank's asset that mature or re-price within a given time period with the volume of liabilities that do so. The short term impact of changes in interest rates is on the bank's Net Interest Income (NII). In a longer term, changes in interest rates impact the cash flows of the assets, liabilities and off-balance sheet items, giving rise to a risk to the net worth of the bank arising out of all re-pricing mismatches and other interest rate sensitive position. The ALCO formulates the policy and strategy depending on the market conditions to maximize Net Interest Income.

#### Quantitative Disclosures

(The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).

Please refer to Annexure – VII.

### G) Market Risk

#### Qualitative Disclosures

(a) Views of BOD on trading/investment activities

The trading/investment activities in the IFIC Bank Limited are managed cautiously so that maximum returns are obtained without taking undue risks. The Board approves all policies related to market risk, set limits and review compliance on a regular basis. The objective is to provide cost effective funding to finance asset growth and trade related transactions. Market risk is the possibility of losses of assets in the balance sheet and off-balance sheet positions arising out of volatility in market variables i.e., interest rate, exchange rate and price. Allocation of capital is required in respect of the exposure to risks deriving from changes in interest rates and equity prices in the bank's trading book, in respect of exposure to risks deriving from changes in foreign exchange rates and commodity price in the overall banking activity.

The market risk covers the followings risks of the Bank's balance sheet:

- i. Interest rate risk
- ii. Equity price risk
- iii. Foreign exchange risk; and
- iv. Commodity price risk

#### Methods used to measure Market risk

The Bank uses the Standardized (rule based) Approach to calculate the Market Risk for Trading Book Exposures. The total capital requirement in respect

of market risk is the aggregate capital requirement calculated for each of the risky sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'.

Maturity Method has been prescribed by Bangladesh Bank in determining capital against market risk. In the maturity method, long or short positions in debt securities and other sources of interest rate exposures, including derivative instruments, are slotted into a maturity ladder comprising 13 times-bands (or 15 times-bands in the case of low coupon instruments). Fixed-rate instruments are allocated according to the residual term to maturity and floating-rate instruments according to the residual term to the next re-pricing date. In Standardized (rule based) Approach the capital requirement for various market risks (interest rate risk, price, and foreign exchange risk) are determined separately.

The total capital requirement in respect of market risk is the sum of capital requirement calculated for each of these market risk sub-categories. e.g.

- i. Capital Charge for Interest Rate Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk;
- ii. Capital Charge for Equity Position Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk;
- iii. Capital Charge for Foreign Exchange Risk = Capital Charge for General Market Risk;
- iv. Capital Charge for Commodity Position Risk = Capital charge for General Market Risk.

#### Market Risk Management System

The Asset Liability Management Policy of the Bank as approved by the Board ensures effective management of the Market Risk through a well-structured Treasury function which includes a Front Office, Mid Office and Back Office and an ALCO body. The aim of the Market Risk Management System is to minimize the impact of losses on earnings due to market fluctuations.

#### Policies and processes for mitigating market risk

The policy contains sound Portfolio management procedures and best practices such as minimizing risks through diversification of portfolio. Policy for managing Market Risk has been set out by the Board of Directors of the Bank where clear instructions have been given to Loan Deposit Ratio, Whole Sale Borrowing Guidelines, Medium Term Funding, Maximum Cumulative Outflow, Liquidity Contingency Plan, Local Regulatory Compliance, Recommendation/ Action Plan etc. Furthermore, special emphasis has been put on the following issues for mitigating market risk:

- **Interest Rate Risk Management:** Treasury Division reviews the risks of changes in income of the Bank as a result of movements in market interest rates.

In the normal course of business, the Bank tries to minimize the mismatches between the duration of interest rate sensitive assets and liabilities. Effective Interest Rate Risk Management is done as under: been put on the following issues for mitigating market risk:

- i. **Market Analysis:** Market analysis over interest rate movements are reviewed by the Treasury Division of the Bank. The type and level of mismatch interest rate risk of the Bank are managed and monitored from two perspectives, being an economic value perspective and an earnings perspective.
  - ii. **Gap Analysis:** ALCO has established guidelines in line with the central Bank's policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between Rate Sensitive Assets and Rate Sensitive Liability and take the decision of enhancing or reducing the GAP according to the prevailing market situation aiming to mitigate interest rate risk.
- ➔ **Foreign Exchange Risk Management:** Risk arising from potential change in earnings resulted from exchange rate fluctuations, adverse exchange positioning or change in the market prices are considered as Foreign Exchange Risk. Treasury and International Division manage this risk in the following fashion:
- i. **Continuous Supervision:** The Bank's Treasury Division manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks. Treasury Division monitors the foreign exchange price changes and Back Office of the Treasury Division verifies the deals and passes the entries in the books of account.
  - ii. **Treasury Back Office separated from the Treasury Front Office:** Treasury Back Office is conducting its operation in separate locations apart from the Treasury Front Office. Treasury Back Office is responsible for currency transactions, deal verification, limit monitoring and settlement of transactions independently. Treasury Back Office gathers the market rates from an independent source other than dealers of the same organization, which helps to avoid any conflict of interest.
  - iii. **Mark-to-Market Method for Approved Securities and Foreign Exchange Revaluation:** All foreign exchange reserves and balances along with approved securities are revalued at Mark-to-Market method according to Bangladesh Bank's guidelines. Such valuations are made after a specific time interval as prescribed by Bangladesh bank.

- iv. **Nostro Accounts:** Nostro accounts are maintained by the Bank with various currencies and countries. These Accounts are operated by the International Division of the Bank. All Nostro accounts are reconciled on a monthly basis. The management reviews outstanding entry beyond 30 days for settlement purpose.
- ➔ **Equity Risk Management:** Equity Risk is the risk of loss due to adverse changes in the market price of equities held by the Bank. Equity Risk is managed by the following fashion.
- i. **Investment Portfolio Valuation:** Mark-to-Market valuations of the share investment portfolio are followed in measuring and identifying risk. Mark-to-Market valuation is done against a predetermined cut loss limit.
  - ii. **Diversified Investment to minimize Equity Risk:** IFIC minimizes the Equity Risks by Portfolio diversification as per investment policy of the Bank.

**Margin Accounts are monitored very closely:** Where Margin loan is allowed, security of investment, liquidity of securities, reliability of earnings and risk factors are considered and handled professionally.

#### Quantitative Disclosures

BDT in Million

(b) The capital requirements for	Solo	Consolidated
Interest rate risk	52.10	52.10
Equity position risk	946.61	946.61
Foreign exchange risk	92.60	92.60
Commodity risk	Nil	Nil

#### H) Operational risk

##### Qualitative Disclosures

(a) Views of BOD on system to reduce Operational Risk

IFIC Bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events and implementing any additional procedures required for compliance with regulatory requirements. Operational risk management responsibilities are assigned to the senior management. Internal auditors are assigned for recording, identification and assessment of operational risks and to prepare reports for the Audit Committee.

Operational risk is defined as the risk of 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. It is inherent in every business organization and covers a wide spectrum of issues. The Board of Director (BOD) of the Bank and its Management firmly believe that this risk through

a control based environment in which processes see documented, authorization as independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the group stays in line which industry best practice and takes account or lessons learned from publicized operational failures within the financial services industry.

The BOD has also modified its operational risk management process by issuing high level standards, supplemented by more detailed formal guidance. This explains how the bank manages operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with local regulatory requirements. The Bank maintains and tests contingency facilities to support operations in the event of disasters. Additional reviews and tests are conducted in the event that any branch of the bank is affected by a business disruption event, to incorporate lessons learned in the operational recovery from those circumstances. Plans have been prepared for the continued operation of the bank's business, with reduced staffing levels.

Operational risk loss data are collected and reported to the senior management. Identifying, monitoring and recording of fraud, irregularities, unauthorized works, system breakdown, etc. are done by the Management and details of the untoward incidents are reported to the Bank's Audit Committee.

Performance gap of executives and staffs

Human Resources Development is focused on recruitment and in-house training for both on the job and off the job. IFIC Bank Training Academy, the oldest institution in the private sector, was conceived of as an in-house training center to take care of the training needs of the Bank internally. The academy is fully equipped with a professional library, modern training aids and professional faculty. The library has a huge number of books on banking, economics, accounting, management, marketing and other related subjects. Main training activities consist of in-depth foundation programs for entry level Management Trainees. Specialized training programs in the areas like general banking, advance, foreign exchange, marketing and accounts etc. are also organized by the Academy depending on need. Frequently outreach programs are organized to meet demand for new and specialized skills.

During its many years of existence, the Academy not only conducted courses, workshops and seminars as required by the Bank, but it also organized training programs for the Bank of Maldives, Nepal Bangladesh Bank Limited (NBBL) and Oman International Exchange LLC. In addition, the Academy has also the credit of organizing system of Bank of Maldives. In addition

to conducting courses internally, The Academy also selects candidates for nomination to various courses conducted by distinguished training organizations in the country, including Bangladesh Bank Training Academy and Bangladesh Institute of Bank Management. The Academy also re-designs its courses, programs, etc., regularly to meet the requirement of new skills arising out of various directives, guidelines of the Central Bank and significant changes in the banking sector from time to time.

Performance goals are most often attained by executives and staffs with a few exceptions. Every organization needs to effectively manage its human resources to get the maximum contribution from its employees.

Potential external events

Losses from external events, such as a natural disaster that damages a firm's physical asset or electrical or telecommunications failures that disrupt business, are relatively easier to define than losses from internal problems, such as employee fraud and product flaws. It is needless to say that there are certain risk factors which are external in nature and can affect the business of the Bank. The factors discussed below can significantly affect the business:

- **External rules and regulations:** Potential for actual or opportunity loss due to failure to comply with laws or regulations, or as a result of changes in laws or regulations or in their interpretation or application.
- **Damage to assets:** Potential for loss or damage to physical assets and other property from natural disaster and other events.
- **Safety and security:** Potential for loss or damage to health or safety of staff, customers or third parties arising from the effects of external events.
- **External financial crime:** Potential for loss due to criminal acts by external parties such as fraud, theft and other criminal activity.
- **Political condition and general business:** IFIC's performance greatly depends on the general economic conditions of the country. The effect of recession is still unfolding which may result to slow down in business environment. Political stability is must for growth in business activities.
- **Credit quality of borrowers:** Risk of deterioration of credit quality of borrowers is inherent in banking business. This could result due to the global economic crisis and supply side distortion. The changes in the import prices affected the commodity sectors and ship breaking industry. A deterioration in credit quality requires provisioning.
- **Basel-III implementation:** Basel-III is fully effective from 2019 and IFIC needs to be complied with respect to credit risk management, its supervision

and establishment of effective internal control. The grading of the borrowers and its link with the capital required may slow down the credit expansion. The establishment of effective control requires more investment in technology and operating expenses are likely to increase.

- ➔ **Equity markets Volatility:** The Bangladesh Securities and Exchange Commission and the stock exchanges improved their supervisory role, but the equity market is still volatile. If volatility continues it is likely to affect the performance of the bank.
- ➔ **Changes in market conditions:** Changes in market conditions, particularly interest rates on deposits and volatility in the foreign exchange market are likely to affect the performance of the bank. Depositors are becoming increasingly price sensitive and any unilateral upward change by a bank will exert pressure on the interest rate structure of the banking sector. It is feared that wage earners remittances may decline due to fall in job opportunity in international market. Unless offset by export performances, there may be pressure in the foreign exchange market.
- ➔ **The litigation risk:** In the ordinary course of business, legal actions, claims by and against the bank may arise. The outcome of such litigation may affect the financial performance of the bank.

Policies and processes for mitigating operational risk

The Operational Risk Management Policy adopted by the Bank outlines organizational structure and detailed processes for management of operational risk. The basic objective of the policy is to closely integrate operational risk management system into day-to-day risk management process of the bank by clearly assigning roles in effectively identifying, assessing, monitoring and controlling and mitigating operational risk. Operational risks in the Bank are managed through a comprehensive and well-articulated internal control frameworks.

Approach for calculating capital charge for operational risk

The Bank follows the Basic Indicator Approach (BIA). The BIA stipulates the capital charge for operational risk is a fixed percentage, denoted by  $\alpha$  (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula:

$$K = [(GI_1 + GI_2 + GI_3) \times \alpha] / n$$

Where:

K = the capital charge under the Basic Indicator Approach

GI = only positive annual gross income over the previous three years (i.e., negative or zero gross income if any shall be excluded)

$\alpha$  = 15 percent

n = number of the previous three years for which gross income is positive.

Besides, Gross Income (GI) is calculated as “Net Interest Income” plus “Net non-Interest Income”. The GI is also the net result of:

- i. Gross of any provisions;
- ii. Gross of operating expenses, including fees paid to outsourcing service providers;
- iii. Excluding realized profits/losses from the sale of securities held to maturity in the banking book;
- iv. Excluding extraordinary or irregular items;
- v. Excluding the income derived from insurance.

#### Quantitative Disclosures

BDT in Million

	Solo	Consolidated
The capital requirements for operational risk	1,489.30	1,568.73

### I) Liquidity Ratio

#### Qualitative Disclosures

(a) Views of BOD on system to reduce liquidity Risk

In line with the provisions of liquidity risk management under Basel III, Bangladesh Bank has identified the (i) Liquidity Coverage Ratio (LCR); (ii) Net Stable Funding Ratio (NSFR); and (iii) Leverage under the purview of ‘Liquidity’ ratio vide BRPD Circular No. 18 dated 21 December 2014 and DOS Circular No. 1 dated 1 January 2015. The Board of Directors (BOD) reviews the liquidity risk of the Bank on quarterly rest while reviewing the Quarterly Financial Statements, Stress Testing Report etc. ALM Policy Guideline approved and revised time to time by the Board of Directors.

An overview on liquidity position and liquidity ratios are submitted annually to the BOD and the BOD approve the strategic plan for managing optimum liquidity. The Board always strives to maintain adequate liquidity to meet up Bank’s overall funding need for the depositors, borrowers’ requirements as well as maintain regulatory requirements comfortably.

Methods used to measure Liquidity risk

The maintenance of Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) are considered as the fundamental methods/tools to measure the liquidity position/risk of IFIC Bank. However, under Basel III, the following methods and tools are mandated for measuring the liquidity risk.

- ➔ **Liquidity Coverage Ratio (LCR):** Liquidity Coverage Ratio ensures to maintain an adequate level of stock of high quality liquid assets that can be converted into cash to meet its liquidity needs (i.e. total net cash outflows) over the next 30 calendar days.
- ➔ **Net Stable Funding Ratio (NSFR):** Net Stable Funding Ratio aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that, available stable funding (ASF) should be at least equal to required stable funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or “long-term” and therefore requires stable funding.

In addition to the above, following measures have been put in place to monitor the liquidity risk management position of the Bank on a continued manner: i) Asset-Liability Maturity Analysis (Liquidity profile); ii) Whole sale borrowing capacity; and iii) Maximum Cumulative Outflow (MCO). Besides, following tools are also used for measuring liquidity risk: i) Stress Testing (Liquidity Stress); and ii) Net open position (NOP) limit - to monitor the FX funding liquidity risk.

#### Liquidity risk management system

At the management level of IFIC Bank Limited, the liquidity risk is primarily managed by the Treasury Division (Front Office) under oversight of Asset Liability Committee (ALCO) which is headed by the Managing Director along with other senior management. Treasury Division (Front Office) upon reviewing the overall funding requirements on daily basis sets their strategy to maintain a comfortable/adequate liquidity position taking into consideration of Bank's approved credit deposit ratio, liquid assets to total assets ratio, asset-liability maturity profile, Bank's earning/profitability as well as overall market behavior and sentiment etc. Apart from the above, Basel Unit also monitors & measures the liquidity risk in line with the Basel III liquidity measurement tools, namely, LCR, NSFR, Leverage Ratio. The unit addresses the key issues and strategies to maintain the Basel III liquidity ratios to the respective division(s) on regular interval.

#### Policies and processes for mitigating liquidity risk

The Asset-Liability (ALCO) policy leads the process & procedures for mitigation of liquidity risk of IFIC Bank. ALCO works under specific Terms of References approved by the Board. Treasury Division (Front Office) and ALM desk under regular supervision of Top Management reviews the overall liquidity position of IFIC Bank and takes appropriate strategy, process in

line with the industry position for managing liquidity risk of the Bank. The general liquidity risk management policies of the bank are as follows:

- ➔ **To maintain CRR**
  - i. Under the surplus liquidity condition, Treasury will handle the excess liquidity by providing more loans, investing the excess liquid fund in highly marketable fixed income securities, and lending to other Banks, Financial Institutions and Reverse Repo to Central Bank.
  - ii. The treasury will handle the liquidity shortfall if happened with increasing the core deposit of the Bank from the depositors for supporting the loans and advances portfolio of the Bank, and borrowing from other Banks, Financial Institutions and Central Bank.
  - iii. The treasury will assess the level of interbank borrowing capacity and raise funds to meet liquidity from the most reliable sources.
- ➔ **To maintain SLR:** Statutory Liquidity Requirement (SLR) is maintained as per directives of Bangladesh Bank from time to time by way of investment in approved securities.
- ➔ **To maintain NOP:** The treasury manages the necessary foreign currency required by the Bank by using its own intelligence and skill and they do the following trade- Spot, Forward, Swap, Other Foreign Exchange Deals by using different hedging techniques.
- ➔ **To maintain Advance-to-Deposit Ratio (ADR):** The business of the Bank is forecasted based on the current loan, investment and funding strategies, and anticipated funding need.
- ➔ **To maintain LCR:** Liquidity coverage is maintained by-
  - i. Increasing investment in T-bills, BGTB, BB Bill, Reverse Repo
  - ii. Additional investment in Govt. Security shall be made in short/mid/long combination to meet liquidity as well as optimize the return
  - iii. Balance in FC Accounts with BB to be increased
  - iv. Deposit from FIs and Borrowing are to be reduced and replaced by increasing Customer Deposit, and
  - v. Lending/Placement with FI should be more preferable than lending to others.
- ➔ **To maintain NSFR:** Stable Funding is maintained by increasing Capital, increasing stable customer Deposits, increasing Mortgage Loan and Lending having 50% risk weight, decreasing Investment in Capital Market, and controlling growth of Fixed Assets.

## Quantitative Disclosures

(b) Liquidity Ratio	BDT in Million
Liquidity Coverage Ratio	167.67%
Net Stable Funding Ratio (NSFR)	114.50%
Stock of High quality liquid assets	65,151.00
Total net cash outflows over the next 30 calendar days	38,857.00
Available amount of stable funding	291,425.00
Required amount of stable funding	254,517.00

## J) Leverage Ratio

### Qualitative Disclosures

(a) Views of BOD on system to reduce excessive leverage

An underlying cause of the global financial crisis was the build-up of excessive on- and off-balance sheet leverage in the banking system. In many cases, banks built up excessive leverage while apparently maintaining strong risk-based capital ratios. The BOD of IFIC Bank manages leverage risk and are conscious to address the risk of excessive leverage in a precautionary manner by taking due account of potential increases in the risk of excessive leverage caused by reductions of the bank's own funds through expected or realized losses, depending on the applicable accounting rules. The BOD primarily views on the growth of On and Off balance sheet exposures commensurate with its expected capital growth so that the excessive leverage is reduced. Within the On-balance components, again, the Board emphasizes on the growth of the prime component i.e. the loans and advances and maintaining good asset quality so as to maximize the revenue as well as the capacity to generate capital internally (in the form of retained earnings) to trade-off the excessive leverage supposed to be caused by asset growth.

Policies and processes for managing excessive on and off-balance sheet leverage

In order to avoid building-up excessive on- and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by the Basel Committee. A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives- (a) constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy, and (b) reinforce the risk based requirements with an easy to understand and a non-

risk based measure. Predominantly, Bank's policy is to maintain the Leverage Ratio well above the regulatory requirement. To this end, the striking components of balance sheet, namely, the deposits & borrowing, loans & advances, other liquid assets (treasury bills, bonds, fund placements) are analyzed. Measures are taken to contain the growth of overall size of balance sheet considering short term outlook of the industry indicators as well as possible growth of equity (Tier 1 capital) of the Bank on quarterly rest. With regard to managing the excessive leverage, the regulatory stance through the monetary policy initiatives i.e. the scope of expected business potential (growth), estimated money supply, inflation, resulting the estimated overall liquidity of the industry as well as the Bank in particular is also considered.

Approach for calculating exposure

The Bank follows the accounting measure of exposure for the leverage ratio. In order to measure the exposure consistent with financial accounts, the Bank applies following:

- On balance sheet, non-derivative exposures will be net of specific provisions and valuation adjustments.
- Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure.
- Netting of loans and deposits is not allowed.

The formula for Leverage Ratio is as follows:

**Leverage Ratio =**

$$\frac{\text{Tier-1 Capital (considering all regulatory adjustments)}}{\text{Total Exposure}}$$

Where, Total Exposure = On-Balance Sheet Exposure + Off-Balance Sheet Exposure - Total Deduction from On and Off-Balance Sheet Exposure/Regulatory adjustments made to Tier 1 capital

- ➔ **On-Balance Sheet Items:** The Bank includes items using its accounting balance sheet for the purposes of the leverage ratio. Total On balance sheet exposure can be derived by deducting 'Total Specific Provision' from 'Total On-Balance Sheet Assets'.
- ➔ **Off-Balance Sheet Items:** The Bank calculates the off-balance sheet (OBS) items specified in Credit Risk chapter (Table 12) of 'Guidelines on Risk Based Capital Adequacy (RBCA) - Revised Regulatory Capital Framework for banks in line with Basel III' under the section of "Risk Weights Off-Balance Sheet Exposure" by applying a uniform 100% credit conversion factor (CCF). For any commitments that are unconditionally cancellable at any time by the bank without prior notice, a CCF of 10% is being applied.

## Quantitative Disclosures

	BDT in Million	
(b) Leverage Ratio	Solo	Consolidated
Leverage Ratio	6.32%	7.38%
On balance sheet exposure	360,674.19	365,291.99
Off B/S exposure	21,133.59	21,133.59
Total exposure	380,899.84	385,517.64

## K) Remuneration

### Qualitative Disclosures

(a) Information relating to the bodies that oversee remuneration.

Name, composition and mandate of the main body overseeing remuneration.

The Board of Directors sets the remuneration structure. Based on approval of pay package from the Board, Human Resource Management Division disburses remuneration centrally which is supervised by the Management.

External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.

No external body/consultants are involved to seek advice. For market research, external data are collected informally while setting remuneration structure.

A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.

Bank's remuneration policy governs the IFIC Bank Ltd, IFIC Securities Ltd. for employees regardless of cost centers/business lines. Separate remuneration package is practiced in case of foreign subsidiaries.

A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.

Generally MANCOM members and Senior Management Team (SMT) members are considered as material risk takers.

(b) Information relating to the design and structure of remuneration processes.

An overview of the key features and objectives of remuneration policy.

The remuneration structure of the Bank is primarily designation wise range based which is designed to be market competitive to attract and retain talents. It is directly linked to the annual performance of an employee. Based on annual performance rating of the employees, yearly increment (Inflationary adjustment & Performance Pay) is given to the employee from the

range of 6 percent to 16 percent which is calculated on initial basic salary of each job grade.

Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made.

There is no specific remuneration committee to review the policy. Since the remuneration structure is linked to performance, Management of the Bank decides every year to adjust the pay structure with national inflation and individual performance to make it more market competitive with the approval of the Board of Directors.

A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.

Employees' remuneration is fully co-related with individual performance. At the beginning of the year, mutually agreed business targets/objectives are set for each employee irrespective of place of posting or cost center and end of the year employee performance is evaluated by immediate supervisor. The evaluation process is overviewed by "Performance Evaluation Review Committee". Hence, a fair performance evaluation is ensured that risk and compliance employees are remunerated independently of the businesses they oversee.

(c) Description of the ways in which current and future risks are taken into account in the remuneration processes.

An overview of the key risks that the bank takes into account when implementing remuneration measures.

The business risk including credit/default risk, compliance & reputational risk are mostly considered when implementing the remuneration measures for each employee/group of employee. Financial and liquidity risks are also considered.

An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed).

Performance based remuneration is a justified way to ensure equity in remuneration. The motto of "Performance Based Remuneration" is to attract talented & skilled workforce, increase employee motivation, productivity and reduce employee turnover.

A discussion of the ways in which these measures affect remuneration.

While evaluating the performance of each employee annually, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly the result of the performance varies from one to another and thus affect the remuneration as well.

A discussion of how the nature and type of these measures has changed over the past year and reasons



for the change, as well as the impact of changes on remuneration

The performance based pay package is offered to the suitable employees based on individual performance. This system has been introduced to motivate the talented staff and to attract the suitable resources.

(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.

An overview of main performance metrics for bank, top-level business lines and individuals.

Based on Key Performance Indicators (KPI) for the Bank, Management segregates the target to the individual branches and division which ultimately helps in setting individual KPI at branch and head office level. The most common KPIs are the achievement of loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.

A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.

As part of yearly increment, performance pay (Individual performance & bank's performance) is adjusted through giving certain percentage load on basic salary to the eligible employees in addition to inflationary adjustment.

A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.

In case of weak performance, the amount of yearly increment will not insignificant. For instance, inflationary adjustment is given for 'average' and 'above average' rating but nothing is adjusted for 'below average' rating.

(e) Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.

A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.

In case of deferred benefits, gratuity amount is relatively increased with longer period based on service tenure. Additionally, provident fund amount is also affected positively with the cumulative interest applied on the fund balance.

A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.

Not applicable

(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.

An overview of the forms of variable remuneration offered (i.e. cash, shares and share-linked instruments and other forms.

Variable remuneration is offered in case of yearly increment application. Moreover, bonus may be variable based on approval from the Board.

A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees, a description the factors that determine the mix and their relative importance

No other variable remuneration except yearly increment which is done based on performance.

#### Qualitative Disclosures

The quantitative disclosures detailed below covers only senior management and other material risk takers.

(g) Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	N/A*
(h) Number of employees having received a variable remuneration award during the financial year.	16
Number and total amount of guaranteed bonuses awarded during the financial year.	02 Festival Bonus & Pohela Boisakh Bonus for employee (Total amount BDT : 11.69 Mill)
Number and total amount of sign-on awards made during the financial year.	Nil
Number and total amount of severance payments made during the financial year.	Nil
(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	BDT in million
Cash	Nil
Shares	Nil
Share-linked instruments	Nil
Other forms	Nil

Total amount of deferred remuneration paid out in the financial year.	Nil
(j) Breakdown of amount of remuneration awards for the financial year to show:	<b>BDT in Million</b>
fixed and variable.	26.67
deferred and non-deferred.	Nil
different forms used (cash, shares and share linked instruments, other forms).	Nil

(k) Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. clawbacks or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:

Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	Not applicable
Total amount of reductions during the financial year due to ex post explicit adjustments.	Not applicable
Total amount of reductions during the financial year due to ex post implicit adjustments.	Not applicable

➔ Management generally oversees remuneration on monthly basis.

#### Annexure - I: Rate of general and specific provision for loans and advances as per Bangladesh Bank Guideline

Category of Loans & Advances	Rate (%) of provision
<b>General Provision-for Unclassified</b>	
Loans and advances (excluding SMA)	
Small and medium enterprise	0.25%
Consumer finance (house building)	1.00%
Loans to BHs/MBs/SDs share etc.	2.00%
Consumer Finance	5.00%
Consumer Finance (card)	2.00%
Short Term Agri. Credit and Microcredit	1.00%
All other unclassified loans	1.00%

<b>Special Mention Account (SMA)</b>	
Small and medium enterprise	0.25%
Consumer finance (house building)	1.00%
Loans to BHs/MBs/SDs share etc.	1.00%
Consumer Finance	5.00%
Consumer finance (card)	2.00%
Short Term Agri. Credit and Microcredit	0.00%
All other unclassified loans	1.00%
<b>Off-shore banking unit</b>	
Unclassified loans	1.00%

<b>Specific provision-for Classified</b>	
Sub-standard	20.00%
Sub-standard- Short term Agri. Credit	5.00%
Doubtful	50.00%
Doubtful- Short term Agri. Credit	5.00%
Doubtful SMEF	20.00%
Bad/loss	100.00%

#### Particulars of required provision on Off-balance Sheet Exposure

Acceptances and endorsements	1.00%
Letters of guarantee	1.00%
Irrevocable letters of credit	1.00%
Bills for collection	1.00%

#### Annexure - II: Total gross credit risk exposures broken down by major types of credit exposure

Particulars	BDT in Million
Term loan industrial	18,131.45
Term loan consumer finance	170.45
Agricultural loan	782.65
Term loan women entrepreneur	32.78
Term loan-others	76,283.41
House building loans	42,944.83
Staff loan	1,266.62
Transport loan	19.77

Particulars	BDT in Million
Loan general	3,277.26
Demand loan	8,658.57
Overdrafts	60,488.77
Cash credit	23,785.99
Credit card finance	143.38
Loan against trust receipt (LTR)	4,877.02
Lease Finance	227.18
Margin Loan	3,907.40
Bills purchased and discounted	14,405.20
Off-shore banking unit	2,294.70
<b>Total</b>	<b>261,697.43</b>

**Annexure-III: Geographical distribution of exposures, broken down into significant areas by major types of credit exposure**

Particulars	BDT in Million
Dhaka Division	223,022.11
Chottogram Division	20,697.57
Sylhet Division	1,619.91
Rajshahi Division	6,455.00
Khulna Division	4,257.67
Barisal Division	987.92
Rangpur Division	2,922.14
Mymensingh division	1,735.11
<b>Total</b>	<b>261,697.43</b>

**Annexure-IV: Industry or counterparty type distribution of exposures, broken down by major types of credit exposure**

Particulars	BDT in Million
Agriculture Industries	1,549.03
Jute Industries	4,688.65
Textile Industries	12,008.05
Garments Industries	36,205.73
Chemical and Chemical Products	54.93
Cement Industries	2,242.98
Bricks & Ceramic	1,228.86
Food Products & Processing	5,614.53
Engineering & Metal	5,970.45
Drugs & Pharmaceuticals	882.24
Hospital & Clinics	94.86
Paper & Paper Products Industries	2,951.56

Particulars	BDT in Million
Other Small Industries	8,937.48
IT Sector	4,488.38
Other Service Industries	27,835.62
Trade & Commerce	23,358.85
Transport	1,214.04
Construction Firms/Companies	19,969.38
Housing Societies/Companies	31,426.09
Cold Storage	53.44
Consumer Finance	45,925.17
Energy	8,243.56
Telecommunication	9,655.50
NBFI's	8.20
Others	7,089.83
<b>Total</b>	<b>261,697.43</b>

**Annexure-V: Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure**

Particulars	BDT in Million
On demand	69,365.48
Up to 1 month	4,636.35
Over 1 month but not more than 3 months	19,768.00
Over 3 months but not more than 1 years	20,913.45
Over 1 year but not more than 5 years	55,795.10
Over 5 years	76,572.87
	247,051.24
Bill purchased and discounted	14,646.19
<b>Total</b>	<b>261,697.43</b>

#### Annexure-VI: Impaired and Past Due Loans

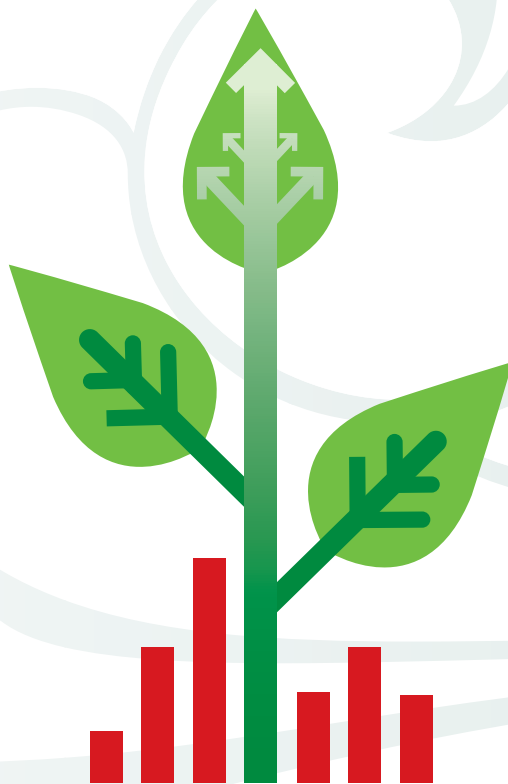
Major Type	Status-wise amount of impaired/ classified loans				Total
	SMA	SS	DF	BL	
Continuous Loan	178.44	209.67	262.83	3,471.79	4,122.73
Demand Loan	156.72	1,353.01	78.02	505.12	2,092.87
Term Loan	4,919.04	1,196.06	103.01	3,087.26	9,305.37
Other Loan	0.00	23.84	19.26	35.90	78.99
<b>Total</b>	<b>5,254.21</b>	<b>2,782.58</b>	<b>463.12</b>	<b>7,100.06</b>	<b>15,599.97</b>

#### Annexure-VII: Interest Rate Risk in the Banking Book

(BDT in Million)

##### CRAR before-shock (%) - 12.24

Interest rate stress	Minor	Moderate	Major
Assumed change in interest rate	1.0%	2.0%	3.0%
<b>Net interest income impact</b>			
<12 months	99.60	199.20	298.79
Capital after-shock	31,389.55	31,489.15	31,588.75
<b>CRAR after-shock (%)</b>	<b>12.28</b>	<b>12.32</b>	<b>12.36</b>
Change in CRAR after-shock (%)	0.04	0.08	0.12
<b>Repricing impact</b>			
Change in the value of the bond portfolio	(1,278.94)	(2,557.89)	(3,836.83)
Capital after-shock	30,110.61	28,931.26	27,751.92
<b>CRAR after-shock (percent)</b>	<b>11.78</b>	<b>11.32</b>	<b>10.86</b>
Change in CRAR after-shock (%)	-0.50	-1.00	-1.50
Overall change in CRAR (NII and repricing impact, %)	-0.46	-0.92	-1.38



Report on  
Sustainable Finance

# Report on Sustainable Finance

## Our Green Products

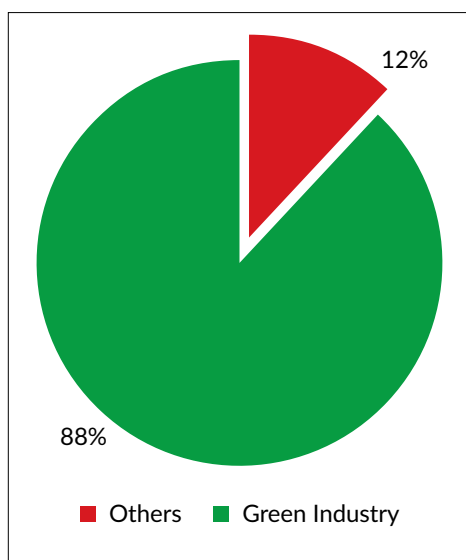
IFIC Bank has launched the following Green Products with the aim of providing financial supports for Eco-friendly business activities.

Total finance stood at BDT 9,092.23 million under Sustainable Finance in 2020. Moreover, the Bank participated in different green events to showcase its Green Products.

Product	Purpose
Domestic Bio-gas plant	For integrated cow rearing & setting up of bio-gas plant.
	For setting up bio-gas plant in existing cattle/poultry farm.
Commercial bio-gas plant	For setting up of bio-gas plant in existing cattle/ poultry farm & produce electricity through gas generator.
Vermin compost	To meet the financial need for purchasing of 2 cows, construction of shade and for other expenses to produce vermin compost fertilizer for own use/ business purpose.
Finance for Brick Kiln Efficiency Improvement Projects	To set-up HHK or equivalent technology plant.
	Conversion of traditional FCK into Improved Zig Zag Brick Kiln
Finance at Fire Fighting & Safety Equipment	i To purchase/reinstall of Fire fighting/Fire safety equipment.
	ii. To Construct/ Repair/ Reconstruction of overhead and underground water reservoir/ tanks. To purchase/reinstall of Fire fighting/ Fire safety equipment.
	iii. To Construct/ Repair/ Reconstruction of overhead and underground water reservoir/ tanks.
	iv. To purchase/install water pumps, Sprinkler etc. to protect fire incidents.

## Women Entrepreneurs Credit

International Women's Day on March 8, 2020



At the event of International Women's Day, 'Bankers SME Women Entrepreneurs Conference & Product display Fair 2020' organized by Bangladesh Bank at BIBM from 5<sup>th</sup> - 8<sup>th</sup> March 2020.

## Loan Product: Women Entrepreneurs

Name of Product	Purpose
IFIC-Protyasha	Loan for Women Entrepreneurs.
IFIC-Prantonari	Loan for Grassroots Women Entrepreneurs.

## Existing Key Loan Products under CMSME, Agri & Sustainable Finance

Name of Product	Purpose
IFIC-Krishi Shilpo	Loan for Agro based Industry
IFIC-Shilpo Sohay	Loan for Cottage & Micro Industry.
IFIC-Protyasha	Loan for Women Entrepreneurs.
IFIC-Prantonari	Loan for Grassroots Women Entrepreneurs.
IFIC- Shohoj Rin	Loan for Agriculture & Agro-based activities, grass root level entrepreneurs, marginal & landless farmers and support other low income individuals.
Easy Commercial Loan	Loan against financial instruments.
CHBL	Loan for commercial house building.
IFIC-Suborno Gram	Loan for crops, fisheries & livestock.
Sech Soronjam	Loan for irrigation instruments.
Krishi Soronjam	Loan for cultivation instrument.
Domestic Bio-gas plant	For setting-up Bio-gas plant
Commercial bio-gas plant	For setting-up Bio-gas plant to produce electricity through gas generator for business purpose.
Vermin compost	To produce vermin compost
Finance for Brick Kiln Efficiency Improvement Projects	To set-up HHK or equivalent technology plant. Conversion of traditional FCK into Improved Zig Zag Brick Kiln.
Finance at Fire Fighting & Safety Equipment	Finance for Fire fighting equipment & safety measurement.



### Shohoj Rin Information

There is a group of people who doesn't have the privilege of having formal financial services for personal need and to reinforce their income generating activities. To address this issue, IFIC Bank have introduced a new bundle loan product named "IFIC Shohoj Rin". This product is aimed to provide loan for agriculture & agro based activities, grass root level entrepreneurs, marginal & landless farmers and support other low income individuals such as garments workers & Other service holders, masons, electricians, plumbers, fishermen, goldsmith, weavers, blacksmiths, potters, carpenters, painters, vegetable sellers etc.

This “IFIC Shohoj Rin” is a bundle of:

1. Shohoj Rin for Cottage & Micro Enterprises
2. Shohoj Rin for Marginal Farmers (Livestock & Fisheries)
3. Shohoj Rin for Marginal & Landless Farmers (Crops)
4. Shohoj Rin for Low Income Individuals

IFIC has launched the product on 23.07.2020 and by 31.12.2020 the Bank has disbursed total BDT 142.40 million among 2471 borrowers through 439 Banking Centres of all over the country.

### Neighborhood Banking Project

To achieve the Sustainable Development Goals (SDGs) within 2030, Bangladesh Bank has introduced several financial

inclusion programs. Despite the Covid-19 pandemic situation during 2020, to be aligned with Bangladesh Bank and to expand the outreach of financial services in the remote areas and marginalized populations, IFIC Bank has taken initiatives to set up new “Branch” as well as “Uposhakha” across the country. To that end, 285 Uposhakhas has already been operating at the end of December 2020 against the projected target of 1,300 by the end of 2021.

To imprint its footprint at every farthest corner of the country as well as to facilitate effective functioning of the Uposahakhas, IFIC Bank has taken several initiatives to establish, relocate & renovate Branches across the country during 2020.

Uposhakhas will open up a new horizon and will create a new dimension to the banking sector of

Bangladesh by providing services as like a branch at minimum cost. Due to its proximity, Uposhakhas will save time and money of the customer and will relieve them from a lot of hassles. Uposhakhas will help to mobilize money through banking channel and will be able to address the bank’s liquidity crisis as well.

By undertaking a project named “**Neighborhood Banking Project**” which started its function on 23 June 2019, IFIC Bank has been able to establish a good number of Uposhakhas across the country with the help of its dedicated workforce. People are being significantly served with full satisfaction from their neighboring Uposhakha. The valued customers of the Bank have already expressed their good feelings about having such “Uposhakha” at their doorsteps.





Report on  
Risk Management

# Report on Risk Management

## Introduction

Banking is the management of risk. Banks accept risk in order to earn profits. They must balance alternative strategies in terms their risk/return characteristics with the goal of maximizing shareholder wealth. In doing so, banks recognize that there are different types of risk and that the impact of a particular investment strategy on shareholders depends on the impact on the total risk of the organization.

Risk and risk management is an inescapable part of economic activity. Risk, broadly defining, is exposure to uncertainty. Risk is also the concept used to describe all of the uncertain environmental variables that lead to variation in and unpredictability of outcomes. More colloquially, risk is about the chance of a loss or adverse outcome as a result of an action, inaction, or external event. This last view may make it sound as if risk is something to be avoided. But that is not at all the case. Risk is a key ingredient in the recipe for business success, and return without risk is generally a false hope and usually a prescription for falling short of one's goals. Risks taken must be carefully chosen, understood and well-managed to have a chance at adding value through decisions. Risk exposure results from the decisions of an organization to take on risk-sensitive assets and liabilities.

Risk cannot be totally mitigated but its worse effect can be minimized to certain stage. IFIC Bank has a comprehensive risk management process to identify, evaluate, monitor, control and mitigate risks and assess the overall capital adequacy in relation to its risk profile.

## Risk Management Structure

### 1. Risk Management Division

Over the past few decades, risk management division in banking has been passed through different

stages. Most specifically, these changes took place in response to regulators both global and local due to the global financial crisis. This same is true for IFIC Risk Management Division also. But as the nature of banking changes over the next decade, so too will risk management need to evolve. Banks have to conduct their business and merely just because there is some uncertainty they cannot just sit back. Risk management Division of IFIC is in the process of knowing what type of uncertainties are out there so that IFIC can find out what are the steps are there to take against these and be fully prepared for eventualities. Decisions have to be taken; business needs to be conducted as well. Thus IFIC RMD helps to identify uncertainties to make informed decisions by the management.

Risk management refers to the practice of identifying potential risks in advance, analyzing them and taking precautionary steps to reduce/curb the risk. Risk is an integral part of the Banking business and IFIC Bank's aim is to deliver and maximize shareholders' value by achieving an appropriate trade-off between risk and returns.

The RMD needs to manage and measure risks on the basis of the bank's approved risk parameters independently in line with regulatory requirements. The role of RMD includes, but not limited to, the following:

- ➔ Developing risk management policies, methodologies, guidelines, and procedures for risk identification, risk measurement, risk monitoring, determining acceptance level of risk, risk controlling in line with the guidelines provided by Bangladesh Bank;
- ➔ Review and update of all risks in a systematic manner as necessary at least annually, ensuring that adequate control

exists and that the related returns reflect these risks and the capital allocated to support them;

- ➔ Conducting, developing and overseeing Stress Testing activity. Utilizing the Stress Test result and scenario analysis to better understand potential risk exposures under a variety of adverse circumstances;
- ➔ Supporting the Board, BRMC and ERMC in formulation, review and approval of the enterprise-wide risk governance framework which includes the bank's risk culture, risk appetite, risk limits, and MAT;
- ➔ Monitoring on ongoing basis the risk-taking activities and risk exposures in line with the board approved risk appetite, risk limit and corresponding capital or liquidity needs (i.e. capital planning);
- ➔ Reviewing of the assessment of Risk Based Capital Adequacy and oversee the capital management functions of the Bank as per Basel III Accord;
- ➔ Analyzing of the bank's own resilience capacity towards facing financial difficulties of the Bank;
- ➔ Communicate views of the board and senior management throughout the bank;
- ➔ Monitoring compliance of irregularities found in core risk inspection reports of BB;
- ➔ Taking appropriate steps to control or mitigate risk exposures and ensure reporting the same to senior management and BRMC.

### 2. Objectives of RMD

The objective of risk management in IFIC is not to prohibit or prevent risk taking activity, but to ensure

that the risks are consciously taken with full knowledge, clear purpose and understanding so that it can be measured and managed properly. IFIC believes in not ignoring the risks or believing they can be passed off also. So the objectives have been set accordingly.

The objective of the Bank is to maximize shareholders wealth

by increasing bank business activities within board determined risk appetite. Bank is careful of achieving this objective in line with the interests of all stakeholders while achieving risk management objectives. The prime objective of risk management is trade-off between risk and reward in our business portfolio. The purpose

of risk management is to identify potential problematic areas before they occur so that risk handling strategies may be planned and invoked in advance across the life of the product or project to mitigate adverse impacts on achieving objectives. The objectives of IFIC are mentioned in the following figure:



Figure 1: IFIC Risk Management Objectives

RMD follows the detail risk management process to achieve the objectives.

### 3. Scope of RMD

Sound risk management is the broader scope of RMD. There are many circulars, policies, guidelines have been issued by regulators and internal source from time to time with a view to ensuring proper application of sound risk management in Bank. All these ensure building the necessary infrastructure and taking various steps for identification, measurement, monitoring, and control or mitigation of various existing and potential risks. For stronger and updated risk management activities, the following tasks are under the purview of IFIC RMD:

- ➔ The RMD reports high-risk related issues identified by the management-level risk committee, directly to the BRMC, and shall provide a copy to the Managing Director & CEO for acknowledgement.
- ➔ RMD requests to ICC division

to conduct audit on any specific issue if deemed necessary.

- ➔ IFIC entrusts in the RMD's responsibility of monitoring the implementation of required corrective action, related to objections revealed in the inspections conducted on the basis of the core risk management guidelines.
- ➔ The RMD determines the Risk Appetites on yearly basis for all possible measurable risk areas. These areas include, but are not limited to, sector, industry and area-wise loan targets, credit concentration among top-20 borrowers, off-balance sheet exposure as a percentage of total assets, the annual growth rate for loans and advances, limitations on the percentage of financial liabilities sourced from the top-10 suppliers, the gaps between total assets and liabilities in different time buckets of the liquidity profile, the gap between

rate-sensitive assets and rate-sensitive liabilities in different time buckets, various ratios, expected loss from operational risk, etc. These Risk Appetites are approved by the Board and sent to Department of Off-Site Supervision (DOS), Bangladesh Bank within first two months of every year.

- ➔ RMD conducts the Stress Testing and share with Bangladesh Bank at given frequency.
- ➔ Basel refers to the capital and liquidity standards prescribed by the Bank for International Settlements (BIS) to promote stability of international banking system. Bangladesh Bank (BB) circulated 'Guidelines on Risk Based Capital Adequacy' vide BRPD circular no. 18 dated 21 December 2014 for gradual implementation of Basel III which started from 01 January 2015 in Bangladesh. These new global regulatory and

supervisory standards mainly addressed the following areas:

- ▶ Raise the quality and level of capital to ensure banks are better able to absorb losses on both a going concern and a gone concern basis;
- ▶ Increase the risk coverage of the capital framework;
- ▶ Introduce leverage ratio to serve as a backstop to the risk-based capital measure;
- ▶ Raise the standards for the supervisory review process (Pillar 2); and
- ▶ Public disclosures (Pillar 3) etc.
- ▶ All Basel related activities are under the purview of RMD.

#### 4. Risk Management Process

Risk management is the process by which an organization defines the level of risk to be taken, measures the level of risk being taken, and adjusts the latter toward the former, with the goal of maximizing the organization's value. Risk Management Process helps management to arrive at desired indicators of profitability and to avert illogical resource deployment. IFIC Bank's risk management process is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures for risk management are approved by Board of Directors and the Board of Directors has oversight on all the risks assumed by the bank.

Risk Management Division is to identify and quantify the overall risk inherent with the banking business. After identifying and measuring risks we take initiative to minimize the risks and keep it within the risk appetite. Risk management is a discipline at the core of every financial institution and encompasses all activities that affect its risk profile. It involves

identification, measurement, and monitoring, controlling and reporting risks to ensure that:

- ➔ The individuals who take or manage risks clearly understand it.
- ➔ The organization's risk exposure is within the limits established by the highest authority of the institution;
- ➔ Risk taking decisions are explicit and clear;
- ➔ Risk taking decisions are in line with the business strategy and objectives set by the highest authority of the institution;
- ➔ The expected payoffs compensate for the risks taken; and
- ➔ Sufficient capital is available as a buffer to take risks.

IFIC Bank is tailoring its Risk Management Process to its need and circumstances as per Bangladesh Bank guideline. Hence, managing of risks consists of the following steps:

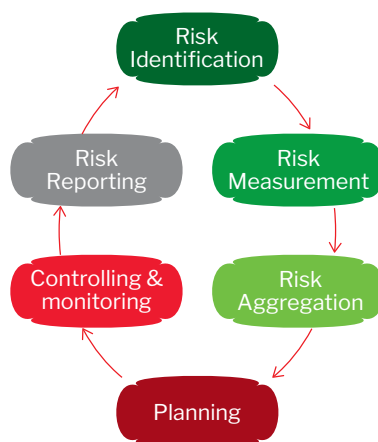


Figure 2: Risk Management Process

##### i) Risk Identification

The process of managing risk of the bank starts with the identification of potential risks. Hence, risk identification can start with the root cause of a problem. Risk sources may be internal or external to the system that is the target of risk management. IFIC RMD team uncover, recognize and describe risks relating to bank's six core

risks and few other categories risks (explained later part) by using different processes and it is a continuous process.

##### ii) Risk Measurement

Once risks have been identified, they are measured in order to determine their impact on the bank's profitability and capital. The above-mentioned types of risks are to be consistently assessed and that is an essential prerequisite for successful risk management.

##### iii) Risk Aggregation

When aggregating risks, it is important to take into account correlation effects which cause a bank's overall risk differing from the sum of the individual risks. This applies to risks both within a risk category as well as across different risk categories.

Further, approach to manage risks at transaction level- i.e. at branch level where business transactions are undertaken - and at aggregate level - i.e. sum total of all transactions undertaken at all branches - differs.

##### iv) Planning

Overall risk exposure of IFIC Bank is planned in a well-organized manner. Risks are actively managed and controlled according to plan.

##### v) Controlling & Monitoring

The risks involved in the banking business are properly controlled and monitored to make sure whether the risks actually incurred, lie within the stipulated limits, thus ensuring the capacity of bank to bear those risks.

##### vi) Risk Reporting

Reporting is the last and most essential part of the risk management process. Depending on the risk categories, they are reported in different internal and regulatory reports. These are also placed in different committees to take preventive actions as applicable.

Recently Bangladesh Bank has given a guideline to establish the risk management process with seven steps and RMD is in the process to implement it.

## Risk Governance Structure

Governance is the top level system of structures, rights, and obligations by which organizations are directed and controlled. Normally performed at the board level, governance is how goals are defined, authority is granted, and top level decisions are made. The foundation for risk management in the organization is set at the board level as well.

### 1. Board

IFIC Board is in focus to enhance corporate governance and make valuable contributions to the prudent management of the institution. Board is providing optimal risk oversight at IFIC by ensuring the following functions:

- ➔ Establish the risk appetite, risk tolerance risk limit, and set risk strategies.
- ➔ Approve bank's risk management policies
- ➔ Determine the strategic direction
- ➔ Create an environment for effective risk management establishment
- ➔ Oversee governance of risk-taking in the organization
- ➔ Ensure appropriate inclusion of risk in compensation policy
- ➔ Oversee and sign-off risk related disclosure.

### 2. Senior Management

Senior management is responsible for the implementation of risk policies. They ensure execution of Board's strategic direction in all levels of the bank. They are to transform the strategic directions set by the Board into operational policies, procedures, and processes for effective risk management.

The senior management of IFIC is fully aware of the activities undertaken by the bank that could expose it to various risks. They have the necessary knowledge and skills to be able to align the risk levels with the board's strategies through risk assessment and treatment. They ensure that the policies are embedded in the

culture of the bank. They are also responsible for implementing risk management strategies and policies and ensuring that procedures are put in place to manage and control the risks in accordance with those policies keeping in view the strategic direction and Risk Appetite specified by Board.

### 3. Committees of Risk Management

IFIC has the Chief Risk Officer (CRO) at DMD level and not in-charge of the Internal Control and Compliance Department. The Bank has constituted an Executive Risk Management Committee (ERMC) with the CRO as the Chairman. Bank has a Head of RMD who is a member of all important committees related to risk.

All the committees, where RMD is involved, are mentioned below:

#### i) BRMC

As per Bangladesh Bank guideline, IFIC has a strong Board Risk Management Committee (BRMC). All the members have the risk oversight of the bank with a clear understanding of all types of risks inherent in business lines. They regularly take appropriate steps to ensure continued awareness of any changes in the level of risks. IFIC has 4 members in BRMC. All the directives given by Bangladesh Bank are meticulously followed by the Committee. BRMC regularly reviews the strategies and significant risk management policies which are developed by senior executives. The committee is very much aware of the nature of risks, significant to the bank and for ensuring that the management is taking necessary steps to implement those strategies and manage accompanying risks.

BRMC ensures to take place minimum once in a quarter. But also they sit, as and when required. In 2020, there took five (5) BRMC meeting against the Bangladesh Bank meeting requirement of at least four (4).

#### ii) ERMC

IFIC has its Executive Risk Management Committee (ERMC)

with 13 senior officials of the Bank. IFIC's top management is aware of Bank's risk profile on an ongoing basis and updated with regularly report it to ERMC for review. For effective oversight of risk management by ERMC, the members of ERMC are provided with sufficient information and they get enabled to understand the bank's risk profile, how risks are assessed and as well.

To serve this purpose of ERMC, members oversee the development, implementation and maintenance of an appropriate Management Information System (MIS) that identifies, measures, monitors and controls Bank's various risks. And finally through effective communications among the members of the committee provide necessary guidance which are mentioned in respective minutes and ensured necessary action taken by the concerned parties. This committee sat every month during 2020 and ensured to follow all the guidelines of Bangladesh Bank for the committee.

#### iii) Basel Unit

Basel Unit has supervisory committee consists of six (6) members headed by CRO. They have also a working team consisting of three (3) members.

#### iv) Supervisory Review Process (SRP)

SRP has following three layers

- ➔ **Strategic Layer:** Board Risk Management Committee (04 Members) bears the responsibility.
- ➔ **Managerial Layer:** Eight (08) Members headed by CEO.
- ➔ **Operational Layer:** Risk Management Division is responsible.

## Risks handled by IFIC

### 1. Risk Categories

IFIC handles its risk management activities through managing core risks identified by the central bank of Bangladesh. The bank is also focused on other material risks

that have significant impact on its business activities to achieve the goal. Thus we divide all risks in two

broad categories, which are core risks and other risks.

All the risks addressed by IFIC Risk Management Division are mentioned in the below diagram:



Figure 3 : Risk Categories

Bangladesh Bank has issued policy guidelines for prudent management of the core risks. Accordingly, IFIC has formulated these guidelines and also set own policies for the same in line with BB guideline. A snapshot of all these risks is given below.

#### A. Core Risks

##### i) Credit Risk

IFIC bank formulates its own credit risk management policy in line with the policy guidelines of Bangladesh Bank, implementation of Basel-III as well as in order to keep pace with the changed environment of money market, credit cultures, risks diversity & dimension. The bank optimizes risk-adjusted return from the loan and advance portfolio. So, to control this credit risk, the

bank takes into cognizance the credit risk inherent in the bank's entire portfolio as well as the risks associated with individual credit proposal. The bank carefully appraises the relationship between credit risk and other risks while supporting its transactions. To manage credit risk in a prudent manner, the bank forms two committees mentioned below:



Figure 4: Credit Risk Governance Committee

IFIC bank has a Credit Risk Management division headed by an experienced DMD & CCO. The division includes Corporate, SME and Retail departments at head office level and marketing & sales department at branch level entrusted with the responsibilities of maintaining effective relations with customers, marketing credit products, exploring new business opportunities. For ensuring proper risk management, the Bank has following teams:

- ➔ Credit Approval;
- ➔ Credit Administration;
- ➔ Remedial Asset Management.

All these teams also ensure sound credit risk management practices by

- ➔ Establishing an appropriate credit risk environment;

- ➔ Operating under a sound credit granting process;
- ➔ Maintaining an appropriate credit administration and monitoring process;
- ➔ Ensuring adequate controls over credit risk.
- ➔ Monitoring non-performing loans and recovery against NPL & written off loans.

For effective credit risk management, the Bank follows the below principles additionally:

##### ➔ Portfolio Composition

IFIC Bank focuses on Aamar Bari financing. However, the bank is also concurrently exploring opportunities to grow its corporate and retail loan segments. The Bank's portfolio comprises a variety of products based on the risk-return trade-off. The different

types of loans (sectorial loans, industrial loans, aamar bari loans, auto loans, loans for trade & commerce, construction loan, etc.) have uneven risk return factors and hence opportunities are pursued accordingly, also depending upon the prevailing market conditions and industry prospects.

##### ➔ Credit Concentration

Bank's management always pays attention to the following credit concentration risk areas:

- ➔ Sector wise exposure
- ➔ Division wise exposure (Geographic Concentration)
- ➔ Group wise exposure
- ➔ Single borrower wise exposure
- ➔ Top borrower wise exposure

The Board of Director of the bank sets risk appetite, risk tolerance

and risk limits for sectors, divisions/ areas, top borrowers etc. to achieve the goal of the bank.

#### ➔ **Credit Quality**

The bank has established credit approval system, disbursement process, maintaining a robust administration & monitoring process and ensuring simultaneous control. Marketing and sales team at branch level, credit team and business team at head office level identify these risks by engaging in physical visits across different disbursement phases. These checks also enforce corporate borrowers to improve their environmental and social performance while improving their credit record. Stressed loans are monitored by risk management division, credit administration and remedial asset management division. Furthermore, RAM division is continuously monitoring the classified & written off loans and recovery against those. Bank's robust capabilities enable to identify, measure, monitor and control credit risks, thereby enabling a rigorous control on NPLs as well as ensuring that adequate capital against these risks is maintained with satisfactory compensation against potential losses.

#### ii) **Asset-Liability Risk**

The assets and liabilities of IFIC Bank Ltd. are managed in order to maximize stake holder's value, to enhance profitability and increase capital, to serve customers and community needs, and to protect the bank from any disastrous financial consequences arising from changes in interest rate/ liquidity. The Board of Directors believes that accepting some level of interest rate risk is necessary in order to achieve realistic profit goals.

IFIC Bank has the asset liability management policy to monitor, measure and manage the risks associated with the balance sheet and protects the bank against any unforeseen losses/threats to survival. The policy is revised to accommodate regulatory and organizational changes over

time. The bank sets the following liquidity risk indicators that are used to monitor the status of its liquidity position and to achieve the goal:

- ➔ Advance to Deposit Ratio(ADR)
- ➔ Wholesale Borrowing Guidelines (WBG)
- ➔ Undrawn Commitments
- ➔ Maximum Cumulative Outflow (MCO)
- ➔ Liquidity Coverage Ratio (LCR)
- ➔ Net Stable Funding Ratio (NSFR)
- ➔ Structural Liquidity Gap analysis
- ➔ Liquid asset to short-term deposit
- ➔ Liquid asset to short-term liability
- ➔ Cash Reserve Requirement (CRR)
- ➔ Statutory Liquidity Requirement (SLR) etc.

The responsibility of managing the assets and liabilities is entrusted to the Asset-Liability Management Committee (ALCO). ALCO meeting is held once or more in every month to analyze, review and formulate strategies in order to manage the assets and liabilities of the bank.

#### iii) **Foreign Exchange Risk Management**

Treasury Division of the bank measures and monitors the Foreign exchange risks. The bank has formulated a foreign exchange guideline which has been implemented for managing foreign exchange risks as per directives of Bangladesh Bank. The functions of Treasury Front Office, Mid Office and Back Office have been segregated. The operational guidelines have also been formulated specifying the roles and responsibilities of Front, Mid and Back Office so that various foreign exchange transactions can be conducted according to the policy guidelines of the Bangladesh Bank and the risks can be measured, monitored and managed.

**Treasury Front Office:** IFIC's Treasury Front Office acts as the bank's interface to international and domestic financial market. The Front Office is the unit that interacts with the market within the generally approved framework and the authority given to dealers by the Board of Directors of the Bank.

Treasury Front Office ensures the following activities to achieve the goal:

- ➔ Statutory management
- ➔ Optimization of risk return through specialization and management
- ➔ Funding of the balance sheet at optimum prices
- ➔ Proposing interest rate matrix to the ALCO
- ➔ Analyze various economic trends and propose
- ➔ Balance sheet strategy to the ALCO
- ➔ Quotation of various foreign exchange and interest rates to customers
- ➔ Dealing in foreign exchange for position covering as well as for own account trading
  - ▶ Provide structured treasury solutions to customer
  - ▶ Marketing activities for future business growth
  - ▶ Record/maintain all foreign exchange and money

**Treasury Back Office:** The market risk exposure and particularly Front Office activities are monitored by the Back Office of the Bank. The Back Office is responsible for monitoring of deal confirmation, deal settlement, funding to Nostro account, maintenance of Nostro account etc.

Treasury Back Office performs the following functions for smooth operation of foreign exchange and to achieve the organizational goal:

- ➔ Input, verification and settlement of deals
- ➔ Receiving and sending of deal confirmation Certificates
- ➔ Preparation of currency positions (of previous day-end) and report to traders prior to commencement of day's dealings
- ➔ Rate appropriateness function for all deals done
- ➔ Revaluation of all foreign exchange positions at a pre-determined frequency
- ➔ Managing discrepancies and disputes
- ➔ Daily calculation for adherence to statutory maintenance

The bank has established a reconciliation department and it performs all foreign currency reconciliation in the Nostro and Vostro account.

**Treasury Mid Office:** IFIC Bank has an independent Treasury Mid Office and the Mid Office is responsible to independently monitor, measure and analyze risks inherent in treasury operations of the bank. The Mid Office performs risk review function of day-to-day activities and prepare various risk reports to check whether there is any violation or not and submit the risk reports to the top management. If there is any violation of activities of TFO & TBO the Mid Office informs the concerned department to take necessary measures.

Treasury Mid Office ensures the following functions to manage foreign exchange risk in prudent manner and to achieve the organizational goal:

- ➔ Limits monitoring and managing limit
- ➔ Adherence to various internal as well as regulatory policies
- ➔ Monitoring & management of various foreign exchange and money market positions
- ➔ Monitoring & management of various cash flows and cash positions

- ➔ Proposals/ renewals for various internal limits
- ➔ Monitor for trader's adherence to various internal and regulatory limits
- ➔ Monitor for trader's adherence to various counterparty limits
- ➔ Prepare, monitor and manage all balance sheet gaps

#### iv) Money Laundering Risk

IFIC's Board views money laundering prevention as part of its risk management strategy and not simply as a standalone requirement imposed by legislation. The bank is fully committed to condemn money laundering and terror financing.

The bank has formulated comprehensive policy on money laundering prevention and combating terrorist financing policies and all these policies are approved by the Board. The management of the bank always strives to enhance bank's policies, procedures, systems and technological resources on the guidance of the Board. The management also issues multiple circulars and instructions in compliance with the updated regulations. As part of bank's anti-money laundering policy, every year, IFIC Bank communicates a statement to all employees through the Managing Director & CEO that clearly sets forth the way forward for the year and shares the initiatives taken over the last year pertaining to combating money laundering and terrorist financing.

IFIC Bank has a Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Deputy CAMLCO. Both of them together ensure that the bank is compliant with all AML guidelines. The Branch Anti Money Laundering Compliance Officer (BAMLCO) is accountable for AML compliance at the respective branch. During the year 2020, the bank arranged several training courses on prevention of money laundering and combating financing of terrorism where executives/ officers of the Bank attended.

#### v) Information and Communication Technology (ICT) Risk

In line with the key trends shaping technology today, the bank has rolled-out various initiatives leveraging mobility, digitalization and innovation in payments technology.

IFIC strictly adheres to the latest guidelines provided by Bangladesh Bank regarding ICT Security. The bank develops its ICT policies to handle the ICT risk properly. ICT policy provides a framework for best practices that are followed by all employees while also ensuring overall data and information assurance for the organization. It outlines the responsibilities and requirements of the bank and its employees with regards to its IT resources. The bank's information security team works prudently and manages ICT risks.

To strengthen ICT risk management activities, the bank formed an ICT security committee headed by DMD & CRO.

The role and responsibility of this ICT security committee are as follows:

- ➔ Ensure development and implementation of ICT security objectives, ICT security related policies and procedures.
- ➔ Providing ongoing management support to the Information security processes.
- ➔ Ensure continued compliance with the business objectives, regulatory and legal requirements related to ICT security.
- ➔ Support to formulate ICT risk management framework/ process and to establish acceptable ICT risk thresholds/ ICT risk appetite and assurance requirements.
- ➔ Periodic review and provide approval for modification in ICT security process.

The Bank has scaled its technology infrastructure to create a contemporary, secure and



robust infrastructure and taken several initiatives to protect its information assets from cyber threats. IFIC has established its Data Center (DC) and Disaster Recovery Site (DRS) keeping in mind future expandability to meet emerging needs and for high availability. During setup of Data Center, environmental security has been provided highest priority. The Core Banking Software (CBS) has been upgraded to its latest release to enhance existing features and functionalities and ensure transaction security.

The Bank has reviewed its ICT infrastructure and taken pragmatic steps to procure state of the art IT Security solutions (Hardware and Software) for implementation of multi-layer security with multiple security solutions for Network, Mailing System, Web/ Internet and the end users devices. The Business Continuity Plan (BCP) and Disaster Recovery Plan have also been revised. The SWIFT payment channel has been reviewed and restructured through separating its network connectivity from Office LAN. Internet access of SWIFT user PCs and file sharing with other PCs have also been blocked. Several training on ICT Security and risk management has been arranged throughout the year at the training institute of the bank and abroad as part of awareness buildup among the employees of the bank and to ensure proper ICT risk management. As the business processes and initiatives are now driven by IT, therefore, the bank continues IT up gradation to ensure sound and secure IT operation.

#### vi) Internal Control and Compliance (ICC)

IFIC bank has an internal control policy approved by board. The bank's sound internal control function plays an important role in contributing to the effectiveness of the internal control system.

The primary objective of internal control system of the bank is to

perform in a sound and prudent manner. Through an effective internal control system, the bank identifies its operational weakness and takes appropriate measures to overcome the same. The main objectives of the internal controls are categorized as follows:

- ➔ **Operational Objectives:** It relates to the effectiveness and efficiency of the bank by using its assets and others resources for achievement of the bank's basic mission and vision.
- ➔ **Reporting objectives:** It addresses the preparation of timely, accurately and comprehensive reporting in both internal and external.
- ➔ **Compliance Objective:** It demonstrates that all banking activities are performed in compliance with applicable rules and regulations of regulatory bodies, own policy, plan and procedures.

The Internal Control & Compliance (ICC) Division is working independently to evaluate the Internal Control System of the bank so as to ensure good governance, transparency & accountability. The ICC division is conducting comprehensive internal audit of the branches as well as different divisions/departments of head office in ongoing basis. The division reviews the activities of branch's Internal Control Unit (ICU) continuously through different control processes to minimize irregularities & lapses, to prevent fraud & forgery and to control existing & emerging risks. The significant deficiencies identified by the audit team are placed before the senior management as well as the Audit Committee of the Board. Audit Committee of the Board regularly monitors the functions of ICC division with their necessary suggestions/recommendations and also reports to the Board of Directors from time to time.

Risk Based Internal Audit (RBIA) is being carried out annually for risk profiling/risk categorization of the branches based on the level of its

various risks. Strong monitoring & close supervision ensure functional efficiency of the branches & different divisions/departments of Head Office by maintaining control environment at operational level. Compliance culture is developed by strict adherence to statutory & regulatory requirement and also bank's own policy & procedures. By enforcing effective and sound internal control system, ICC is performing its activity for further improvement of its activities towards achieving the bank's goal.

#### B. Other Risks

##### i) Liquidity Risk

Bank Deposits generally have a much shorter contractual maturity than loans and liquidity management needs to provide a cushion to cover anticipated deposit withdrawals. Liquidity is the ability to efficiently accommodate deposit as also reduction in liabilities and to fund the loan growth and possible funding of the off-balance sheet claims. The cash flows are placed in different time buckets based on future likely behavior of assets, liabilities and off-balance sheet items. The bank has ALM policy approved by board. The treasury, ALCO team and dedicated money market team of the bank manages liquidity of the bank properly to optimize return of the bank.

##### ii) Interest Rate Risk

IFIC manages its rate sensitive assets and rate sensitive liabilities in proper way and always try to minimize gap of the rate sensitive assets and liabilities to manage interest rate risk. The bank's ALCO team continuously monitor market interest rate and manages interest rate risk by setting interest rate of both asset and liability products.

IFIC bank is following the below indicators of interest rate risk analysis & these are calculated on regular basis:

- ➔ Net Interest Income
- ➔ Net Interest Margin
- ➔ Interest Earning Asset to Total Assets

- ➔ Average Interest Rates of Loan
- ➔ Average Interest Rates of Deposit
- ➔ Value at Risk (VaR)
- ➔ Sensitivity Analysis
- ➔ Maturity profile Analysis

### iii) Equity Price Risk

Equity risk is termed as losses incurring from changes in the market price of equity held by a bank. To measure and identify the risk, mark-to-market valuations of the share investment portfolios are done. IFIC bank has equity exposures and the bank is proactively managing the equity exposures by analyzing of both quoted and unquoted shares. The bank always maintains the standard ratio of equity investment set by BB.

### iv) Environmental and Social Risk

Environmental and climate change risk refers to the uncertainty of losses that may originate from any adverse environmental/ climate change events and/or non-compliance with prevailing environmental regulations. IFIC bank is always concentrated on environmental and social changes. Natural calamities tend to have a negative impact on the bank's business. IFIC bank deals with such challenges proactively. Moreover, additional capital is allocated as per the bank's ICCAP by considering the environmental and social risks.

### v) Reputational Risk

Reputational risk is the possible loss of the organization's

reputational capital resulting in decline of the organization's overall value and/or increased regulatory or other costs. It includes adverse events related to ethics, safety, security, sustainability, quality, and innovation. IFIC is focused here as well.

### vi) Compliance Risk:

The Bank is exposed to compliance risk given that it is governed by local regulations as well as creditor covenants. All the divisions/ departments of IFIC are having significant awareness on this.

## Disclosure of Risk Reporting

### 1. Reporting Categories

Risk reporting is a core element. The reports fully reflect the identified problem areas. Reports are analyzed with a view to improve existing risk management performance as well as developing new risk management policies, procedures and practices.

RMD of IFIC prepares different regulatory and internal reports. Some of them are mentioned below:

Regulatory Reporting	
➔	Monthly Risk Management Report (MRMR)
➔	Comprehensive Risk Management Report (CRMR)
➔	Basel reporting under Pillar I, II, III
➔	Stress Testing
➔	Risk Appetite Statement

Internal Reporting	
➔	BRMC's directions to various divisions/departments
➔	Board's directions to various divisions/departments
➔	BB's directions to various divisions/departments

Figure 5: RMD's reporting

**Monthly Risk Management Report (MRMR):** The format of the report is given by Bangladesh Bank which summarizes the regular information relevant to RMD.

**Comprehensive Risk Management Report (CRMR):** This format is also given by Bangladesh Bank. It contains much detail data and its frequency is half-yearly.

### Basel reporting under Pillar I, II, III Pillar- 1: Minimum Capital Requirement (MCR)

The MCR is a Basel prescribed minimum capital assessment process against credit, market and operational risk of the bank. The underlying assessment is a mandatory requirement of the Central Bank and assessment are carried out on quarterly basis. Regarding MCR calculation, Risk Management Division of the bank performs necessary analysis to understand the trend of MCR of the bank, develop necessary model to predict the overall MCR of the bank, place necessary recommendation for improvement.

The snapshot of on Basel report for the year 2020 is presented below:

Particulars	BDT in Million			
	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Credit Risk	212,015	216,712	219,602	234,994
Market Risk	2,778	2,410	4,561	8,730
Operational Risk	13,169	13,168	13,168	11,914
<b>Total RWA</b>	<b>227,962</b>	<b>232,289</b>	<b>237,331</b>	<b>255,638</b>
Fully Paid-up Capital	14,726	14,726	16,199	16,199
Other Capital	9,321	9,356	8,123	7,887
Total Common Equity Tier (CET) -1 Capital	24,047	24,082	24,322	24,086

Particulars	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Total Tier-2 Capital	5,983	5,373	5,692	7,204
<b>Total Capital Maintained</b>	<b>30,030</b>	<b>29,455</b>	<b>30,014</b>	<b>31,290</b>
<b>CRAR</b>	<b>13.17%</b>	<b>12.68%</b>	<b>12.65%</b>	<b>12.24%</b>
Required Capital in %	12.50%	12.50%	12.50%	12.50%
Surplus/(Shortage) in %	0.67%	0.18%	0.15%	0.26%
<b>Required Capital in Amount</b>	<b>28,495</b>	<b>29,036</b>	<b>29,666</b>	<b>31,955</b>
Surplus/(Shortage) in Amount	1,534	419	347	(665)

Table 1: Data on Basel Reporting

### Pillar – 2: Supervisory Review Process (SRP)

The Supervisory Review Process of the risk-based capital adequacy framework is intended to ensure that banks have adequate capital (in addition to capital requirement under Pillar- 1) to support all the risks in the business and, concurrently to encourage banks to develop and utilize superior risk management techniques in monitoring and managing risk. Importantly the Supervisory Review Evaluation Process (SREP) of Bangladesh Bank ensures a constant dialogue between itself and the bank's SRP team followed by the disclosure of findings/evaluation of the bank's ICAAP. IFIC Bank has an own ICAAP Policy which was approved by the Board of Directors of the Bank in the 2015.

### Pillar – 3: Market Discipline

The purpose of Market discipline in the Revised Capital adequacy Framework is to complement the minimum capital requirements and the supervisory review process. The aim of introducing Market discipline in the revised framework is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, IFIC Bank developed a set of disclosure containing the key pieces of information on the assets, risk exposures, risk assessment processes, and hence the capital adequacy to meet the risks.

### Stress Testing

Bangladesh Bank provides the specific templates for sensitivity analysis and duration gap analysis under stress testing. IFIC conducts stress testing that presents the effects of several assumptions applied to measure the capital base level in stressed scenarios.

IFIC bank conducts stress testing on quarterly basis as per prescribed format of BB with a view to determine sensitivity and stability of its capital base. This technique is designed to ensure that the bank has enough capital to meet unforeseen scenarios. The following situations are considered to assess the sensitivity of the bank's capital base with respect to each situation:

- ➔ Performing loan directly downgraded to BL: top sectoral concentration 1
- ➔ Performing loan directly downgraded to BL: top sectoral concentration 2
- ➔ Increase in NPLs due to default of top ten large borrowers
- ➔ Negative shift in NPL categories
- ➔ Decrease in Forced Sale Value of mortgaged collateral
- ➔ Increase in NPLs
- ➔ Interest rate shocks
- ➔ FEX shocks; and
- ➔ Equity shocks

Stress testing is done assuming three different hypothetical scenarios comprising:

- i) Minor level shocks: The shock parameters are specific for

each factor and those are set by the central bank.

- ii) Moderate level shocks: These visualize medium level shocks and the level is defined in each risk factor separately.
- iii) Major level shocks: These involve big shocks to all the risk factors and are also defined separately for each risk factor.

### Risk Appetite Statement

This is Bangladesh Bank's format report. It defines the risk appetite, risk tolerance and risk limit that helps to set ultimately the risk strategies.

### Internal Core Risk Questionnaire:

This is an internal reporting for managing the core risk of the bank and up gradation of the same.

### Concluding Remarks

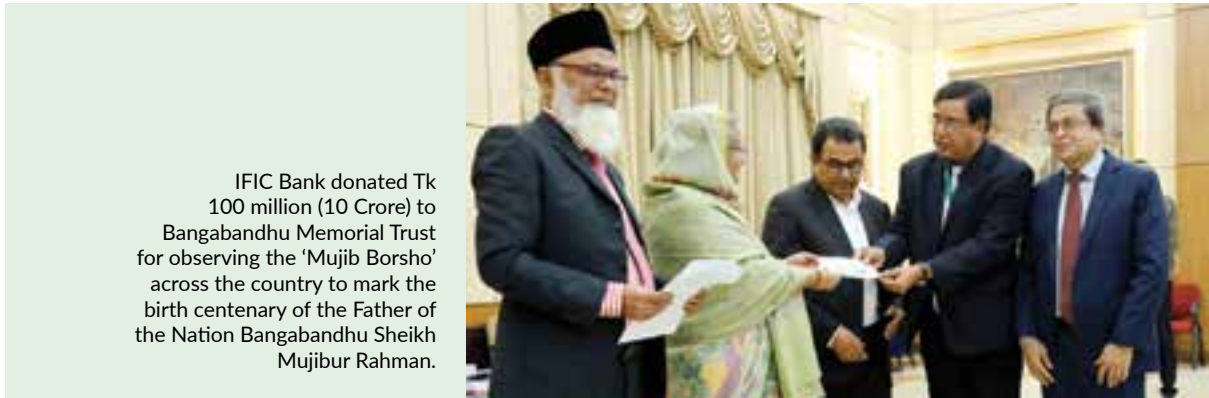
Risk management in banking has been transformed and shaped over the past decade. The main factor behind the change is in response to regulations that emerged from the global financial crisis. But as the nature of the banking changes over the next decade, so the risk management need will be evolved accordingly. The boundary of Risk Management Division is increasing and in line with that IFIC RMD is broadening its role as well. They are getting armed with the right tools and human resources to accelerate the risk discovery as well as risk management process to support the Board members to set the most appropriate risk appetite. This risk appetite will be in line with the bank's strategy. Thus the ultimate goal, maximizing shareholders wealth will be rightly achieved by IFIC Bank Limited.



Corporate  
Social Responsibility



IFIC Bank Limited donated 1 lakh blankets to the Prime Minister's Relief and Welfare Fund to help the cold stricken people in the winter season.



IFIC Bank donated Tk 100 million (10 Crore) to Bangabandhu Memorial Trust for observing the 'Mujib Borsho' across the country to mark the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman.



Inauguration of Mujib Corner at IFIC Tower.



Cake cutting ceremony



IFIC Bank Published Shuddhachar Advertisement in different newspapers throughout the year.



Ramendu Majumder received 'IFIC Bank Songskritiratna Sommanona 2020' for his lifelong contribution to the cultural sector. Researcher and writer Ghulam Murshid and fiction writer Imdadul Haq Milon was awarded as the best writer for the IFIC Bank Sahitya Puroskar 2018. Mr. Ghulam Murshid was also awarded for his 'Bidrohi Ronoklanto Nazrul-Biography' and Mr Imdadul Haq Milon for his novel 'Mayanagar'.

The Bank donated to the Honorable Prime Minister's Relief and Welfare Fund as financial assistance to combat the Corona Virus outbreak in the country.



The Bank made a donation to Bangladesh Shooting Sport Federation as a contribution for the development of the sports.

## Products and Services



IFIC Aamar Account  
IFIC Shohoj Account  
Savings Account  
Current Account  
IFIC Aamar Bhubishawt  
Pension Savings Scheme (PSS)  
Fixed Deposit Receipt (FDR)  
Monthly Income Scheme (MIS)

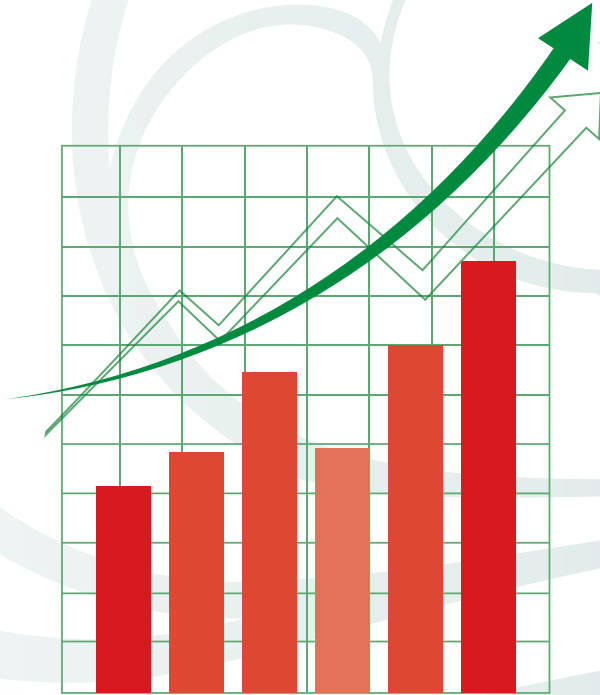
### Deposit Products

IFIC Aamar Bari  
IFIC Aamar Rin  
Premium Overdraft

### Loan Products

### CMSME Products

IFIC Shohoj Rin  
IFIC Krishi Shilpo  
IFIC Shilpo Sohay  
IFIC Shilpo Shongjog  
IFIC-Prantonari  
WEC Loan Protyasha  
WEC Loan Joyeeta  
Transport Loan  
Commercial House Building Loan  
Bidders Loan  
Contractors Loan  
Easy Commercial Loan  
Lease Finance  
IFIC -Subornogram  
Krishi Soronjam Rin  
Sech Soronjam Rin  
IFIC-Green Earth  
Fire Fighting & Safety Equipment



Financial Statements



**Independent Auditor's Report  
 To the Shareholders of IFIC Bank Limited  
 Report on the Audit of the Consolidated and Separate Financial Statements**
**Opinion**

We have audited the consolidated financial statements of International Finance Investment and Commerce (IFIC) Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of IFIC Bank Limited (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2020, and consolidated and separate Profit and Loss Accounts, consolidated and separate statement of Changes in Equity, and consolidated and separate Cash Flow Statements for the year then ended, and notes to consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and 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 2020, and of its consolidated and separate financial performance and its consolidated and separate Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in Note 2.1.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*

(IESBA Code), Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 1. Measurement of provision for Loans and Advances

See notes no. 7, 8, and 15.1 to 15.3 to the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> <li>• Future business performance of the borrower;</li> <li>• Key assumptions relating to the further business performance of the borrower;</li> <li>• The market value of the collateral; and</li> <li>• Ability to repossess the collateral.</li> </ul> <p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.</p> <p>Due to the high level of judgment involved and using some manual process in estimating the provision for loans and advance, we considered this to be a key audit matter.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Tested the credit monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators; and</li> <li>• Reviewed the adequacy of transfer of interests to the Income account appropriate approvals in line with the Bangladesh Bank's guideline.</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the companies general and specific provisions;</li> <li>• Assessed the methodologies on which the provision amounts based, recalculated the provisions, and tested the completeness and accuracy of the underlying information;</li> </ul>

<p>Interest amounting to Taka 5,655.15 million were transferred to Income account with the approval of the Board based on the recommendations of the Board Audit Committee in compliance with BRPD Circular No. 56, dated December 10, 2020, and an additional 1% Special general provision COVID-19 has been maintained amounting to Taka 1,200 million in line with the direction of said circular.</p> <p>At the year end, the Bank reported total loans and advances of BDT 260,650 million (2019: BDT 228,589 million) and provision for loans and advances of BDT 7,842 million (2019: BDT 6,034 million).</p>	<ul style="list-style-type: none"> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and</li> <li>• Reviewed the grounds for recommendations for approvals in cases of transfer of interests to the Income account.</li> </ul>
<h2>2. Valuation of Treasury Bill and Treasury Bond</h2>	
<p>See note no. 6 to the financial statements.</p>	
<p><b>The Key Audit Matter</b></p>	<p><b>How the matter was addressed in our audit</b></p>
<p>The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models.</p>	<p>We tested the operating effectiveness of key controls focusing on the classification and measurement of Treasury Bills and Treasury Bonds.</p> <p>We tested a sample of the valuation models and the inputs used in those models using a variety of techniques. Applied in the circumstances.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<h2>3. Measurement of Deferred Tax Assets</h2>	
<p>See note no. 10.5 to the financial statements.</p>	
<p><b>The Key Audit Matter</b></p>	<p><b>How the matter was addressed in our audit</b></p>
<p>The Bank has reported net deferred tax assets to a total of BDT 731 million (2019: BDT 870 million) as at 31 December 2020.</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding of the Group and the Bank's key controls over the recognition and measurement of deferred tax assets and the assumptions used in estimating the Group and Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition, and measurement of DTA's.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures as per IAS 12 Income Tax.</p>
<h2>4. Legal and Regulatory matters</h2>	
<p><b>The Key Audit Matter</b></p>	<p><b>How the matter was addressed in our audit</b></p>
<p>We focused on legal and regulatory matters because the Group and the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p>	<p>We obtained an understanding of the Group and The Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p>

<p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.</p>	<p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsels.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provision, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>
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## 5. IT Systems and Controls

The Key Audit Matter	How the matter was addressed in our audit
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volumes of transactions processed in numerous locations daily, and are reliance on automated and manual with automated (IT Dependent) controls.</p> <p>We have focused on Data management, user access management, and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring the operating effectiveness of manual with automated control and automated controls.</p> <p>We also concentrated on formal security administration policies and procedures to determine whether they are approved, comprehensive, up-to-date, and bank-wide communicated.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT General Controls (Logical Access, Changes in management, and aspects of IT Operational Controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms, and segregation of incompatible duties relevant to application and database change management.</p>

## 6. Carrying value of Investments in Subsidiaries by the Bank

See note no. 10.4 to the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>The Bank has invested in equity shares of its subsidiaries namely IFIC Securities Limited and IFIC Money Transfer (UK) Limited. As of 31 December 2020, the carrying value of these investments is BDT 2,234 million (2019: BDT 2,233 million).</p> <p>At the time of conducting our audit of the separate financial statements of the Bank, we have considered the recoverable value of the Bank's investments in IFIC Securities Limited and IFIC Money Transfer (UK) Limited stated at cost.</p>	<p>We have reviewed management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36: Impairment of Assets.</p> <p>We have analyzed the appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p>

### Other Information

Management of the Bank is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial

statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements

or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the bank.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls**

Management of the Bank is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in Note 2.1, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991 (as amended up to date), and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control, and risk management functions of the Bank.

The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to Going Concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain

professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Bank Companies Act 1991 (as amended up to date), the Financial Reporting Act 2015, and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - (a) internal audit, internal control, and risk management arrangements of the Group as disclosed in the financial statements appeared

- to be materially adequate;
- (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities.
- (iii) financial statements of two subsidiaries namely, IFIC Securities Limited and IFIC Money Transfer (UK) Limited has been audited by Howladar Yunus & Co., Chartered Accountants, and Ahmed & Co. (UK) respectively, and have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations, and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery as explained in Note 15.1, 15.2, 15.3, and 15.7.
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the Risk-weighted Assets of the Bank and spent over 4,700 person hours; and
- (xii) Bank maintained Capital to Risk-weighted Asset Ratio (CRAR) as explained in note 16.7.



Muhammad Farooq FCA, Managing Partner, Enrolment No.: 0521  
Howladar Yunus & Co., Chartered Accountants  
Firm Registration Number: [N/A]

Dated: Dhaka, 31 March 2021

DVC No.: 2104010521AS369193

# International Finance Investment and Commerce Bank Limited

## Consolidated Balance Sheet

as at 31 December 2020

Amount in BDT

Particulars	Note	31 December 2020	31 December 2019
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>18,496,393,531</b>	<b>18,056,029,773</b>
Cash in hand (including foreign currency)	3.1	4,088,663,229	2,872,338,679
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	14,407,730,302	15,183,691,094
<b>Balance with other banks and financial institutions</b>	<b>4</b>	<b>8,068,327,513</b>	<b>5,637,834,204</b>
In Bangladesh	4.1	6,682,557,302	4,014,719,294
Outside Bangladesh	4	1,385,770,211	1,623,114,910
<b>Money at call and on short notice</b>	<b>5</b>	<b>2,330,000,000</b>	<b>910,000,000</b>
<b>Investments</b>	<b>6</b>	<b>58,100,080,583</b>	<b>47,216,443,756</b>
Government securities	6.1	46,979,431,855	41,369,255,890
Other investments	6.2	11,120,648,728	5,847,187,866
<b>Loans and advances</b>		<b>261,697,427,473</b>	<b>232,523,441,067</b>
Loans, cash credit, overdrafts etc.	7.1	247,051,243,375	221,562,693,268
Bills purchased and discounted	8	14,646,184,098	10,960,747,799
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9</b>	<b>7,537,124,576</b>	<b>6,430,431,620</b>
<b>Other assets</b>	<b>10</b>	<b>11,426,737,686</b>	<b>9,606,537,605</b>
<b>Non-banking assets</b>	<b>11</b>	<b>373,474,800</b>	<b>373,474,800</b>
<b>Total assets</b>		<b>368,029,566,161</b>	<b>320,754,192,825</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other banks, financial institutions and agents</b>	<b>12</b>	<b>13,021,794,012</b>	<b>8,215,860,335</b>
<b>Subordinated debt</b>	<b>13</b>	<b>2,100,000,000</b>	<b>2,800,000,000</b>
<b>Deposits and other accounts</b>	<b>14</b>	<b>296,346,489,666</b>	<b>258,180,418,372</b>
Current deposit and other accounts	14.1	92,694,716,685	56,902,194,086
Bills payable	14.2	2,547,263,402	1,840,433,536
Savings bank deposits	14.3	25,343,706,980	23,299,407,700
Fixed deposits	14.4	175,760,802,599	176,138,383,050
<b>Other liabilities</b>	<b>15</b>	<b>28,737,360,373</b>	<b>25,014,936,764</b>
<b>Total liabilities</b>		<b>340,205,644,051</b>	<b>294,211,215,471</b>
<b>Capital/Shareholders' equity</b>			
Paid up capital	16.2	16,198,738,680	14,726,126,080
Statutory reserve	17	6,864,775,853	6,531,903,475
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	107,849,126	50,121,137
Revaluation reserve against fixed assets	20	115,314,704	115,314,704
Foreign currency translation reserve	20.a	134,088,406	43,867,936
Surplus in profit and loss account	22	4,248,076,927	4,920,565,744
<b>Attributable to equity holders</b>		<b>27,823,915,093</b>	<b>26,542,970,473</b>
Non-controlling interest	23	7,016	6,880
<b>Total shareholders' equity</b>		<b>27,823,922,109</b>	<b>26,542,977,353</b>
<b>Total liabilities and shareholders' equity</b>		<b>368,029,566,161</b>	<b>320,754,192,825</b>

# International Finance Investment and Commerce Bank Limited

## Consolidated Balance Sheet

as at 31 December 2020

Particulars	Note	Amount in BDT	
		31 December 2020	31 December 2019
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>	<b>24</b>	<b>50,483,678,851</b>	<b>51,095,166,712</b>
Acceptances and endorsements	24.1	16,350,951,601	17,978,428,515
Letters of guarantee	24.2	8,058,992,366	9,274,250,539
Irrevocable letters of credit	24.3	17,880,361,773	14,673,137,826
Bills for collection	24.4	8,193,373,111	9,169,349,832
Other contingent liabilities		-	-
<b>Other commitments</b>			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total off-balance sheet exposures including contingent liabilities</b>		<b>50,483,678,851</b>	<b>51,095,166,712</b>

These financial reports should be read in conjunction with the annexed notes.



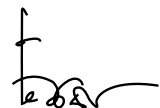
Managing Director & CEO



Director



Director



Director

Signed as per our annexed report of same date

Muhammad Farooq FCA, Managing Partner, Enrolment No.: 0521  
 Howladar Yunus & Co., Chartered Accountants  
 Firm Registration Number: [N/A]  
 Dhaka, 31 March 2021  
 DVC No.: 2104010521AS369193

# International Finance Investment and Commerce Bank Limited

## Consolidated Profit and Loss Account

For the year ended 31 December 2020

Particulars	Note	Amount in BDT	
		2020	2019
Interest income	26	21,170,256,030	24,478,436,655
Interest paid on deposits, borrowings etc.	27	18,292,521,314	18,028,004,167
<b>Net interest income</b>		<b>2,877,734,717</b>	<b>6,450,432,488</b>
Investment income	28	3,501,469,298	2,458,206,971
Commission, exchange and brokerage	29	1,558,776,252	1,698,099,119
Other operating income	30	605,362,198	434,472,898
<b>Total operating income</b>		<b>5,665,607,748</b>	<b>4,590,778,988</b>
<b>Total operating expenses</b>		<b>8,543,342,465</b>	<b>11,041,211,476</b>
Salary and allowances	31	2,560,507,662	2,576,223,530
Rent, taxes, insurance, electricity etc.	32	418,605,546	579,414,593
Legal expenses	33	10,712,980	10,070,711
Postage, stamp, telecommunication etc.	34	73,869,808	63,669,117
Stationery, printing, advertisement etc.	35	358,974,150	440,303,684
Managing Director's salary	36	20,975,250	15,720,000
Directors' fees	37	1,892,000	1,854,500
Auditors' fees	38	3,051,750	3,509,093
Charges on loan losses		-	758,054,030
Depreciation and repair of bank's assets	39	1,070,408,309	741,346,537
Other expenses	40	1,065,997,697	873,877,546
<b>Total operating expenses</b>		<b>5,584,995,153</b>	<b>6,064,043,341</b>
<b>Operating profit</b>		<b>2,958,347,312</b>	<b>4,977,168,135</b>
<b>Share of profit of joint ventures/associates</b>	40.a	<b>522,479,151</b>	<b>553,833,085</b>
<b>Profit before provision</b>		<b>3,480,826,463</b>	<b>5,531,001,220</b>
<b>Provision for loans, investments &amp; other assets</b>	41		
Provision for loans and advance		1,498,673,893	774,041,752
Provision for diminution in value of investments		(300,613,649)	130,186,221
Other provisions		35,971,496	42,052,379
<b>Total provision</b>		<b>1,234,031,740</b>	<b>946,280,352</b>
<b>Profit/(Loss) before taxes</b>		<b>2,246,794,722</b>	<b>4,584,720,868</b>
<b>Provision for taxation</b>			
Current tax		975,923,486	1,721,922,569
Deferred tax expense/(income)		137,874,939	35,067,669
		<b>1,113,798,425</b>	<b>1,756,990,238</b>
<b>Net profit after taxation</b>		<b>1,132,996,297</b>	<b>2,827,730,630</b>
<b>Net profit after tax attributable to:</b>			
Equity holders of the Bank		1,132,996,161	2,827,730,568
Non-controlling interest		136	62
		<b>1,132,996,297</b>	<b>2,827,730,630</b>
<b>Profit available for appropriation:</b>			
Retained earnings brought forward from previous year		4,920,565,744	4,267,059,068
Add: Net profit after tax (attributable to equity holders of the Bank)		1,132,996,161	2,827,730,568
		<b>6,053,561,905</b>	<b>7,094,789,636</b>
<b>Appropriations:</b>			
Statutory reserve		332,872,378	835,485,162
General reserve		-	-
Dividend		1,472,612,600	1,338,738,730
		<b>1,805,484,978</b>	<b>2,174,223,892</b>
<b>Retained surplus</b>		<b>4,248,076,927</b>	<b>4,920,565,744</b>
<b>Earnings Per Share (EPS)</b>		<b>0.70</b>	<b>1.75</b>

These financial reports should be read in conjunction with the annexed notes.

  
 Managing Director & CEO

  
 Director

  
 Director

  
 Director

Signed as per our annexed report of same date

Muhammad Farooq FCA, Managing Partner, Enrolment No.: 0521  
 Howladar Yunus & Co., Chartered Accountants  
 Firm Registration Number: [N/A]  
 Dhaka, 31 March 2021

DVC No.: 2104010521AS369193



# International Finance Investment and Commerce Bank Limited

## Consolidated Cash Flow Statement

For the year ended 31 December 2020

Amount in BDT

Particulars	Note	2020	2019
<b>A. Cash flows from operating activities</b>			
Interest received		24,404,994,090	26,971,611,707
Interest payments		(19,444,860,529)	(16,740,005,553)
Dividend received		105,135,607	211,291,220
Fees and commission received		1,567,381,555	1,698,099,119
Recoveries of loans and advances previously written-off		161,055,817	601,783,125
Cash payments to employees		(2,831,594,912)	(2,582,443,530)
Cash payments to suppliers		(386,808,355)	(486,915,656)
Income taxes paid		(1,261,407,373)	(1,702,545,421)
Receipts from other operating activities	43	567,756,329	438,702,331
Payments for other operating activities	44	(1,703,770,755)	(1,648,751,205)
<b>Operating cash flows before changing in operating assets and liabilities</b>		<b>1,177,881,474</b>	<b>6,760,826,137</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Statutory deposits		-	-
Loans and advances to other banks		-	-
Loans and advances to customers		(31,668,464,339)	(23,122,311,754)
Other assets	46	(422,065,491)	(198,632,806)
Deposits from other banks		(8,448,134,949)	(3,167,323,151)
Deposits from customers		47,606,024,704	33,804,194,781
Other liabilities	47	333,961,325	(183,655,716)
		<b>7,401,321,250</b>	<b>7,132,271,354</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>8,579,202,724</b>	<b>13,893,097,492</b>
<b>B. Cash flows from investing activities</b>			
Net proceeds/(payments) from sale/(purchase) of Government securities		(5,552,113,576)	(14,072,890,953)
Net proceeds/(payments) from sale/(purchase) of securities		(4,668,979,098)	(82,932,707)
Purchase of property, plant & equipment		(937,430,303)	(632,524,390)
Proceeds from sale of property, plant & equipment		2,327,116	2,609,682
<b>Net cash flows from/(used in) investing activities</b>		<b>(11,156,195,861)</b>	<b>(14,785,738,368)</b>
<b>C. Cash flows from financing activities</b>			
Borrowing from other banks, financial institutions and agents		6,966,197,110	(2,453,571,943)
Payment against lease obligation		(194,051,377)	(137,348,282)
<b>Net cash flows from/(used in) financing activities</b>		<b>6,772,145,733</b>	<b>(2,590,920,225)</b>
<b>D. Net increase/(decrease) in cash (A+B+C)</b>		<b>4,195,152,596</b>	<b>(3,483,561,101)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>96,038,871</b>	<b>(21,451,422)</b>
<b>F. Opening balance of cash and cash equivalents</b>		<b>24,606,978,576</b>	<b>28,111,991,100</b>
<b>G. Closing balance of cash and cash equivalents (D+E+F)</b>		<b>28,898,170,044</b>	<b>24,606,978,577</b>
<b>Closing cash and cash equivalents</b>	45		
Cash in hand		4,088,663,229	2,872,338,679
Balance with Bangladesh Bank and its agents bank		14,407,730,302	15,183,691,094
Balance with other banks and financial institutions		8,068,327,513	5,637,834,204
Money at call and on short notice		2,330,000,000	910,000,000
Prize bonds		3,449,000	3,114,600
		<b>28,898,170,044</b>	<b>24,606,978,577</b>

# International Finance Investment and Commerce Bank Limited

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2020

Particulars	Paid up capital	Statutory reserve	General reserve	Revaluation reserve against securities	Revaluation reserve against fixed assets	Foreign currency translation reserve	Surplus in profit and loss account	Non-controlling interest	Amount in BDT	
									Total	
Balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	43,867,936	4,920,565,744	6,880	26,542,977,353	
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2020</b>	<b>14,726,126,080</b>	<b>6,531,903,475</b>	<b>155,071,397</b>	<b>50,121,137</b>	<b>115,314,704</b>	<b>43,867,936</b>	<b>4,920,565,744</b>	<b>6,880</b>	<b>26,542,977,353</b>	
Surplus/(deficit) on account of revaluation of investments	-	-	-	57,727,989	-	-	-	-	57,727,989	
Effect of foreign currency translation	-	-	-	-	-	90,220,469	-	-	90,220,469	
<b>Net gain and losses not recognized in the profit and loss account</b>	<b>14,726,126,080</b>	<b>6,531,903,475</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>115,314,704</b>	<b>134,088,406</b>	<b>4,920,565,744</b>	<b>6,880</b>	<b>26,690,925,812</b>	
Net profit for the year	-	-	-	-	-	-	1,132,996,161	136	1,132,996,297	
Bonus share issued for the year 2019	1,472,612,600	-	-	-	-	-	(1,472,612,600)	-	-	
Transfer to statutory reserve	-	332,872,378	-	-	-	-	(332,872,378)	-	-	
<b>Balance as at 31 December 2020</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>115,314,704</b>	<b>134,088,406</b>	<b>4,248,076,927</b>	<b>7,016</b>	<b>27,823,922,109</b>	
<b>Balance as at 1 January 2019</b>	<b>13,387,387,350</b>	<b>5,696,418,313</b>	<b>155,071,397</b>	<b>13,108,847</b>	<b>115,314,704</b>	<b>43,292,875</b>	<b>4,267,059,068</b>	<b>6,818</b>	<b>23,677,659,372</b>	
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-	
<b>Restated balance as at 1 January 2019</b>	<b>13,387,387,350</b>	<b>5,696,418,313</b>	<b>155,071,397</b>	<b>13,108,847</b>	<b>115,314,704</b>	<b>43,292,875</b>	<b>4,267,059,068</b>	<b>6,818</b>	<b>23,677,659,372</b>	
Surplus/(deficit) on account of revaluation of investments	-	-	-	37,012,290	-	-	-	-	37,012,290	
Effect of foreign currency translation	-	-	-	-	-	575,061	-	-	575,061	
Transfer from provision to general reserve	-	-	-	-	-	-	-	-	-	
<b>Net gain and losses not recognized in the profit and loss account</b>	<b>13,387,387,350</b>	<b>5,696,418,313</b>	<b>155,071,397</b>	<b>50,121,137</b>	<b>115,314,704</b>	<b>43,867,936</b>	<b>4,267,059,068</b>	<b>6,818</b>	<b>23,715,246,723</b>	
Net profit for the year	-	-	-	-	-	-	2,827,730,568	62	2,827,730,630	
Bonus share issued for the year 2018	1,338,738,730	-	-	-	-	-	(1,338,738,730)	-	-	
Transfer to statutory reserve	-	835,485,162	-	-	-	-	(835,485,162)	-	-	
<b>Balance as at 31 December 2019</b>	<b>14,726,126,080</b>	<b>6,531,903,475</b>	<b>155,071,397</b>	<b>50,121,137</b>	<b>115,314,704</b>	<b>43,867,936</b>	<b>4,920,565,744</b>	<b>6,880</b>	<b>26,542,977,353</b>	

# International Finance Investment and Commerce Bank Limited

## Balance Sheet

as at 31 December 2020

Amount in BDT

Particulars	Note	31 December 2020	31 December 2019
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>18,492,529,970</b>	<b>18,054,911,164</b>
Cash in hand (including foreign currency)	3.1	4,084,799,668	2,871,220,070
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	14,407,730,302	15,183,691,094
<b>Balance with other banks and financial institutions</b>	<b>4</b>	<b>8,895,390,969</b>	<b>5,617,034,218</b>
In Bangladesh	4.1	7,511,869,424	4,014,719,294
Outside Bangladesh	4	1,383,521,545	1,602,314,924
<b>Money at call and on short notice</b>	<b>5</b>	<b>2,330,000,000</b>	<b>910,000,000</b>
<b>Investments</b>	<b>6</b>	<b>52,722,425,470</b>	<b>45,500,148,033</b>
Government securities	6.1	46,979,431,855	41,369,255,890
Other investments	6.2	5,742,993,615	4,130,892,143
<b>Loans and advances</b>	<b>7</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
Loans, cash credit, overdrafts etc.	7.1	246,004,105,427	217,627,752,438
Bills purchased and discounted	8	14,646,184,098	10,960,747,799
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9</b>	<b>7,495,172,120</b>	<b>6,384,198,894</b>
<b>Other assets</b>	<b>10</b>	<b>12,452,484,222</b>	<b>11,522,075,844</b>
<b>Non-banking assets</b>	<b>11</b>	<b>373,474,800</b>	<b>373,474,800</b>
<b>Total assets</b>		<b>363,411,767,076</b>	<b>316,950,343,190</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other banks, financial Institutions and agents</b>	<b>12</b>	<b>13,021,794,012</b>	<b>8,215,860,335</b>
<b>Subordinated debt</b>	<b>13</b>	<b>2,100,000,000</b>	<b>2,800,000,000</b>
<b>Deposits and other accounts</b>	<b>14</b>	<b>296,373,946,429</b>	<b>258,368,141,236</b>
Current deposit and other accounts	14.1	92,720,625,780	57,089,778,779
Bills payable	14.2	2,547,263,402	1,840,433,536
Savings bank deposits	14.3	25,343,706,980	23,299,407,700
Fixed deposits	14.4	175,762,350,267	176,138,521,221
<b>Other liabilities</b>	<b>15</b>	<b>26,699,071,654</b>	<b>22,969,362,164</b>
<b>Total liabilities</b>		<b>338,194,812,095</b>	<b>292,353,363,735</b>
<b>Capital/Shareholders' equity</b>			
Paid up capital	16.2	16,198,738,680	14,726,126,080
Statutory reserve	17	6,864,775,853	6,531,903,475
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	107,849,126	50,121,137
Revaluation reserve against fixed assets	20	115,314,704	115,314,704
Surplus in profit and loss account	21	1,775,205,220	3,018,442,662
<b>Total shareholders' equity</b>		<b>25,216,954,980</b>	<b>24,596,979,455</b>
<b>Total liabilities and shareholders' equity</b>		<b>363,411,767,076</b>	<b>316,950,343,190</b>

# International Finance Investment and Commerce Bank Limited

## Balance Sheet

as at 31 December 2020

Amount in BDT

Particulars	Note	31 December 2020	31 December 2019
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>	<b>24</b>	<b>50,483,678,851</b>	<b>51,095,166,712</b>
Acceptances and endorsements	24.1	16,350,951,601	17,978,428,515
Letters of guarantee	24.2	8,058,992,366	9,274,250,539
Irrevocable letters of credit	24.3	17,880,361,773	14,673,137,826
Bills for collection	24.4	8,193,373,111	9,169,349,832
Other contingent liabilities		-	-
<b>Other commitments</b>			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total off-balance sheet exposures including contingent liabilities</b>		<b>50,483,678,851</b>	<b>51,095,166,712</b>

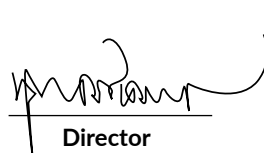
These financial reports should be read in conjunction with the annexed notes.




Managing Director & CEO



Director



Director



Director

Signed as per our annexed report of same date

Muhammad Farooq FCA, Managing Partner, Enrolment No.: 0521  
 Howladar Yunus & Co., Chartered Accountants  
 Firm Registration Number: [N/A]  
 Dhaka, 31 March 2021  
 DVC No.: 2104010521AS369193

# International Finance Investment and Commerce Bank Limited

## Profit and Loss Account

For the year ended 31 December 2020

Amount in BDT

Particulars	Note	2020	2019
Interest income	26	21,159,059,728	24,425,901,857
Interest paid on deposits, borrowings, etc.	27	18,294,764,064	18,028,020,880
<b>Net interest income</b>		<b>2,864,295,664</b>	<b>6,397,880,977</b>
Investment income	28	3,454,712,181	2,626,318,570
Commission, exchange and brokerage	29	1,508,518,057	1,662,336,401
Other operating income	30	597,074,284	433,206,205
		<b>5,560,304,522</b>	<b>4,721,861,176</b>
<b>Total operating income</b>		<b>8,424,600,186</b>	<b>11,119,742,153</b>
Salary and allowances	31	2,536,366,543	2,552,110,868
Rent, taxes, insurance, electricity, etc.	32	414,727,523	565,034,570
Legal expenses	33	6,927,473	8,599,690
Postage, stamp, telecommunication, etc.	34	73,303,297	63,430,699
Stationery, printing, advertisement, etc.	35	358,588,600	439,870,887
Managing Director's salary	36	20,975,250	15,720,000
Directors' fees	37	1,672,000	1,560,000
Auditors' fees	38	2,427,778	2,916,667
Charges on loan losses		-	758,054,030
Depreciation and repair of bank's assets	39	1,061,395,200	734,843,273
Other expenses	40	1,046,562,803	857,155,397
<b>Total operating expenses</b>		<b>5,522,946,467</b>	<b>5,999,296,081</b>
<b>Profit/(Loss) before provision</b>		<b>2,901,653,719</b>	<b>5,120,446,072</b>
<b>Provision for loans, investments and other assets</b>	41		
Provision for loans and advance		1,498,673,893	774,041,752
Provision for diminution in value of investments		(297,353,559)	126,926,131
Other provisions		35,971,496	42,052,379
<b>Total Provision</b>		<b>1,237,291,830</b>	<b>943,020,262</b>
<b>Profit/(Loss) before taxes</b>		<b>1,664,361,889</b>	<b>4,177,425,810</b>
<b>Provision for taxation</b>	42		
Current tax		963,000,000	1,700,000,000
Deferred tax expense/(income)		139,114,352	33,692,863
		<b>1,102,114,352</b>	<b>1,733,692,863</b>
<b>Net profit after taxation</b>		<b>562,247,536</b>	<b>2,443,732,947</b>
Retained earnings brought forward from previous year		3,018,442,662	2,748,933,607
		<b>3,580,690,199</b>	<b>5,192,666,554</b>
Appropriations			
Statutory reserve		332,872,378	835,485,162
General reserve		-	-
Dividend		1,472,612,600	1,338,738,730
		<b>1,805,484,978</b>	<b>2,174,223,892</b>
<b>Retained surplus</b>		<b>1,775,205,221</b>	<b>3,018,442,662</b>
<b>Earnings Per Share (EPS)</b>	50	<b>0.35</b>	<b>1.51</b>

These financial reports should be read in conjunction with the annexed notes.

  
 Managing Director & CEO

  
 Director

  
 Director

  
 Director

Signed as per our annexed report of same date

Muhammad Farooq FCA, Managing Partner, Enrolment No.: 0521  
 Howladar Yunus & Co., Chartered Accountants  
 Firm Registration Number: [N/A]  
 Dhaka, 31 March 2021  
 DVC No.: 2104010521AS369193

# International Finance Investment and Commerce Bank Limited

## Separate Cash Flow Statement

For the year ended 31 December 2020

Amount in BDT

Particulars	Note	2020	2019
<b>A. Cash flows from operating activities</b>			
Interest received		24,359,789,186	26,919,076,909
Interest payments		(19,410,851,928)	(16,738,966,100)
Dividend received		67,006,708	208,265,302
Fees and commission received		1,508,518,057	1,662,336,401
Recoveries of loans and advances previously written-off		161,055,817	601,783,125
Cash payments to employees		(2,807,341,793)	(2,558,330,868)
Cash payments to suppliers		(387,651,783)	(486,915,656)
Income taxes paid		(1,238,529,182)	(1,660,879,183)
Receipts from other operating activities	43	550,840,197	435,247,023
Payments for other operating activities	44	(1,676,730,733)	(1,614,038,549)
<b>Operating cash flows before changing in operating assets and liabilities</b>		<b>1,126,104,546</b>	<b>6,767,578,404</b>
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Loans and advances to other banks		-	-
Loans and advances to customers		(31,704,320,689)	(23,239,690,456)
Other assets	46	448,041,159	(208,344,698)
Deposits from other banks		(8,448,134,949)	(3,167,323,151)
Deposits from customers		47,551,023,032	33,887,438,885
Other liabilities	47	250,670,162	(169,972,291)
		<b>8,097,278,715</b>	<b>7,102,108,289</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>9,223,383,261</b>	<b>13,869,686,693</b>
<b>B. Cash flows from investing activities</b>			
Net proceeds/(payments) from sale/(purchase) of Government securities		(5,552,113,576)	(14,072,890,953)
Net proceeds/(payments) from sale/(purchase) of securities		(1,612,101,472)	(85,012,872)
Purchase of property, plant & equipment		(931,522,495)	(594,177,750)
Proceeds from sale of property, plant & equipment		2,185,616	2,609,682
<b>Net cash flows from/(used in) investing activities</b>		<b>(8,093,551,927)</b>	<b>(14,749,471,893)</b>
<b>C. Cash flows from financing activities</b>			
Borrowing from other banks, financial institution and agents		4,105,933,677	(2,453,571,943)
Dividend paid (cash)		-	-
Payment against lease obligation		(194,051,377)	(137,348,282)
<b>Net cash flows from/(used in) financing activities</b>		<b>3,911,882,300</b>	<b>(2,590,920,225)</b>
<b>D. Net increase/(decrease) in cash (A+B+C)</b>		<b>5,041,713,634</b>	<b>(3,470,705,425)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>94,596,324</b>	<b>(23,281,415)</b>
<b>F. Opening balance of cash and cash equivalents</b>		<b>24,585,059,982</b>	<b>28,079,046,822</b>
<b>G. Closing balance of cash and cash equivalents (D+E+F)</b>		<b>29,721,369,939</b>	<b>24,585,059,982</b>
<b>Closing cash and cash equivalents</b>	45		
Cash in hand		4,084,799,668	2,871,220,070
Balance with Bangladesh Bank and its agents bank		14,407,730,302	15,183,691,094
Balance with other banks and financial institutions		8,895,390,969	5,617,034,218
Money at call and on short notice		2,330,000,000	910,000,000
Prize bonds		3,449,000	3,114,600
		<b>29,721,369,939</b>	<b>24,585,059,982</b>

Note: The reconciliation of cash flows from operating activities (solo basis) has been disclosed in Note 48 of these financial statements.

# International Finance Investment and Commerce Bank Limited

## Statement of Changes in Equity

For the year ended 31 December 2020

Amount in BDT

Particulars	Paid up capital	Statutory reserve	General reserve	Revaluation reserve against securities	Revaluation reserve against fixed assets	Surplus in profit and loss account	Total
Balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	3,018,442,662	24,596,979,455
Impact of changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2020</b>	<b>14,726,126,080</b>	<b>6,531,903,475</b>	<b>155,071,397</b>	<b>50,121,137</b>	<b>115,314,704</b>	<b>3,018,442,662</b>	<b>24,596,979,455</b>
Surplus/deficit on account of revaluation of investments	-	-	-	57,727,989	-	-	57,727,989
<b>Net gain and losses not recognized in the income statement</b>	<b>14,726,126,080</b>	<b>6,531,903,475</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>115,314,704</b>	<b>3,018,442,662</b>	<b>24,654,707,444</b>
Net Profit for the year	-	-	-	-	-	562,247,536	562,247,536
Bonus share issued for the year 2019	1,472,612,600	-	-	-	-	(1,472,612,600)	-
Transfer to statutory reserve	-	332,872,378	-	-	-	(332,872,378)	-
<b>Balance as at 31 December 2020</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>115,314,704</b>	<b>1,775,205,220</b>	<b>25,216,954,980</b>
<b>Balance as at 1 January 2019</b>	<b>13,387,387,350</b>	<b>5,696,418,313</b>	<b>155,071,397</b>	<b>13,108,846</b>	<b>115,314,704</b>	<b>2,748,933,607</b>	<b>22,116,234,218</b>
Impact of changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2019</b>	<b>13,387,387,350</b>	<b>5,696,418,313</b>	<b>155,071,397</b>	<b>13,108,846</b>	<b>115,314,704</b>	<b>2,748,933,607</b>	<b>22,116,234,218</b>
Surplus/deficit on account of revaluation of investments	-	-	-	37,012,290	-	-	37,012,290
<b>Net gain and losses not recognized in the income statement</b>	<b>13,387,387,350</b>	<b>5,696,418,313</b>	<b>155,071,397</b>	<b>50,121,136</b>	<b>115,314,704</b>	<b>2,748,933,607</b>	<b>22,153,246,508</b>
Net profit for the year	-	-	-	-	-	2,443,732,947	2,443,732,947
Bonus share issued for the year 2018	1,338,738,730	-	-	-	-	(1,338,738,730)	-
Transfer to statutory reserve	-	835,485,162	-	-	-	(835,485,162)	-
<b>Balance as at 31 December 2019</b>	<b>14,726,126,080</b>	<b>6,531,903,475</b>	<b>155,071,397</b>	<b>50,121,136</b>	<b>115,314,704</b>	<b>3,018,442,662</b>	<b>24,596,979,455</b>

# International Finance Investment and Commerce Bank Limited

## Liquidity Statement

Maturity Analysis of Assets and Liabilities

Amount in BDT

Particulars	Maturity Period					Total
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	
<b>Assets</b>						
Cash in hand (including Bangladesh Bank)	6,819,736,350	129,422,144	129,422,144	-	11,413,949,333	18,492,529,970
Balance with other banks and financial institutions	5,225,390,969	3,670,000,000	-	-	-	8,895,390,969
Money at call and on short notice	2,330,000,000	-	-	-	-	2,330,000,000
Investment	4,266,434,939	4,061,017,479	10,560,146,950	21,981,612,395	11,853,213,708	52,722,425,470
Loans and advances	79,966,355,692	19,747,387,255	28,568,581,510	55,795,097,917	76,572,867,151	260,650,289,525
Fixed assets including premises, furniture and fixture	-	749,517,212	1,124,275,818	2,998,068,848	2,623,310,242	7,495,172,120
Other assets	2,427,594,262	4,560,784,334	2,022,995,218	1,206,768,149	2,234,342,260	12,452,484,222
Non-banking assets	-	-	-	373,474,800	-	373,474,800
<b>Total assets</b>	<b>101,035,512,212</b>	<b>32,918,128,423</b>	<b>42,405,421,639</b>	<b>82,355,022,109</b>	<b>104,697,682,693</b>	<b>363,411,767,076</b>
<b>Liabilities</b>						
Subordinated debt	-	-	700,000,000	1,400,000,000	-	2,100,000,000
Borrowing from other banks, financial institutions and agents	1,482,457,108	4,191,908,871	7,088,478,478	123,803,291	135,146,264	13,021,794,012
Deposits and other accounts	47,640,720,255	48,408,607,746	64,850,783,722	33,248,619,980	102,225,214,727	296,373,946,429
Other liabilities	2,221,588,997	414,205,283	4,652,244,556	2,426,379,102	16,984,653,716	26,699,071,654
<b>Total liabilities</b>	<b>51,344,766,360</b>	<b>53,014,721,899</b>	<b>77,291,506,756</b>	<b>37,198,802,373</b>	<b>119,345,014,706</b>	<b>338,194,812,095</b>
<b>Net liquidity</b>	<b>49,690,745,852</b>	<b>(20,096,593,477)</b>	<b>(34,886,085,116)</b>	<b>45,156,219,735</b>	<b>(14,647,332,014)</b>	<b>25,216,954,980</b>



# Notes to the Financial Statements

As at and for the year ended 31 December 2020

## 1. Reporting Entity

### 1.1. IFIC Bank Limited

International Finance Investment and Commerce Bank Limited (hereinafter referred to as “the Bank” / “IFIC Bank”), started its journey in 1976 at the instance of the Government as a joint venture between the Government of Bangladesh and sponsors in the private sector with the objective of working as a finance company within the country and setting up joint venture banks/financial institutions abroad. In 1983 when the Government allowed to open up banking in the private sector, the finance company was converted into a full fledged commercial bank. The Government of the People’s Republic of Bangladesh, now, holds 32.75% of the share capital of the Bank. Directors and Sponsors having vast experience in the field of trade and commerce own 4.11% of the share capital and the rest is held by Institutions both local & foreign and General Shareholders.

Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Bank has 154 branches, 285 Uposhakhas, and 38 ATM booths with 51 ATMs as at 31 December 2020.

The principal activities of the Bank are to provide all types of commercial banking services, within the stipulations laid down by the Banking Companies Act 1991 as amended and directives as received from Bangladesh Bank and other regulatory authorities from time to time, through its Branches, Uposhakhas and Alternative Delivery Channels like ATM Booths and Internet Banking, Digital Channel, etc.

### 1.2. Off-shore Banking Unit (OBU)

Off-shore Banking Unit (OBU) is a separate business unit of IFIC Bank Limited. The Bank obtained permission for OBU operations from Bangladesh Bank vide its letter no. BRPD (P-3) 744 (104)/2009-4233 dated 17 November 2009 and commenced its operation from 10 May 2010. The operation of OBU is governed under prudential regulations of Bangladesh Bank and solo basis Financial Statements of the Bank have been prepared treating OBU as a business line in equivalent Bangladeshi Taka as per BRPD circular no 2 dated 25 February 2019, a separate Financial Statements has been prepared for OBU which are shown in *Annexure-L*.

### 1.3. Subsidiaries of the Bank

#### 1.3.1. IFIC Securities Limited [IFICSL]

IFIC Securities Limited, a fully owned subsidiary company of IFIC Bank Limited was incorporated as a public limited company and acquired membership of Dhaka Stock Exchange Limited for brokerage transactions. The main objectives of this subsidiary are

buying, selling, and settling of securities on behalf of investors and its own portfolio as well as other related services. The registered office of IFICSL is located at IFIC Tower, 61, Purana Paltan, Dhaka – 1000, Bangladesh.

#### 1.3.2. IFIC Money Transfer (UK) Limited

IFIC Money Transfer (UK) Limited is a fully owned subsidiary of IFIC Bank incorporated as a private limited company with Companies House of England and Wales under registration no. 07379137 on 16 September 2010 and obtained its Money Laundering registration on 17 January 2011 issued by HM Customs and Excise. The company got registration from Financial Conduct Authority (FCA) [previously it was Financial Services Authority (FSA)] on 16 June 2011 under Payment Services Regulations 2009. The company commenced its operation on 31 August 2011. The registered office of the company is located at Ferrari House, 2nd Floor, 102 College Road, Harrow, Middlesex, United Kingdom HAI IES, London, UK. The principal activities of the company are remitting/transfer money and related services on behalf of its customers.

### 1.4. Associates of the Bank

#### 1.4.1. Nepal Bangladesh Bank Limited [NBBL], Nepal

Nepal Bangladesh Bank Limited, a joint venture commercial bank between IFIC Bank Limited and Nepali Nationals, started operation with effect from 06 June 1994 in Nepal. The Bank has so far opened 99 (Ninety Nine) branches at different important locations in Nepal. IFIC Bank presently holds 40.91% shares in NBBL and has a Management & Technical Service Agreement to provide technical know-how and professional knowledge to strengthen the smooth function of NBBL. NBBL is listed with Nepal Stock Exchange Limited.

#### 1.4.2. Oman Exchange LLC, Oman

Oman Exchange LLC, an exchange company incorporated under the laws of the Sultanate of Oman in 1985 as a joint venture between IFIC Bank and Omani Nationals. The principal activities of the company are, to remit/transfer money/funds to the different parts of the world including Bangladesh and related services. IFIC holds 49% shares of Oman Exchange LLC and the rest 51% shares are held by the Omani sponsors. The registered office is located in Building no. 4699, Way no. 4567, Hamriya, PO Box 114, Post code 994, Hey Al Mina, Hamriya, Muscat, Sultanate of Oman.

### 1.5. MCB Bank Ltd, Pakistan

MCB Bank Limited is one of the largest Banks in Pakistan listed on the Pakistan Stock Exchange. IFIC Bank had two branches in Pakistan, one in Karachi (in

1987) and the other at Lahore (in 1993). IFIC Pakistan operation was merged with NDLC on 02 October 2003 and renamed it NDLC-IFIC Bank Limited. It was subsequently renamed as NIB Bank Limited with effect from 28 November 2005. In 2017 NIB Bank Limited merged with MCB Bank Limited and IFIC's holding diluted significantly due to this merger. Now IFIC holds a very minimal share in MCB Bank Limited.

## 2. Basis of Preparation and Significant Accounting Policies

### 2.1. Basis of preparation

#### 2.1.1. Statement of compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed in 2017 and has since then adopted the International Accounting Standards (IAS) International Financial Reporting Standards (IFRS) as the applicable Financial Reporting Standards with effect from 2 November 2020

Accordingly, the Financial Statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the requirements of the Banking Companies Act 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

In case any requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank differ from those of IFRSs and IASs, the requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank shall prevail.

Material departures from the requirements of IFRS in preparing these financial statements are as follows:

#### i. Investment in shares and securities

**IAS/IFRS:** As per requirements of *IFRS 9: Financial Instruments*, classification and measurement of investment in shares and securities will depend on the entity's business model and its contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with *IFRS 13: Fair Value Measurement*) at the year-end is taken to profit and loss account or other comprehensive income, respectively.

**Bangladesh Bank:** As per Banking Regulation & Policy Department (BRPD) circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued on the basis of year end market price and Net Assets Value (NAV) of

the last audited balance sheet, respectively. In addition to that Department of Of-site Supervision (DOS) of Bangladesh Bank vide its circular letter no. 03 dated 12 March 2015 directed that investment in mutual fund (closed end) will be revalued at lower of cost and (higher of market value and 85% of NAV). Provision should be made for any loss arising from diminution in value of the investment on a portfolio basis; otherwise, investments are recognized at cost.

#### ii. Revaluation gains/losses on Government securities

**IAS/IFRS:** As per requirement of *IFRS 9: Financial Instruments*, where securities will fall under the category of 'fair value through profit or loss account', any change in the fair value of assets is recognized through the profit and loss account. Securities designated as amortized costs are measured at the effective interest rate method and interest income is recognized through the profit and loss account.

**Bangladesh Bank:** Held for Trading (HFT) securities are revalued on the basis of market to market and at year end any gains on the revaluation of securities which have not matured as at the balance sheet date to be recognized as other reserves in equity. Any losses on the revaluation of securities that have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount is recognized in the profit and loss account. Held to Maturity (HTM) securities that have not matured as of the balance sheet date are amortized at year end and gains or losses on amortization are recognized in other reserves as part of equity.

#### iii. Repo and reverse repo transactions

**IAS/IFRS:** As per *IFRS 9: Financial Instruments*, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between the selling price and repurchase price will be treated as an interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

**Bangladesh Bank:** As per DOS circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS circular no. 2 dated 23 January 2013, 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 transaction and

the financial asset is derecognized in the seller's book and recognized in the buyer's book. In addition to that as per DMD circular letter no. 7 dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS), whereby such banks may carry out collateralized repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

**iv. Provision on loans and advances/investments**

**IAS/IFRS:** As per *IFRS 9: Financial Instruments*, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 months expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 5 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 1 dated 20 February 2018 and BRPD circular No. 3 dated 21 April 2019 a general provision at 0.25% to 5% under different categories of unclassified/standard loans have to be maintained regardless of objective evidence of impairment. Also, provision for sub-standard loans, doubtful loans, and bad & loss loans has to be provided at 20%, 50%, and 100% respectively depending on the duration of past due of loans and advances. Again, general provision at 1% is required to be provided for off-balance sheet exposures as per BRPD circular no. 10 dated 18 September 2007, BRPD circular no. 7 dated 21 June 2018, and BRPD circular no. 13 dated 18 October 2018. Provision for Short-Term Agricultural and Micro-Credits has to be provided at the rate of 5% for 'sub-standard' and 'doubtful' loans and at the rate of 100% provision for the 'bad/Loss' loans. As per BRPD circular no. 4 dated 29 January 2015, 1% additional provision has to be maintained for the large restructured loans, and also 1% additional provision has to be maintained against the facilities for which payment was deferred during the year 2020 due to COVID-19 pandemic under the purview of BRPD Circular

No. 56 dated 10 December 2020. Such provision policies are not specifically in line with those prescribed by IFRS 9.

**v. Recognition of interest in suspense**

**IAS/IFRS:** Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans is not allowed to be recognized as income, rather the corresponding amount transferred/credited to an interest in the suspense account and shown as liability in the balance sheet.

**vi. Other comprehensive income**

**IAS/IFRS:** As per *IAS 1: Presentation of Financial Statements*, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statements.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The template of financial statements issued by Bangladesh Bank neither include OCI nor are the elements of OCI allowed to be included in a single OCI Statement. As such the Bank does not prepare the OCI statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

**vii. Financial instruments – presentation and disclosure**

In several cases, Bangladesh Bank guidelines categories, recognize, measure, and presentation of financial instruments different from as prescribed by IFRS 9. As such full disclosure and presentation requirements cannot be made in the financial statements as per *IFRS 7: Financial Instruments Disclosures* and *IAS 32: Financial Instruments: Presentation*.

**viii. Financial guarantees**

**IAS/IFRS:** As per *IFRS 9: Financial Instruments*, 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 term of debt instruments. Financial guarantee liabilities are recognized initially at their fair value and amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and loss

allowance determined expected credit loss under IFRS 9. Financial guarantees are prescribed to be included in other liabilities.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as Letter of Credit, Letter of Guarantee should be treated as Off-balance items. No liability is recognized for the guarantee except the cash margin.

**ix. Cash and cash equivalent**

**IAS/IFRS:** Cash and cash equivalents items should be reported as cash items as per IAS 7: *Statement of Cash Flows*.

**Bangladesh Bank:** Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills, and prize bonds are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet. Treasury bills, Bangladesh Bank bills, and prize bonds are shown under investments in the balance sheet. However, in the Cash Flow Statement, money at call and on short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

**x. Non-banking asset**

**IAS/IFRS:** No indication of Non-banking asset is found in any IAS/IFRS.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, there is a separate balance sheet item named Non-banking assets shown in the standard template of the balance sheet.

**xi. Cash flow statement**

**IAS/IFRS:** As per IAS 7: *Statements of Cash Flows*, the cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, Cash Flow Statement is a mixture of direct and indirect methods.

**xii. Balance with Bangladesh Bank: (Cash Reserve Requirement - CRR)**

**IAS/IFRS:** As per IAS 7: *Statements of Cash Flows*, Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day to day operations.

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

**xiii. Presentation of intangible asset**

**IAS/IFRS:** Intangible assets must be identified,

recognized, and disclosed in the financial statements as per IAS 38: *Intangible Assets*.

**Bangladesh Bank:** There is no regulation for disclosure of intangible assets in BRPD circular no. 14 dated 25 June 2003.

**xiv. Off-balance sheet items**

**IAS/IFRS:** There is no concept of off-balance sheet items in any IAS/IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003, off-balance sheet items (e.g., Letter of credit, Letter of guarantee, etc.) must be disclosed separately on the face of the balance sheet.

**xv. Disclosure of appropriation of profit**

**IAS/IFRS:** There is no requirement to show appropriation of profit on the face of the Profit and Loss Account.

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003, an appropriation of profit should be disclosed on the face of the Profit and Loss Account.

**xvi. Loans and advances net off provision**

**IAS/IFRS:** As per IFRS 9, loans and advances shall be presented at amortized cost net off any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instruments).

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003, provision for loans, advances, and investments are presented separately as liability and cannot be netted off against the outstanding balance of loans, advances and investment.

**xvii. Presentation of Financial Statement**

**IAS/IFRS:** As per IAS 1, financial statements shall comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, cash flow statement, adequate notes comprising the summary of accounting policies, and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

**Bangladesh Bank:** Bangladesh Bank vide its BRPD circular no. 14, dated 25 June 2003 directed all banks to prepare their financial statements in the prescribed template comprising the balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement and certain disclosures therein are guided by the First Schedule (section 38) of the Banking

Companies Act 1991. (Amendment up to date) and BRPD circular no. 14, dated 25 June 2003. In that prescribed template there is no scope to present assets and liabilities under current and noncurrent classifications.

[Also refer to (note 2.2.13 Compliance of International Financial Reporting Standards (IFRSs))]

### 2.1.2. Going Concern

The accompanying financial statements have been prepared on a going concern assumption that the Bank is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the Bank has neither the intention nor the need to liquidate or curtail materially the scale of its operation. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

The management of the Bank has calculated all the ratios related to the maintenance of regulatory requirements of capital & liquidity such as CRAR, LCR, NSFR, CRR & SLR and assessed adequacy of the bank's liquidity as per structured liquidity profile to determine the bank's shock absorbent capacity in different distress scenario. All the ratios and results thus calculated reveal that Bank is running well above the level of different parameters set by the respective guidelines of Bangladesh Bank. The rating outlook of the Bank as assigned by the rating agency Emerging Credit Rating Limited (ECRL) is 'stable'. The management does not see any issue with respect to going concern due to the recent pandemic COVID-19. Besides, the management is not aware of any material uncertainty that may cast significant doubt upon the Bank's ability to continue as a going concern.

### 2.1.3. Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT/Tk.) which is the Group's and the Bank's functional currency. The functional currency of the Off-shore Banking Unit and one of the subsidiaries namely IFIC Money Transfer (UK) Limited is US Dollar (USD) and Great Britain Pound (GBP) respectively. The functional currency for two associates - Oman Exchange LLC and Nepal Bangladesh Bank Limited is Omani Rial and Nepalese Rupee respectively. The financial information presented in BDT has been rounded off to the nearest integer, except otherwise indicated. The financial statement and information of the subsidiaries and joint venture/associates whose functional currency is different from that of IFIC Bank Limited have been translated in the presentation currency i.e., BDT as per *IAS 21: The Effects of Changes in Foreign Exchange Rates*, where applicable.

### 2.1.4. Materiality and aggregation

Each material item is considered as significant and has been presented separately in the financial statements. No assets have been set off against any liability other than IFIC General Account and unless the Bank

has a legal right to set off such amount and intends to settle on a net basis. Income and expenses are presented on a net basis only when permitted by the relevant financial reporting standards or as directed by Bangladesh Bank.

### 2.1.5. Comparative information

Accounting policies have been consistently applied by the bank and are consistent with those used in the previous year. Comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation. The Bank did not restate its comparative figures which affect the related implications of *IAS 1: Presentation of Financial Statements*.

### 2.1.6. Reconciliation of inter-bank and inter-branch account

Books of Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled on regular basis and there are no material differences that may affect the financial statements significantly.

The Bank doesn't have any un-reconciled entries related to inter-branch transactions as on the reporting date.

### 2.1.7. Foreign currency transactions

Foreign currency transactions are translated into the Bank's functional currency at the exchange rates prevailing on the respective date of such transactions as per *IAS 21: The Effect of Changes in Foreign Exchange Rates*. Monetary assets and liabilities in foreign currencies are converted into Taka at the spot exchange rate at the reporting date. Foreign exchange differences are generally recognized in the profit and loss account.

### Foreign operations

The results of financial statements of the Bank whose functional currency is not Bangladesh Taka are translated into Bangladesh taka as follows:

- a. Assets and liabilities for each statement of the balance sheet have been translated at the closing rate on the date of the balance sheet.
- b. Income and expenses for the profit and Loss account have been translated at the monthly average rate.

### 2.1.8. Reporting period

These financial statements cover one year from 1 January to 31 December which has been followed consistently over the period. The reporting period of the subsidiaries namely IFIC Securities Limited and IFIC Money Transfer (UK) Limited and one of the associates Oman Exchange LLC is in line with that of the parent i.e. IFIC Bank Limited. The reporting period of Nepal Bangladesh Bank Limited is as per Nepalese Calendar Year which generally ends around the middle of July each year as such the operating results of Nepal Bangladesh Bank Limited have been adjusted proportionately in line with the reporting period of IFIC

for calculation of share the post-acquisition profit from associates in its consolidated financial statement.

#### **2.1.9. Date of authorization**

The Board of Directors has authorized these financial statements for public issue on 31 March 2021.

#### **2.1.10. Use of estimates and judgments**

In the preparation of the financial statements of the Bank in conformity with IFRSs requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the measurement of assets, liabilities, income, and expenses. Accordingly, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Key estimates are as follows:

- ➔ Provision for loans, advances, and investments;
- ➔ Revaluation of land & buildings;
- ➔ Deferred tax assets/liabilities;
- ➔ The useful life of depreciable assets;
- ➔ Measurement of defined benefit obligation (Provision for gratuity);
- ➔ Provision/accruals for expenses;
- ➔ Provision for current taxation;
- ➔ Lease Liabilities and Right of Use Assets;

#### **Changes in accounting estimates**

Changes are reflected in the assumptions when they occur in accordance with IAS 8: *Accounting Policies, Changes in Accounting Estimates, and Errors*. During the year, the bank has not adopted any change of accounting estimates.

#### **2.1.11. Basis of consolidated**

The consolidated financial statements include the financial statements of IFIC Bank Limited and its subsidiaries, IFIC Securities Limited operating in Bangladesh, and IFIC Money Transfer (UK) Limited operating in the United Kingdom as those of a single economic entity. The separate financial statements are derived by combining the financial statements of the main operation of IFIC Bank Limited as Domestic Banking Unit and the financial statements of Off-shore Banking Unit (OBU) in equivalent BDT denomination as per BRPD circular no 2 dated 25 February 2019.

The consolidated and separate financial statements have been prepared in accordance with IAS 27: *Separate Financial Statements* and IFRS 10: *Consolidated Financial Statements*. The consolidated financial statements are prepared to a common year ended 31 December 2020. The reporting period of Nepal Bangladesh Bank Limited is different from that of the IFIC, necessary adjustments have been made

to the financial results at the time of consolidation. Both consolidated financial statements and separate financial statements of the Bank comprise the Balance Sheet, the Profit & Loss Statement, the Cash Flow Statement, the Statement of Changes in Equity, and relevant notes and disclosures.

#### **Subsidiaries**

Subsidiaries are all entities over which the bank has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

A parent of a subsidiary should present consolidated financial statements according to IAS 27: *Separate financial statements* and IFRS 10: *Consolidated Financial Statements*. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases.

The financial statements of such subsidiary companies are incorporated on a line by line basis and investment held by the bank is eliminated against the corresponding share capital of subsidiaries in the consolidated financial statements.

#### **Associates**

An associate is an enterprise in which the investor has significant influence and which is neither subsidiary nor a joint venture of the investor (IAS 28: *Investments in Associates*). Significant influence is the power to participate in the financial and operating policy decisions of the investee but there is no control over those policies. Investment in the associate is accounted for in the financial statements under the "equity method" as per the direction of Bangladesh Bank. Under the equity method, the investment is initially recorded at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profits and losses of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognized in the investor's profit and loss account. Distributions received from an investee reduce the carrying amount of the investment.

#### **Transactions eliminated on consolidation**

All intra-group transactions, balances, and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements.

#### **2.1.12. The basis for the preparation of liquidity statement**

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on the reporting date under the guidelines of Bangladesh Bank BRPD Circular No. 14, dated 25 June 2003. The bank used the following basis for the preparation of the liquidity statement:

Particulars	Basis
Balance with other Banks and financial institutions	Maturity term
Money at call and on short notice	Maturity term
Investments	Respective residual maturity
Loans and advances	Repayment schedule
Fixed assets	Useful lives
Other assets	Realization / amortization
Sub-ordinated debt	Maturity / repayment terms
Borrowing from other Banks, financial institutions	Maturity / repayment terms
Deposits and other accounts	Maturity term and past trend of withdrawal
Provisions and other liabilities	Settlement/Payment/adjustments schedule

### 2.1.13. Basis of provision, contingent liabilities, contingent assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

#### No provision is recognized for -

- a. Any 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
- b. Any present obligation that arises from past events but is not recognized because-
  - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for except in the extremely rare circumstances where no reliable estimate can be made. Contingent assets are not recognized in the financial statement since this may result in the recognition of income that may never be realized."

### 2.2. Significant accounting policies

The accounting policies set out below have been

applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities except otherwise instructed by Bangladesh Bank as the prime regulator or local laws where the entities are operated.

#### 2.2.1. Assets and basis of their valuation

##### 2.2.1.1. Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, cash at bank, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice, and such other highly liquid financial assets which are subject to an insignificant risk of changes in their value and are used by the Bank management for its short term commitments.

##### 2.2.1.2. Investment

All investments (except government treasury bill and bond) have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accredited by using the effective or historical yield method. Government Treasury Bills and Bonds (categorized as HFT and/or HTM) are accounted for as per Bangladesh Bank DOS circular letter no. 5 dated 26 May 2008 and DOS circular no. 5 dated 28 January 2009. Details of the valuation methods of investment are given below:

- i. **Govt. Securities – Held to Maturity (HTM)**  
Investments that are intended to be held to maturity are classified as "Held to Maturity". These are measured at amortized cost at each period end by taking into account any discount or premium in acquisition. Amortized amounts of such premium are booked into Profit and Loss Account or discount is booked to reserve until maturity/disposal.
- ii. **Govt. securities – Held for Trading (HFT)**  
Investments held in this category are acquired principally for the purpose of selling and purchasing in short trading. After initial recognition, investments are revalued weekly on market to market basis. The Decrease in the book value is recognized in the profit and loss account and any increase is transferred to the revaluation reserve account.
- iii. **Investment in quoted shares/securities**  
These shares/securities are bought and held primarily for the purpose of selling in the future or for dividend income. Investment in quoted shares/securities are revalued at the end of the reporting period and necessary provisions are maintained for diminution in value of investments in quoted shares/securities in line with Bangladesh Bank requirement. Realized gain or losses are recognized in the profit and loss account.
- iv. **Investment in unquoted shares/securities**  
Investments in unquoted shares/securities are

initially recognized at cost and revalued based on the book value of the last audited balance sheet. Provision arising from diminution in value of investment recognized in profit and loss accounts as per Bangladesh Bank guidelines.

**v. Investment in subsidiary**

Investments in the subsidiaries are accounted for under the cost method of accounting and presented in the Bank's consolidated financial statements as that of a single economic entity in accordance with the *IAS 27: Separate Financial Statements* and *IFRS 10: Consolidated Financial Statements*.

**vi. Investment in associates**

Investments in associates are accounted for using the equity method (equity accounted investees) in the consolidated financial statements as per *IAS 28: Investment in Associates*. Under this method, the investment is initially recorded at cost, and the increase and decreases on the carrying amount are recognized in the investor's share of profit & losses of the investee after the date of acquisition. The consolidated financial statements include the IFIC's share of the profit and loss of equity accounted investees, after adjustments to align the accounting policies with those of the IFIC Bank Limited, from the date that significant influence commences until the date that significant influence ceases.

**2.2.1.3. Loans and advances**

- i. Loans and advances are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business. It has been stated at gross value as pre-requirements of the Banking Companies Act, 1991.
- ii. Provision for loans and advances are made in line with the direction contained in the BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 5 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 4 dated 29 January 2015, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 1 dated 20 February 2018, BRPD circular no. 7 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018 and BRPD circular No. 3 dated 21 April 2019 issued by Bangladesh Bank. As per BRPD circular no. 4 dated 29 January 2015, 1% additional provision has to be maintained for restructured large loan and also as per BRPD circular no. 56 dated 10 December 2020, facilities for which payment was deferred during COVID-19. The rates of provision by classification of loans and advances are disclosed in note number 15.1.1 and 15.2.1 of the financial statements.

- iii. Interest on unclassified loans and advances (except those of rescheduled and stay order accounts) is recognized as income on the accrual basis, interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account. However actual recovery of interest on rescheduled, stay order accounts and classified loan credited to income account as per instruction of BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December, BRPD circular no. 16 dated 18 November 2014 and BRPD Circular No. 56 dated 10 December 2020.
- iv. The Bank is providing concessional interest rare to its' good borrowers.
- v. Loans and advances are written off from the books of accounts in line with the BRPD circular no. 01 dated 06 February 2019 issued by Bangladesh Bank. These write off will not undermine/affect the claim amount against the borrower.
- vi. Provision on off-balance sheet exposures Bank recognized 1% General Provision on the off-balance sheet exposures in line with the directives of Bangladesh circular BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012 considering the exemption as provided through BRPD circular no. 10 dated 18 September 2007, BRPD circular no. 1 dated 03 January 2018, BRPD circular no. 7 dated 21 June 2018 and BRPD circular no.13 dated 18 October 2018.

**2.2.1.4. Fixed assets and depreciation**

**Acquisition through outright purchase and Lease**

- i. Fixed assets are stated at cost/revalued amount less accumulated depreciation for those acquired through outright purchase except Land. The land is initially measured at cost and then recognized at revalued amount. The bank has charged depreciation using the straight line method considering the following useful life:

Particulars	Useful Life (Years)
Building	40
Wooden Furniture	10
Steel Furniture	15
Office Equipment	5
Computer	5
Electrical & Gas Equipment	8
Leasehold improvement	10
Vehicles	5
Soft furnishing	3

- ii. Land/Building is initially recognized at cost and subsequently carried at revalued amount following revaluation model as per IAS 16: Property, plant,



and equipment. The Bank regularly reviews if the fair value of Land/Building is materially different from its carrying amount or book value and if it is observed that there are material differences between carrying amount and fair value then complete revaluation by professional valuer is carried out and any changes in fair value over cost is adjusted in the revaluation reserve account in equity.

- iii. Depreciation on fixed assets except Land is charged from when the assets become ready to be used and no depreciation is charged in the month of asset is disposed of.
- iv. Depreciation is comprised of both from fixed assets and leased assets as per IFRS 16: Leases (note 2.2.1.7). As per the new standard, previously recognized rental expenses would be replaced with depreciation expenses.
- v. Assets that take some time to get it ready for use such as construction or improvement of building or implementation of new system etc. are initially kept as capital work in progress and once ready/available for use then it is transferred to respective category of fixed assets and calculation of depreciation starts accordingly.

#### 2.2.1.5. Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. It comprises the value of computer application software licensed for the Bank, other than software applied to the operating systems of computers. An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Bank over a period of time and the cost of the asset can be measured reliably as per IAS 38: *Intangible Assets*. Intangible assets acquired separately are recorded on initial recognition at costs and are carried at cost less accumulated amortization and accumulated impairment losses if any.

#### Subsequent expenditure on intangible asset

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditures are charged as an expense to the profit and loss account as and when they are incurred.

#### Amortization of intangible asset

Intangible assets are amortized on straight line method to the profit and loss account from the year when the asset is available for use. Intangible asset i.e. acquisition cost of the computer application software is amortized over its useful life which is usually 10 years or among the period of license of the concerned software.

#### 2.2.1.6. Impairment of assets

An asset is impaired when its carrying amount exceeds its recoverable amount as per IAS 36: *Impairment of Assets*. The Bank assesses at the end of each reporting

period whether there is any indication that an asset may be impaired. The impairment test is also made whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, the Bank makes an estimate of the recoverable amount of such assets. Upon estimation, if the recoverable amount is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and resultant impairment losses are recognized in the profit and loss account.

However, the Bank has no such condition which makes any indication that might be suggestive of a heightened risk of the existence of impairment at the reporting date.

#### 2.2.1.7. Leases

IFRS 16: *Leases* has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). As Bangladesh Bank (BB) has no other alternative regulation or guidance regarding the same, IFIC Bank applied IFRS 16 in its financial statements where the Bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of initial application on a lease by lease basis.

#### *Right-of-use assets (ROU)*

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. The ROU asset is initially measured at cost at the amount of the lease liability plus any initial direct costs incurred by the lessee and depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term.

#### *Lease Liability*

At the commencement date of the lease, the bank recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. The lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments.

#### *Short-term lease and leases of low value assets*

The Bank has elected not to recognize ROU assets and lease liabilities for leases of low value assets and short term leases for which the lease term ends within 12 months of the date of initial application. The Bank recognizes lease payments associated with these leases as an expense.

The impact of the new standard on lessees' financial statements are:

- An increase in recognized assets and liabilities;
- More lease expenses recognized in the early

periods of the lease, and less in the later periods of a lease;

- A shift in lease expense classification from rental expenses to interest expense and depreciation.

#### 2.2.1.8. Other liabilities

Other liabilities comprise items such as provision for loans and advances, investment, other assets, provision for taxes, interest payable, interest suspense, lease liability, and accrued expenses. The Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank, IAS and IFRS, Income Tax Ordinance 1984, and internal policies of the bank. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of the past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

##### i. Provision for loans and advances

The rates of provision by classification of loans and advances are disclosed in note number 15.1.1 and 15.2.1 of the financial statements. Summary of the same as follows:

Types of loans and advances		Provision				
		STD	SMA	SS	DF	BL
Consumer Finance	Housing Finance (HF)	1%	1%	20%	50%	100%
	Professional	2%	2%	20%	50%	100%
	Other than HF & prof. to set up business	5%	5%	20%	50%	100%
Loan to broker house, merchant banks, stock dealers, etc.		2%	2%	20%	50%	100%
Short-term agri-credit and micro credit		1%	1%	5%	5%	100%
Small and medium enterprise finance		0.25%	0.25%	20%	50%	100%
Others		1%	1%	20%	50%	100%
Loans under Deferral during COVID-19		1%				
Off-balance sheet		1%				

##### ii. Provision for taxation

Income tax on profit for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the Profit and Loss Account.

##### a. Current tax

Current tax is the tax expected to be paid on the taxable profit for the year, calculated using tax rates as prescribed in the Income Tax Ordinance (ITO) 1984 and relevant Statutory Regulatory Orders (SRO) and any adjustment (excess or deficit) in respect of previous years. Currently, the income tax rate applicable for banks is 37.50%. The estimation of the current tax provision involves making judgments regarding the admissibility of certain expenses as well as

estimating the amount of other expenses for tax purposes. A numerical reconciliation between tax expenses and the product of accounting profit multiplied by the applicable tax rate has been disclosed in this Annual Report.

##### b. Deferred tax

The Bank accounted for deferred tax assets or liabilities based on deductible or taxable temporary differences between the carrying amount of its assets and liabilities used for the financial reporting and its tax base as per IAS 12: Income Taxes, Income Tax Ordinance (ITO) 1984 and BRPD circular no. 11 dated 12 December 2011 issued by the Bangladesh Bank. Deferred tax assets, including the specific provision on doubtful and bad/loss against the classified loans and advances, the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized. Deferred tax assets and liabilities are reviewed at each reporting date and are measure at the prevailing tax rate as per tax laws that are expected to be applied when assets are realized and liabilities are settled. Any unrecognized deferred tax assets and liabilities are reassessed if that has become probable that future taxable profit or loss will be available on which it could be used or settled.

As there is no significant difference between Solo and consolidated basis deferred tax, the Bank does not disclose consolidated deferred tax separately.

##### iii. Provision for diminution in value of the investment

Provision for diminution of value of quoted shares and mutual funds (closed-end), placed under other liability, has been made on portfolio basis (gain net off) following DOS circular no. 4 dated 24 November 2011 and DOS circular letter no. 3 dated 12 March 2015 respectively. In case of unquoted shares, provision has been made based on available latest Net Asset Value (NAV) of respective number of units.

Provision against investment in associate/joint venture have been calculated and maintained if cost is higher than lower of NAV or market value as the case may be in line with the instructions of Bangladesh Bank.

##### iv. Provision for Nostro Account

Provision has been made against unsettled Nostro transactions as per circular letter number FEFD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank. In line with this circular management of the Bank review the outstanding entries of Nostro accounts on a quarterly basis

and is certified by the Bank's external auditors on a semi-annual basis.

- v. **Provision for Off-balance sheet items**  
In line with the BRPD Circular number 10, 14, 01, 07, and 13 dated 18 September 2007, 23 September 2012, 03 January 2018, 21 June 2018, and 18 October 2018 respectively, the general provision at the rate of 0% to 1% has been made against off-balance sheet exposures (mainly contingent assets/liabilities).

#### 2.2.1.9. Employee benefits

- i. **Short-term employee benefits**  
Short-term employee benefits are employee benefits that fall due wholly within 12 months after the end of the period in which the employees render the related service including salaries, bonuses, and other allowances. Payments are charged as an expense in the profit and loss account as they fall due. Payments due are accrued as a liability in "Provisions for liabilities and charges" on an undiscounted basis.

- ii. **Post-employment benefits**  
Post-employment benefits are employee benefits, which are payable after the completion of employment as per the respective plan:

##### **Provident fund (Defined Contributory Plan)**

"Defined Contribution Plan" is a post-employment benefit plan under which an entity pays a fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident fund benefits are given to the staff of the bank in accordance with the registered Provident fund rules. The commissioner of Income Tax, Dhaka has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect on 20 May 1987. The fund is operated by a Board of Trustees consisting of 05 (five) members of the bank. All confirmed employees of the bank are contributing 10% of their basic salary as a subscription to the fund. The bank also contributes an equal amount of the employees' contribution to the fund. Upon completion of 5 years of service length after confirmation employees are entitled to 100% of the employer's contribution along with his/her own contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

##### **Gratuity Fund (Defined Benefit Plan)**

Gratuity fund benefits are given to the staff of the bank in accordance with the approved Gratuity fund rules. National Board of Revenue has approved the Gratuity fund as a recognized Gratuity fund on 8 October 2007. The fund is operated by a Board of Trustees consisting of 6

(six) members of the bank. Employees are entitled to Gratuity benefit after completion of a minimum of 10 (ten) years of service in the Company. The Gratuity is calculated on the basis of average basic pay earned during immediately preceding 12 months and is payable at the different applicable rate on the year of service as defined in the "IFIC Bank Employees' Gratuity Fund" which is a funded Gratuity Fund.

##### **Worker's Profit Participation Fund (WPPF)**

Consistent with the industry practice and in accordance with the Banking Companies Act 1991, no provision has been made for WPPF.

- iii. **Other Employee Benefits**

##### **Life Insurance**

The objective of the scheme is to provide death or permanent disability benefits to its confirmed employees and their families based on the designation as defined in the Insurance Coverage Scheme of the Bank.

##### **Hospitalization Insurance**

The Bank has introduced a health insurance scheme to its confirmed employees and their spouse with 2 (two) children at rates provided in the Insurance Coverage Scheme of the Bank.

##### **Mandatory Annual leave / Leave Fare Assistance**

The provision for leave fare assistance represents the current outstanding liability to employees at the balance sheet date. Leave Fare Assistance (LFA) is a non-recurring benefit for all permanent employees of the Bank who are entitled to annual leave. According to Bangladesh Bank policy, all permanent employees have to avail 15 consecutive days of mandatory leave and LFA will be given in this / for the leave period.

##### **Subsidized loan scheme**

IFIC has a scheme to provide Salary Over Draft and Staff House Building Loan to its eligible staff as per the policy of the Bank.

#### 2.2.2. Income

##### **Revenue recognition**

- i. **Interest income**  
In terms of the provision of the *IFRS 15: Revenue from Contracts with Customers*, interest income is recognized on an accruals basis, interest on loans and advances ceases to taken into income when such advances are classified, kept in interest suspense account under liabilities. Interest on classified advances is accounted for to income account on realization basis as per Bangladesh Bank guidelines.
- ii. **Investment income**  
Income on investments is recognized on an accrual basis. Investment income includes interest on treasury bills, treasury bonds, and term placement with other banks and financial institutions. Capital

gain/loss on the investment is recognized at the time of realization.

**iii. Dividend income on shares**

Dividends are recognized as income when the Bank's right to receive payment of the dividend is established and probable that the economic benefits associated with the dividend will flow to the Bank and the amount of the dividend can be measured reliably as per *IFRS 9: Financial Instruments*.

**iv. Fees and commission income**

Fees and commission include benefits arising on financial and other services provided by the bank including trade finance, credit/debit cards, remittances, locker facilities, SMS banking, and service charge on various accounts, etc. Fees and Commission income that arise on services rendered by the Bank are recognized on a realization basis.

**v. Exchange gain/(loss)**

Exchange gain/(loss) includes all gains and losses from foreign currency transactions.

**vi. Gain or loss on Fixed Assets**

The gain or loss on disposal of fixed assets is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of disposal. The gain or loss arising on disposal is recognized as other income in the year in which the significant risks and rewards of ownership and transferred to the buyer.

**2.2.3. Expenses**

**2.2.3.1. Interest paid on deposits and borrowings**

Interest expenses are recognized on an accrual basis and payments are made based on the nature of the product and agreed on terms.

**2.2.3.2. Management and other expenses**

General and administrative expenses of the Bank are recognized on an accrual basis.

**2.2.4. Shareholders' equity**

**2.2.4.1. Share capital**

**i. Authorized capital**

Authorized capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Articles of Association

**ii. Paid up share capital**

Paid up share capital represents the total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

**2.2.4.2. Statutory reserve**

As per section 24 (1) of the Banking Companies Act, 1991 as amended, the Bank is required to transfer at least 20% of its current year profit before tax to the statutory reserve until such reserve equals to Paid up capital.

**2.2.4.3. Fixed assets revaluation reserve**

When an asset's carrying amount is increased as a result of a revaluation, the increased amount is directly credited to equity under the head of the revaluation reserve as per *IAS 16: Property, Plant, and Equipment*. The Bank revalued the land which is absolutely owned by the Bank and the increased amount was transferred to revaluation reserve.

**2.2.4.4. Non-controlling interest**

Non-controlling interests are measured at their proportionate share of the acquired identifiable net assets at the date of acquisition as per *IFRS 3: Business Combinations*. The bank presents the non-controlling interests in the consolidated balance sheet within equity, separately from the parent owner's equity as per *IFRS 10: Consolidated Financial Statements*. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions as per *IFRS 10*. The Bank attributes the profit and loss to the owners of the parent and to the non-controlling interests even if the results in the non-controlling interest having a deficit balance as per provision of *IFRS 10*. When the proportion of the equity held by the non-controlling interests' changes, the bank adjusted the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiary and recognized directly in equity for any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the parent by as per provision of *IFRS 10*.

**2.2.5. General**

**2.2.5.1. Earnings per share (EPS)**

Earnings Per Share (EPS) has been computed as per *IAS 33: Earnings Per Share* by dividing the basic earning by the weighted average number of ordinary Shares outstanding during the reporting period.

**i. Basic earnings per share**

This represents earnings for the period attributable to ordinary shareholders. As there were no preference shares, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders. This has been calculated by dividing the net profit after tax attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

**ii. The weighted average number of outstanding ordinary shares**

This represents the number of ordinary shares outstanding at the beginning of the year plus

the number of ordinary shares issued during the period multiplied by a time weighted factor. The time-weighted factor is the number of days the specific shares were outstanding as a proportion of the total number of days in the year.

The basis of computation of the number of shares is in line with the provisions of IAS 33: *Earnings per share*. The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly, there is an increase in resources generating new earnings.

### iii. Diluted earnings per share

No diluted earnings per share are required to be calculated for the period as there was no dilutive potential ordinary share during the period.

### 2.2.5.2. Related party transactions

As per IAS 24: *Related Party Disclosures*, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. The Bank carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24: *Related Party Disclosures*, Bangladesh Bank, and BSEC guidelines. The related party transactions of the bank are disclosed in **Annexure-F**.

### 2.2.5.3. Operating segments

The Bank has identified the reportable segments based on the geographical locations which are the consolidated major strategic business units/entities. The strategic business units offer different products and services, which are managed separately based on the management and internal reporting structure of the group. Details of the segment of the Bank have been disclosed in **Annexure-H**.

### 2.2.5.4. Events after the reporting period

All material event occurring after the reporting period has been considered and where necessary, adjusted for or adequately disclosed in the financial statements as per IAS 10: *Events after the Reporting Period*. The overall effect of the COVID-19 global pandemic on the Bank's business in the past years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The Board and Management are regularly monitoring the potential impact of the pandemic on the Bank as the situation continues to deteriorate but are assured that any foreseeable adverse impact can be reasonably managed.

### 2.2.6. Risk management

Risk is the exposure to uncertainty and risk exposure is the extent to which an entity is sensitive to underlying risks. As risk is an inherent part of business activities, risk management is essential for ensuring the sustainability of the business. The type of risk may vary from business to business, however, preparing a comprehensive risk management plan involves a collaborative process. Bangladesh Bank issued a revised risk management guideline in October 2018, which forms the basis of risk management. Risk management among banks broadly covers core risk areas of banking, i.e. credit risk, asset liability management risk, foreign exchange risk, money laundering risk, ICC risk, and ICT risk, etc. Bangladesh Bank also prescribed that there should be a separate desk for each of these risk types under the risk management division.

In line with the regulatory requirement, IFIC has a board approved 'Risk Management Policy' for managing Core risks and other material risks inherent with the banking business. IFIC Bank manages risk in the Strategic layer, Managerial layer, and Operational layer as a part of sound risk management. The Bank has a Risk Management Committee on behalf of the Board of Directors as Strategic Layer to oversee the overall risk of the Bank the Managerial layer is headed by Deputy Managing Director & Chief Risk Officer (CRO) and an Operational layer represented by Risk Management Division. The risk management systems are in place within the Bank which is discussed as follows:

#### i. Credit risk

Credit risk is one of the major risks out of the six core risks of the Bank. Credit risk is the risk of loss that may occur from the default of any bank borrower or counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. IFIC has a board approved 'Credit Risk Management Policy' and the CRM works within the scope of these defined regulations. The Board of Directors is the apex body for credit approval of the Bank. However, they delegate authority to the Managing Director & CEO or other officers of the Credit Risk Management (CRM) Division. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the bank.

CRM policy also contains how to manage credit risk in the origination process, how to organize, the role of the board, senior management, and CRM Committee, credit risk mitigation strategies, MIS for credit risk, managing problem assets including the role of Remedial Asset Management Division and maintenance of adequate provisioning, etc. This policy ensures sound practices of effective functioning of the Bank's lending process and develops the strategies for appropriate management, measurement,

and monitoring of its lending portfolio. Regular monitoring of the ability of borrowers to meet their principal and interest repayment obligations is conducted. Credit risk is monitored by reference to risk grading and managed by limiting the aggregate exposure to any individual counter party, group of companies, or industry as per the lending cap of the bank and single borrower exposure limit defined by Bangladesh Bank. The Bank has defined segregation of duties for all credit risk related activities like credit approval, administration, monitoring, and recovery functions.

**ii. Asset liability management risk**

Asset Liability Management (ALM) of the Bank manage Balance Sheet Risk, including managing the liquidity and interest rate risk. To address all the risk elements of the Balance Sheet, Assets Liabilities Committee (ALCO) Meetings are conducted at least on a monthly basis. ALM desk of the Bank analyses the Balance Sheet Risk and prepares the monthly ALCO Papers as per the guidelines of Bangladesh Bank. A monthly projection of fund flows is reviewed in the ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirements from all business units, asset-liability mismatch, etc. The maturity gap of the assets-liabilities and interest rate movement is also monitored by the ALCO including the optimum liquidity position of the Bank in line with a regulatory requirement. All the activities are regulated by a board approved Asset Liability Management Guideline that is well integrated with the bank's risk management process.

**iii. Foreign exchange risk**

Foreign Exchange Risk arises from adverse movement in currency exchange rates engaging in activities starting from basic currency buy, sell, imports, exports, and remittances to complex structured products. The foreign exchange risks are measured and monitored by the Treasury Division of the bank. As per directives of Bangladesh Bank, the Bank has formulated and adopted the treasury policy for managing the foreign exchange risks. Functions of the treasury front, mid and back office have been designated and properly segregated. In addition to the policy guidelines, treasury operational guidelines have also been formulated for defining the roles and responsibilities of the front, back, and mid office so that various foreign exchange transactions can be performed in line with the Bangladesh Bank regulations and Bank's internal policies and procedures to measure, monitor and mitigate the foreign exchange risks. Treasury continuously monitors price movements of foreign exchange and uses various hedging techniques to manage

its open position in such a way that minimizes risk and maximizes return.

**iv. Money laundering risk**

In recognition of the fact that financial institutions are particularly vulnerable to Money Laundering, IFIC has established "Guidelines on Prevention of Money Laundering and Combating Financing of Terrorism" as per directives of Bangladesh Bank for strict compliance. The purpose of these policies is to provide a guideline to comply with all applicable local laws and regulations regarding the prevention of Money Laundering and combating Terrorist Financing, both at the country and international level, to safeguard the Bank from potential compliances, financial and reputational risks. Suspicious Activity Report (SAR), Suspicious Transaction Report (STR), Cash Transaction Report (CTR), Know Your Customer (KYC) Procedure, e-KYC, Structuring Monitoring Report, periodic review of high and low risk customers, Customer Due Diligence (CDD), Enhanced Due Diligence (EDD), duties and responsibilities of Officials, etc. have been implemented, reviewed and monitored by the competent authority as procedure of this policy.

Training is also given as a continuous process for creating/developing awareness among officers on AML/CFT laws, rules, regulations, guidelines, policies, and circulars. Inspection at Branches for checking records/activities and for creating awareness on AML & CFT is also conducted.

The CEO's formal annual commitment to all employees on combating Money Laundering (ML) and Financing of Terrorism (FT) is issued to emphasize on greater due diligence and compliance at all levels of the Bank.

**v. Internal control and compliance risk**

The Internal Control & Compliance (ICC) Division of the Bank is working independently to evaluate the Internal Control System of the Bank so as to ensure good governance, transparency & accountability. The ICC Division is conducting a comprehensive internal audit of the branches as well as different divisions/departments of the Head Office ongoing basis. In line with the Bangladesh Bank guidelines the Bank has successfully implemented the effective internal control system guidelines, formulation of policy guideline, set up of separate organizational structure, segregation of duties, and introduction of internal control process, such as Departmental Control Function Checklist (DECFL), Quarterly Operation Report (QOR), etc.

Being an integral part of the daily activities of the Bank, Internal Control & Compliance Division consists of three units namely; Compliance, Monitoring, and Audit & Inspection. These units look after internal control, the operational process

very minutely to ensure the smooth operation of the Bank. The compliance section is functioning to ensure compliance with statutory/regulatory requirements and also Bank's internal policies & procedures for developing compliance culture within the Bank. The monitoring unit is responsible for the operational performance of branches and head office to minimize and mitigate the risk factors associated with the banking business. As an internal watchdog, the Audit and Inspection unit is conducting Risk Based Audit & Inspection to identify, measure, control, and mitigate risk factors at the branches and division of the Bank.

Internal Control Unit (ICU) has also been set-up at the branches with the existing manpower to minimize irregularities and lapses to prevent fraud, forgeries and to avoid operational risks of the Bank. 'Risk based Internal Audit Policy' and 'Branch Audit Rating System' is in place in order to upgrade the operational efficiency of the branches.

**vi. Information and communication technology (ICT) risk**

IFIC Bank has been pursuing a strategy of "Long Term Sustainable Growth with Low Risk, Low Cost, Best in Class Service Delivery & Diversified Portfolio". Therefore the bank has underlined concentration on creating a technology backbone that can enable IFIC to become the preferred financial service provider. To mitigate the technology risk, the bank has taken the following steps:

- ➔ Conducted Cyber Security Assessment to outline the risky areas with PwC- an international reputed consulting firm. The bank has prepared the way out to mitigate the risk areas as per their guideline.
- ➔ For ensuring cyber security, the bank is continuously conducting training on sensitive IT tasks for the IT division and an awareness program for creating Cyber Security Awareness for all employees.
- ➔ The bank is taking data backup on daily basis; one copy is being stored in a fire-proof Vault and another copy is being kept at a remote site to withstand any disaster in Data Centre.
- ➔ Upgraded Disaster Recovery (DR) Site ensures any payment related service to the customers in case of any emergency or any disaster at Data Centre. The Business Continuity Plan has also been developed.
- ➔ As per the Bangladesh Bank guideline, the bank has concentrated on ICT security management. In this regard, ICT Steering Committee and ICT Security Committee have been formed and are working to ensure the overall ICT Security.
- ➔ The bank has upgraded and introduced the

network equipment including Next-Generation Core Firewall, Internet Firewall, Web Application Firewall (WAF), Software Defined Network (SDN), and Network Access Control (NAC) for enhancing security in the Data Center and Disaster recovery site.

- ➔ The SWIFT environment of the bank is upgraded and segmented from the other enterprise network. World class Trade processing system is integrated with the payment system to mitigate the risk of financial fraud.
- ➔ The Bank has implemented a robust and secure mailing system and incorporated Email Security Solution (ESA). Availability of Exchange Server in Disaster Recovery Site is completed.
- ➔ New Data Center in IFIC tower is inaugurated and is providing value to IT service delivery of the bank. Physical and other appropriate security is being maintained in the workplace to protect ICT resources properly as per the guideline of Bangladesh Bank.
- ➔ The bank is maintaining the Service Level Agreements (SLA) with the vendors who are directly involved in providing critical services on behalf of the bank. The bank is also maintaining insurance coverage for critical IT assets and maintaining IT Assets Inventory.
- ➔ The Bank is strictly following the Information Security Guidelines of Bangladesh Bank which covers Password Control, User ID Maintenance, Input Control, Network Security, Data Encryption, Virus Protection, and Access Control to Internet and Emailing.
- ➔ Baseline Security Standard has been developed for desktop, operating systems, and network, database, and security devices.
- ➔ Risk assessment framework and template has been developed and introduced for systems and application.
- ➔ Security Team regularly conduct Vulnerability Assessment and Application Security testing.
- ➔ The bank has also completed all ICT Security documentation to ensure the security of the ICT Systems and is continuously updating them to strengthen the security of the systems.
- ➔ The Bank has introduced Digital Banking Channel to explore the technological door for financial advancement. This platform can be used through both online and mobile app (which is available at Apple store and Google Play store). Using Digital Banking Channel (IFIC Amar Bank), customers can make the transaction within Bank or Other Bank through EFT and RTGS, customer can make the credit card payments, standing instruction, cheque book order, request for bank certificate, etc.

**vii. Other relevant risks**

**a. Operational risk**

Operational risk addresses the risk associated with fraud, forgery, unauthorized activities, error, omission, system failure, and other external events. These occur mainly due to inadequate or failed internal processes, people, and systems, or from external events (including legal risk). The Bank is managing these risks through written procedures, regular training, and awareness programs, and monitoring of the implementation of these procedures. The Internal Control and Compliance Division of the Bank monitors the operational procedure of the Bank. It undertakes periodical and special audit of the branches and divisions at the Head Office for review of the operation and compliance with statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

**b. Liquidity risk**

Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets as they required without incurring unacceptable costs or losses.

Liquidity risk arises when the cushion provided by the liquid assets is not sufficient enough to meet maturing obligations.

The objective of liquidity risk management is to ensure that all foreseeable funding and payments commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of retail and corporate deposits maintain a balanced tenor and institutional balance. The liquidity management is monitored by Asset Liability Committee (ALCO) on a regular basis.

**c. Market risk**

It is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank, streams from adverse movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads, and/or commodity prices.

Banks may be exposed to market risk in a variety of ways. Market risk exposure-

- a) may be explicit in portfolios of securities/ equities and instruments that are actively traded;
- b) may be implicit such as interest rate risk due to mismatch of assets and liabilities; and
- c) may arise from activities categorized as off-balance sheet items.

**d. Interest rate risk**

Interest rate risk may arise from the trading portfolio and non-trading portfolio. The trading portfolio of the Bank consists of government treasury bills, bonds, etc. The interest rate risk of the non-trading business arises from mismatches between the future yield of an asset and its funding cost. The Asset Liability Committee (ALCO) of the Bank monitors the interest rate movement on a regular basis.

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a bank's principal and interest cash flows (including final maturities), both on-and off-balance sheets, have mismatched reprising dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. Bank's lending, funding and investment activities give rise to interest rate risk. Interest rate risk management is conducted within the context of a comprehensive business plan.

**e. Equity price risk**

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank subsidiary; changes in the value of listed shares used as collateral for loans from a bank or a bank subsidiary, whether or not the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares. Bank presses vital importance to measure, monitor, and control their equity market risk.

**f. Fraud risk**

Fraud and forgery have become important issues in recent years. These have a major impact on our country's economy, impeding economic development. IFIC Bank has always been focused on controlling fraud and forgery by establishing and maintaining the proper controlling system. Today, fraud and forgery appear in diverse forms. The incidence of fraud may occur due to rapid changes in the technological environment in the banking sector or intentional behavioral aspects of the human being. Human fraudulent acts may be committed by outsiders or insiders such as employees who are aware of the internal operational process of the Bank. To take the advantage of the operational process and weakness of the internal control system of the workplace, employees may commit fraudulent activities within the Bank. To prevent the fraud and forgeries, the Bank has adopted a broad range of measures to monitor and mitigate the fraud risk which involves three steps, fraud prevention, fraud



detection, and fraud investigation.

Bank considers the best practice to prevent frauds and forgeries rather than to detect or investigate. To prevent the external fraud, Bank regularly arranges training programs for its executives and personnel working at the branch and head office level. The Internal Control and Compliance unit of the Bank also works very extensively to ensure the effectiveness of the internal control system throughout the Bank. The Internal Control Unit (ICU) of each branch and division monitors the transaction process to prevent and detect both internal and external frauds.

**g. Reputation risk**

Reputation risk may arise from the possibility that negative publicity regarding the bank and its business practices, in the territory or elsewhere through related entities, and whether accurate or not, will adversely impact the operations and position of the bank. Reputation risk may also arise from an institution, or an affiliate, being domiciled in a jurisdiction where the legal and organizational framework for the regulation and supervision of financial institutions is generally viewed as failing to meet international standards for the protection of consumers of financial services and for the prevention of sheltering the proceeds of organized crime.

The Bank manages the reputation risk ensuring the followings:

- a. Management anticipates and responds to changes of a market or regulatory nature that affect its reputation in the market place;
- b. The Bank effectively develops its policies for risk management to refrain from committing violations of laws, regulations, best banking practices, and consumer rights that could affect its reputation;
- c. The Bank has continuous awareness that it is not subject to significant litigation, large monetary losses, or a high volume of customer complaints;
- d. The bank is routinely seen in a leadership role in community development and corporate social responsibility; and
- e. Management has a clear awareness of privacy issues and uses customer information responsibly.

**2.2.7. Audit Committee**

The Audit Committee of the Board was duly formed by the Board of Directors of the Bank in accordance with the BRPD circular no. 11 dated 27 October 2013 of Bangladesh Bank.

Pursuant to the BSEC notification no. BSEC/CMRRCD/2006-158/207/ADMIN/80, dated 3 June 2018, on Corporate Governance Code, the current

Committee is constituted with three members of the Board. The details of the Audit Committee are provided in **Annexure-G**.

**2.2.8. Directors' responsibility statement**

The Board of Directors is responsible for the preparation and the financial statements under section 183 of the Companies Act, 1994.

**2.2.9. Management Committee (MANCOM)**

The Management Committee (MANCOM) is functioning as a structured unit to take important management decisions. Presently, it comprises of members holding key positions in the Management of the Bank. The Committee is headed by the Managing Director & CEO who is assisted by Deputy Managing Directors, Heads of Divisions of strategically important divisions along with Branch Managers of large and important Branches. The Managing Director's Secretariat provides secretarial services to the Committee. The members of the Committee, having long experience in commercial banking activities, are concerned with the management of respective Divisions as well as monitoring day to day activities taking place in different areas of the Bank.

Generally, the Committee sits at least once in every month to review and evaluate strategic operational issues of the bank, identify specific problems which need to be immediately attended, identify weakness (if any) of the Bank and take remedial measures or any other measures for enhancing the reputation of the Bank. Generally, the MANCOM is concerned with major decision making, planning, and framing of policy guidelines of the Bank.

**2.2.10. Credit rating of the bank**

The Bank has been awarded its credit rating done by Emerging Credit Rating Limited (ECRL) and Credit Rating Agency of Bangladesh Ltd. (CRAB) based on the financial statements and other relevant information as at and for the year ended 31 December 2019 and 2018 respectively as per BRPD Circular no. 6, dated 5 July 2006. The following ratings for different years have been awarded:

Types of Rating	Financial Statements	Rating Status			Validity
		Long Term	Short Term	Outlook	
Entity	Jan to Dec 2019	AA	ST-2	Stable	30-Jun-21
Entity	Jan to Dec 2018	AA2	ST-2	Stable	30-Jun-20

**2.2.11. Compliance report on International Financial Reporting Standards (IFRSs):**

In addition to compliance with local regulatory requirements, in preparing the Consolidated and Separate Financial Statements, IFIC applied all applicable IASs and IFRSs as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) except those described in note 2.1.1. Details are given below:

Name of the IFRS	IFRS No.	Status
First-time Adoption International Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	Complied
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Complied*
Operating Segments	8	Complied
Financial Instruments	9	Complied*
Consolidated Financial Statements	10	Complied
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied*
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Complied*
Leases	16	Complied

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Complied*
Inventories	2	Complied
Statement of Cash Flows	7	Complied*
Accounting Policies, Changes in Accounting estimates & Errors	8	Complied
Events After the Reporting Period	10	Complied
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Employee Benefits	19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Complied
Borrowing Costs	23	Complied
Related Party Disclosure	24	Complied
Accounting and Reporting by Retirement Benefits Plans	26	N/A
Separate Financial Statements	27	Complied
Investment in Associates and Joint Ventures	28	Complied
Financial Reporting in Hyperinflationary Economies	29	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Complied*

Name of the IAS	IAS No.	Status
Earnings Per Share	33	Complied
Interim Financial Reporting	34	Complied
Impairment of Assets	36	Complied
Provisions, Contingent Liabilities and Contingent Assets	37	Complied
Intangible Assets	38	Complied
Investment Property	40	N/A
Agriculture	41	N/A

Note: N/A - Not Applicable

\* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in these respect which are disclosed in note 2.1.1.

#### New accounting standards not yet adopted

A number of standards and amendments to standards are issued but not yet effective for annual periods beginning after 01 January 2020 and earlier application is permitted. However, the Bank has not early applied the following new standards in preparing these financial statements.

These amendments have no material impact on the financial statements of the Bank.

#### IFRS 17 Insurance Contract

Insurance Contracts are effective for annual periods beginning on or after 1 January 2021. Earlier adoption is permitted. This has not been applied in preparing these consolidated and separate financial statements.

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>3 Cash</b>					
Cash in hand (including foreign currency)	3.1	4,088,663,229	2,872,338,679	4,084,799,668	2,871,220,070
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	14,407,730,302	15,183,691,094	14,407,730,302	15,183,691,094
		18,496,393,531	18,056,029,773	18,492,529,970	18,054,911,164
<b>3.1 Cash in hand (including foreign currency)</b>					
Local currency in hand		3,897,956,857	2,614,536,950	3,894,093,296	2,613,418,341
Foreign currencies in hand		48,580,124	26,676,145	48,580,124	26,676,145
Cash with ATM		142,126,248	231,125,584	142,126,248	231,125,584
		4,088,663,229	2,872,338,679	4,084,799,668	2,871,220,070
<b>3.2 Balance with Bangladesh Bank and its agents bank</b>					
<b>Bangladesh Bank</b>					
Local currency		12,617,035,050	13,941,793,439	12,617,035,050	13,941,793,439
Foreign currency		1,294,221,438	828,671,007	1,294,221,438	828,671,007
		13,911,256,488	14,770,464,446	13,911,256,488	14,770,464,446
Sonali Bank as agent of Bangladesh Bank		496,473,814	413,226,648	496,473,814	413,226,648
		14,407,730,302	15,183,691,094	14,407,730,302	15,183,691,094
<b>3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)</b>					
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Banking Companies Act 1991 (as amended up to date) and MPD circular no. 2, dated 3 April 2020, and MPD circular no. 2, dated 10 December 2013.					
<b>3.3.1 Cash Reserve Requirement (CRR)</b>					
As per Bangladesh Bank issued MPD Circular no. 3 dated 9 April 2020 [effective from 15 April 2020], all scheduled banks have to maintain a CRR of a minimum of 3.5% [Y2019: 5.0%] on daily basis and 4.0% [Y2019: 5.5%] on bi-weekly basis based on weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e., CRR of December was based on a weekly average balance of October]. CRR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				286,188,268,000	238,109,113,000
Required reserve				11,444,715,000	13,096,001,000
Actual reserve maintained*				12,795,868,070	13,908,390,162
Surplus				1,351,153,070	812,389,162
* As per Bangladesh Bank current account statement.					
<b>3.3.2 Statutory Liquidity Ratio (SLR)</b>					
As per Bangladesh Bank MPD circular no. 2 dated 10 December 2013 [effective from 1 February 2014], all scheduled banks have to maintain SLR of a minimum of 13.0% of weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e., SLR of December was based on a weekly average balance of October]. SLR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				286,188,268,000	238,109,113,000
Required reserve				37,204,475,000	30,954,185,000
Actual reserve maintained				52,908,409,407	45,462,977,170
Surplus				15,703,934,407	14,508,792,170

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Actual reserve maintained for SLR</b>					
Cash in hand	3.1			4,084,799,668	2,871,220,070
Balance with Bangladesh Bank in excess of CRR				1,351,153,070	812,389,162
Balance with Sonali Bank as agent	3.2			496,473,814	413,226,648
Government securities (HFT)	6.3			10,541,051,600	18,180,637,761
Government securities (HTM)	6.3			36,434,931,255	23,185,503,529
				<b>52,908,409,407</b>	<b>45,462,977,170</b>

#### 4 Balance with other banks and financial institutions

In Bangladesh	4.1	6,682,557,302	4,014,719,294	7,511,869,424	4,014,719,294
Outside Bangladesh *		1,385,770,211	1,623,114,910	1,383,521,545	1,602,314,924
		<b>8,068,327,513</b>	<b>5,637,834,204</b>	<b>8,895,390,969</b>	<b>5,617,034,218</b>

\* Details of Balance with outside Bangladesh [solo basis] are shown in "Annexure-A".

##### 4.1 In Bangladesh

<b>In current deposit account with</b>					
Agrani Bank Limited		17,556,362	6,071,591	17,556,362	6,071,591
Sonali Bank Limited		35,023,733	53,104,148	35,023,733	53,104,148
Islami Bank Bangladesh Limited		-	97,425	-	97,425
		<b>52,580,095</b>	<b>59,273,164</b>	<b>52,580,095</b>	<b>59,273,164</b>
<b>In special notice deposit account with</b>					
Trust Bank Limited		73,068,651	34,624,484	73,068,651	34,624,484
Standard Chartered Bank		66,693,489	74,709,608	66,693,489	74,709,608
		<b>139,762,140</b>	<b>109,334,092</b>	<b>139,762,140</b>	<b>109,334,092</b>
<b>In beneficiary owner (BO) account with</b>					
IFIC Securities Limited		-	3,659	829,312,122	3,659
Latif Securities Limited		28,834	28,834	28,834	28,834
Asian Tiger Capital Partners Investments Limited		3,331,566	9,224,878	3,331,566	9,224,878
		<b>3,360,400</b>	<b>9,257,371</b>	<b>832,672,522</b>	<b>9,257,371</b>
<b>In short term &amp; fixed deposit account with banks and NBFIs</b>					
Short term deposit					
Bank Asia Limited		900,000,000	-	900,000,000	-
Social Islami Bank Limited		450,000,000	-	450,000,000	-
Bank Alfalah Limited		850,000,000	-	850,000,000	-
Midland Bank Limited		450,000,000	-	450,000,000	-
		<b>2,650,000,000</b>	<b>-</b>	<b>2,650,000,000</b>	<b>-</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Fixed deposit</b>					
Investment Corporation of Bangladesh		3,670,000,000	3,670,000,000	3,670,000,000	3,670,000,000
Peoples Leasing & Financial Services Limited		166,854,667	166,854,667	166,854,667	166,854,667
		<b>3,836,854,667</b>	<b>3,836,854,667</b>	<b>3,836,854,667</b>	<b>3,836,854,667</b>
		<b>6,682,557,302</b>	<b>4,014,719,294</b>	<b>7,511,869,424</b>	<b>4,014,719,294</b>
<b>4.2 Maturity grouping of balance with other banks and FIs</b>					
Receivable on demand		362,557,302	167,514,852	1,191,869,424	168,607,256
Upto 1 month		4,035,770,211	1,565,149,761	4,033,521,545	1,543,257,371
More than 1 month but not more than 3 months		3,670,000,000	3,905,169,591	3,670,000,000	3,905,169,591
More than 3 months but not more than 6 months		-	-	-	-
More than 6 months but not more than 1 year		-	-	-	-
More than 1 year but not more than 5 years		-	-	-	-
More than 5 years		-	-	-	-
		<b>8,068,327,513</b>	<b>5,637,834,204</b>	<b>8,895,390,969</b>	<b>5,617,034,218</b>
<b>5 Money at call and on short notice</b>					
Banking companies					
National Bank Limited		200,000,000	-	200,000,000	-
Modhumoti Bank Limited		230,000,000	-	230,000,000	-
Dhaka Bank Limited		1,900,000,000	-	1,900,000,000	-
Jamuna Bank Limited		-	300,000,000	-	300,000,000
Standard Bank Limited		-	110,000,000	-	110,000,000
The City Bank Limited		-	500,000,000	-	500,000,000
		<b>2,330,000,000</b>	<b>910,000,000</b>	<b>2,330,000,000</b>	<b>910,000,000</b>
<b>6 Investments</b>					
Government Securities	6.1	46,979,431,855	41,369,255,890	46,979,431,855	41,369,255,890
Other Investments	6.2	11,120,648,728	5,847,187,866	5,742,993,615	4,130,892,143
		<b>58,100,080,583</b>	<b>47,216,443,756</b>	<b>52,722,425,470</b>	<b>45,500,148,033</b>
<b>6.1 Government securities</b>					
Treasury bills	6.1.1	10,541,051,600	18,117,008,137	10,541,051,600	18,117,008,137
Treasury bonds	6.1.2	36,434,931,255	23,249,133,153	36,434,931,255	23,249,133,153
Prize bond		3,449,000	3,114,600	3,449,000	3,114,600
		<b>46,979,431,855</b>	<b>41,369,255,890</b>	<b>46,979,431,855</b>	<b>41,369,255,890</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>6.1.1 Treasury bills</b>					
91 Days Govt Treasury Bill		2,699,526,000	2,072,538,413	2,699,526,000	2,072,538,413
182 Days Govt Treasury Bill		3,640,558,100	3,169,696,589	3,640,558,100	3,169,696,589
364 Days Govt Treasury Bill		4,200,967,500	12,874,773,135	4,200,967,500	12,874,773,135
		<b>10,541,051,600</b>	<b>18,117,008,137</b>	<b>10,541,051,600</b>	<b>18,117,008,137</b>
<b>6.1.2 Treasury bonds</b>					
2 years Treasury bond		11,283,962,191	7,680,304,093	11,283,962,191	7,680,304,093
5 years Treasury bond		12,503,630,124	5,858,664,222	12,503,630,124	5,858,664,222
10 years Treasury bond		7,240,941,278	4,406,886,345	7,240,941,278	4,406,886,345
15 years Treasury bond		3,684,146,776	3,568,919,318	3,684,146,776	3,568,919,318
20 years Treasury bond		1,722,250,886	1,734,359,175	1,722,250,886	1,734,359,175
		<b>36,434,931,255</b>	<b>23,249,133,153</b>	<b>36,434,931,255</b>	<b>23,249,133,153</b>
<b>6.2 Other investments</b>					
Unquoted shares		125,048,970	68,807,220	68,807,220	68,807,220
Quoted shares		5,595,547,248	990,995,113	2,526,209,347	922,293,088
Mutual funds		267,986,473	267,986,473	267,986,473	267,986,473
Foreign Investment		5,132,066,037	4,519,399,060	2,879,990,576	2,871,805,362
		<b>11,120,648,728</b>	<b>5,847,187,866</b>	<b>5,742,993,615</b>	<b>4,130,892,143</b>
<b>Details of investment in shares [solo basis] are shown in "Annexure-B".</b>					
<b>6.3 Government securities classified according to Bangladesh Bank Circular</b>					
Held for trading (HFT)		10,541,051,600	18,180,637,761	10,541,051,600	18,180,637,761
Held to maturity (HTM)		36,434,931,255	23,185,503,529	36,434,931,255	23,185,503,529
Other securities	6.1	3,449,000	3,114,600	3,449,000	3,114,600
		<b>46,979,431,855</b>	<b>41,369,255,890</b>	<b>46,979,431,855</b>	<b>41,369,255,890</b>
<b>6.4 Maturity grouping of investments</b>					
On demand		953,449,000	3,114,600	953,449,000	3,114,600
Up to 1 month		3,312,985,939	4,077,866,434	3,312,985,939	4,077,866,434
Over 1 month but not more than 3 months		7,130,355,380	2,852,859,079	4,061,017,479	2,840,398,804
Over 3 months but not more than 6 months		3,694,425,420	4,801,516,397	3,694,425,420	4,801,516,397
Over 6 months but not more than 1 years		6,865,721,529	11,820,506,574	6,865,721,529	11,820,506,574
Over 1 year but not more than 5 years		21,981,612,395	13,292,448,919	21,981,612,395	13,292,448,919
Over 5 years		14,171,918,301	10,368,131,753	11,853,213,708	8,664,296,305
		<b>58,110,467,964</b>	<b>47,216,443,756</b>	<b>52,722,425,470</b>	<b>45,500,148,033</b>
<b>6.5 Disclosure regarding outstanding Repo and Reverse Repo</b>					
<b>Disclosure regarding outstanding Repo</b>					
<b>Sl.</b>	<b>Counterparty name</b>		<b>Agreement date</b>	<b>Reversal date</b>	<b>Amount</b>
			-	-	-
			-	-	-

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Disclosure regarding outstanding Reverse Repo					
<b>Sl. Counterparty name</b>			<b>Agreement date</b>	<b>Reversal date</b>	<b>Amount</b>
			-	-	-
<b>Total</b>			-	-	-
Disclosure regarding overall transaction of Repo and Reverse Repo					
<b>Counterparty name</b>			<b>Minimum outstanding in Y2020</b>	<b>Maximum outstanding in Y2020</b>	<b>Daily average outstanding in Y2020</b>
<b>Securities sold under Repo</b>					
With Bangladesh Bank			-	-	-
With other Banks and FIs			-	-	-
<b>Securities purchased under Reverse Repo</b>					
From Bangladesh Bank			-	-	-
From other Banks and FIs			-	-	-
<b>7 Loans and advances</b>					
Loans, cash credit, overdraft etc.	7.1	247,051,243,375	221,562,693,268	246,004,105,427	217,627,752,438
Bill purchased and discounted	8	14,646,184,098	10,960,747,799	14,646,184,098	10,960,747,799
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.1 Loans, cash credit, overdraft etc.</b>					
<b>Inside Bangladesh</b>					
Term loan industrial		18,131,446,121	16,679,241,403	18,131,446,121	16,679,241,403
Term loan consumer finance		170,452,264	217,487,844	170,452,264	217,487,844
Agricultural loan		286,356,663	2,756,983,582	286,356,663	2,756,983,582
Term loan women entrepreneur		32,775,026	30,377,007	32,775,026	30,377,007
Term loan-others		76,226,478,748	64,243,240,345	76,226,478,748	64,243,240,345
House building loans		42,944,834,123	35,878,061,417	42,944,834,123	35,878,061,417
Staff loan		1,266,619,147	1,445,244,406	1,266,619,147	1,445,244,406
Transport loan		76,702,824	112,151,072	76,702,824	112,151,072
Loan general		3,277,257,317	3,273,896,438	3,277,257,317	3,273,896,438
Demand loan		8,658,568,399	9,479,236,138	8,658,568,399	9,479,236,138
Overdrafts		60,985,063,864	52,042,757,341	63,845,327,297	52,042,757,341
Cash credit		23,785,985,647	23,146,114,027	23,785,985,647	23,146,114,027
Credit card finance		143,384,520	162,579,957	143,384,520	162,579,957
Loan against trust receipt (LTR)		4,877,015,257	5,529,994,503	4,877,015,257	5,529,994,503
Lease finance		227,184,826	294,519,805	227,184,826	294,519,805
Margin loan		3,907,401,381	3,934,940,830	-	-
		<b>244,997,526,127</b>	<b>219,226,826,115</b>	<b>243,950,388,179</b>	<b>215,291,885,285</b>
<b>Outside Bangladesh</b>					
Term Loan-Foreign Currency (OBU)		2,053,717,248	2,335,867,153	2,053,717,248	2,335,867,153
		<b>247,051,243,375</b>	<b>221,562,693,268</b>	<b>246,004,105,427</b>	<b>217,627,752,438</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>7.2</b>	<b>Net loans and advances including bills purchased and discounted</b>				
Total loans and advances		261,697,427,473	232,523,441,067	260,650,289,525	228,588,500,237
Provision against loans and advances		(8,072,974,665)	(6,264,867,722)	(7,841,677,826)	(6,033,570,883)
Interest suspense account		(8,972,123,118)	(8,134,196,969)	(7,471,280,308)	(6,633,354,159)
		<b>244,652,329,689</b>	<b>218,124,376,376</b>	<b>245,337,331,391</b>	<b>215,921,575,195</b>
<b>7.3</b>	<b>Residual maturity grouping of Loans, cash credit, overdraft etc.</b>				
<b>On demand</b>		69,365,480,414	41,476,313,632	69,365,480,414	41,476,313,632
Up to 1 month		4,636,346,663	6,147,676,143	4,636,346,663	6,147,676,143
Over 1 month but not more than 3 months		19,768,001,992	26,780,930,753	18,720,864,045	22,845,989,923
Over 3 months but not more than 1 years		20,913,449,237	42,838,504,474	20,913,449,237	42,838,504,474
Over 1 year but not more than 5 years		55,795,097,917	38,357,255,614	55,795,097,917	38,357,255,614
Over 5 years		76,572,867,151	65,962,012,652	76,572,867,151	65,962,012,652
		<b>247,051,243,375</b>	<b>221,562,693,268</b>	<b>246,004,105,427</b>	<b>217,627,752,438</b>
<b>7.4</b>	<b>Loans and advances under broad categories</b>				
<b>In Bangladesh</b>					
Loans		159,419,930,431	146,373,821,900	158,372,792,483	142,438,881,070
Cash credit		23,785,985,647	23,146,114,027	23,785,985,647	23,146,114,027
Overdrafts		63,845,327,297	52,042,757,341	63,845,327,297	52,042,757,341
		<b>247,051,243,375</b>	<b>221,562,693,268</b>	<b>246,004,105,427</b>	<b>217,627,752,438</b>
Bill purchased and discounted	8	14,646,184,098	10,960,747,799	14,646,184,098	10,960,747,799
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.5</b>	<b>Loans and advances on the basis of significant concentration</b>				
Loans and advances to Directors, executives and others					
Loans and advances to directors and their allied concerns		-	-	-	-
Loans and advances to Managing Director, Senior Executives and Staffs		1,266,619,147	1,445,244,406	1,266,619,147	1,445,244,406
Advances to customers' groups		260,430,808,326	231,078,196,661	259,383,670,378	227,143,255,831
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.6</b>	<b>Loans and advances allowed to each customer exceeding 10% of Bank's total capital</b>				
Number of customers				28	26
Outstanding - Funded				107,020,256,369	92,632,200,000
Outstanding - Non-funded				13,890,600,000	12,745,400,000
Amount classified				-	-

Amount of loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 3,129 million [Y2019 BDT 2,916.75 million] representing 10% of the Bank's total capital (as defined in Bank Companies Act 1991 as amended) as at 31 December are furnished in Annexure-C.



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>7.7 Industry wise position of loans and advances including bills purchased and discounted</b>					
Agriculture		1,549,034,081	3,996,322,997	1,549,034,081	3,996,322,997
Jute		4,688,649,495	4,287,695,452	4,688,649,495	4,287,695,452
Textile		12,008,054,318	10,632,481,602	12,008,054,318	10,632,481,602
Garments		36,205,734,042	27,564,767,593	36,205,734,042	27,564,767,593
Chemical and chemical products		54,928,753	105,411,026	54,928,753	105,411,026
Cement		2,242,982,069	2,273,333,981	2,242,982,069	2,273,333,981
Bricks & ceramic		1,228,855,597	1,211,721,357	1,228,855,597	1,211,721,357
Food products & processing		5,614,527,142	5,649,730,708	5,614,527,142	5,649,730,708
Engineering & metal		5,970,450,060	5,508,796,223	5,970,450,060	5,508,796,223
Drugs & pharmaceuticals		882,241,618	854,297,234	882,241,618	854,297,234
Hospital & clinics		94,862,671	98,832,724	94,862,671	98,832,724
Paper & paper products		2,951,564,934	2,966,520,646	2,951,564,934	2,966,520,646
Other small industries		8,937,475,690	7,738,468,466	8,937,475,690	7,738,468,466
IT sector		4,488,377,896	4,408,911,995	4,488,377,896	4,408,911,995
Other service industries		27,835,622,387	22,480,311,052	27,835,622,387	22,480,311,052
Trade & commerce		23,358,849,646	29,955,530,118	23,358,849,646	29,955,530,118
Transport		1,214,043,298	1,276,538,796	1,214,043,298	1,276,538,796
Construction firms/companies		19,969,381,860	10,438,190,017	19,969,381,860	10,438,190,017
Housing societies/companies		31,426,089,915	28,235,167,595	31,426,089,915	28,235,167,595
Cold storage		53,439,785	102,862,158	53,439,785	102,862,158
Consumer finance		45,925,172,870	38,563,436,084	45,925,172,870	38,563,436,084
Energy		8,243,559,495	7,427,982,403	8,243,559,495	7,427,982,403
Telecommunication		9,655,497,612	8,840,098,241	9,655,497,612	8,840,098,241
NBFI's		8,201,326	2,631,510	8,201,326	2,631,510
Others		7,089,830,914	7,903,401,089	6,042,692,966	3,968,460,259
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.8 Sector wise position of loans and advances including bills purchased and discounted</b>					
Government sector		-	-	-	-
Other public sector		-	-	-	-
Private sector		261,691,807,454	232,513,669,307	260,644,669,506	228,578,728,477
Co-operative sector		5,620,019	9,771,760	5,620,019	9,771,760
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.9 Geographical location-wise loans and advances including bills purchased and discounted</b>					
Dhaka division		223,022,107,064	196,013,894,982	221,974,969,117	192,078,954,152
Chittagong division		20,697,570,914	19,170,896,791	20,697,570,914	19,170,896,791
Sylhet division		1,619,909,173	1,476,567,974	1,619,909,173	1,476,567,974
Rajshahi division		6,454,997,299	6,443,784,333	6,454,997,299	6,443,784,333
Khulna division		4,257,671,076	3,885,117,501	4,257,671,076	3,885,117,501
Barisal division		987,915,973	1,589,339,223	987,915,973	1,589,339,223
Rangpur division		2,922,144,063	1,015,644,442	2,922,144,063	1,015,644,442
Mymensingh division		1,735,111,910	2,928,195,821	1,735,111,910	2,928,195,821
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>7.10 Business segment-wise concentration of loans and advances as per CL</b>					
Corporate		186,464,843,732	165,464,970,556	185,417,705,784	161,530,029,726
SME		29,464,095,457	28,247,755,366	29,464,095,457	28,247,755,366
Short term agri credit		1,181,874,743	1,131,573,424	1,181,874,743	1,131,573,424
Consumer (including staff)		5,758,860,305	6,007,107,128	5,758,860,305	6,007,107,128
Others		38,827,753,236	31,672,034,593	38,827,753,236	31,672,034,593
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.11 Loans and advances including bills purchased and discounted as per CL</b>					
<b>Continuous loan</b>					
Consumer finance		3,359,204,861	3,406,522,173	3,359,204,861	3,406,522,173
Small and medium enterprise		20,555,584,599	21,116,670,078	20,555,584,599	21,116,670,078
Loans to BHs/MBs/SDs		10,572,037	10,039,939	10,572,037	10,039,939
Other continuous loans		62,251,447,133	52,619,304,428	61,204,309,185	48,684,363,598
		<b>86,176,808,630</b>	<b>77,152,536,618</b>	<b>85,129,670,682</b>	<b>73,217,595,788</b>
<b>Demand loans</b>					
Consumer finance		779,815,020	846,548,823	779,815,020	846,548,823
Small and medium enterprise		3,281,056,634	2,944,658,565	3,281,056,634	2,944,658,565
Loans to BHs/MBs/SDs		-	-	-	-
Other demand loans		29,115,536,486	26,662,996,419	29,115,536,486	26,662,996,419
		<b>33,176,408,140</b>	<b>30,454,203,807</b>	<b>33,176,408,140</b>	<b>30,454,203,807</b>
<b>Term loan</b>					
Consumer finance (including staff, other than HF)		1,619,840,424	1,754,036,132	1,619,840,424	1,754,036,132
Small and medium enterprise		5,627,454,224	4,186,426,723	5,627,454,224	4,186,426,723
Housing finance (HF)		38,746,079,105	31,583,793,090	38,746,079,105	31,583,793,090
Loans for professionals		-	333,331	-	333,331
Loans to BHs/MBs/SDs		71,102,094	77,868,233	71,102,094	77,868,233
Other fixed term loan		95,097,860,113	86,182,669,709	95,097,860,113	86,182,669,709
		<b>141,162,335,960</b>	<b>123,785,127,218</b>	<b>141,162,335,960</b>	<b>123,785,127,218</b>
<b>Short term loan</b>					
Short term agri credit		1,181,874,743	1,131,573,424	1,181,874,743	1,131,573,424
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.12 Security/collateral-wise concentration of loans and advances including bills purchased and discounted</b>					
Collateral of movable/immovable assets		212,556,605,934	183,563,902,386	212,556,605,934	183,563,902,386
Local banks and financial institutions' guarantee		240,986,168	307,052,908	240,986,168	307,052,908
Government guarantee		811,142,115	894,582,610	811,142,115	894,582,610
Export documents		1,075,423,583	2,911,579,975	1,075,423,583	2,911,579,975
Import documents		13,097,388,867	9,046,957,412	13,097,388,867	9,046,957,412
Fixed deposit receipts		7,537,789,233	8,125,914,830	7,537,789,233	8,125,914,830
Personal guarantee		7,768,832,141	6,530,168,342	7,768,832,141	6,530,168,342
Other securities		18,609,259,430	21,143,282,604	17,562,121,483	17,208,341,774
		<b>261,697,427,473</b>	<b>232,523,441,067</b>	<b>260,650,289,525</b>	<b>228,588,500,237</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>7.13 Particulars of loans and advances</b>					
i) Loans considered good in respect of which the Bank is fully secured				252,738,072,864	219,894,848,851
ii) Loans considered good for which the Bank holds no other security than the debtors' personal guarantee				143,384,520	162,579,958
iii) Loans considered good being secured by personal security of one or more persons in addition to the personal security of the debtors				7,768,832,141	8,531,071,428
iv) Loans adversely classified; provision not maintained there against				-	-
				<b>260,650,289,525</b>	<b>228,588,500,237</b>
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons.				1,266,619,147	1,445,244,406
vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;				-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or employees of the Bank or any of them either separately or jointly with any other person				1,453,455,114	1,677,057,510
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members				-	-
ix) Due from banking companies				-	-
x) a) Amount of classified loan on which interest has not been charged should be mentioned as follows:					
Increase/(decrease) in specific provision				(349,126,284)	(352,629,444)
Amount of loan written off				-	2,349,130,015
Amount recovered against the loans previously written off				363,275,164	700,039,010
b) Amount of provision kept against loans classified as bad/loss as at the Balance Sheet date				2,455,830,502	2,756,082,189
c) Amount of interest creditable to the interest suspense account				1,477,570,087	3,959,253,482

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
xii) Cumulative amount of written off loan:					
Opening balance				14,727,813,121	13,078,722,116
Amount written off during the year				-	2,349,130,015
Interest charged				-	-
Recovery from written-off during the year*				(363,275,164)	(700,039,010)
				<b>14,364,537,957</b>	<b>14,727,813,121</b>
* Recovery from written-off loans during the year include write back BDT 185,044,000 & interest waiver of BDT 17,175,347 [Y2019: Interest waiver BDT 98,255,500].					
<b>7.14</b>	<b>Cumulative amount of written off loans for which law suits have been filed</b>				
Opening balance				20,972,282,771	18,623,152,756
During the year				-	2,349,130,015
				<b>20,972,282,771</b>	<b>20,972,282,771</b>
Out of this cumulative amount of written-off loans, no suit could be filed for recovery of Tk. 43.8 million for becoming time barred.					
<b>7.15</b>	<b>Classification of loans and advances</b>				
Unclassified					
Standard				245,050,321,578	207,621,139,162
Special mention account				5,254,206,092	8,701,889,298
				<b>250,304,527,669</b>	<b>216,323,028,460</b>
Classified					
Substandard				2,782,581,601	3,198,899,994
Doubtful				463,122,331	402,454,243
Bad/Loss				7,100,057,923	8,664,117,540
				<b>10,345,761,856</b>	<b>12,265,471,777</b>
				<b>260,650,289,525</b>	<b>228,588,500,237</b>
<b>7.16</b>	<b>Movements of classified loans and advances</b>				
Opening balance				12,265,471,777	12,740,133,887
Additions during the year				226,192,399	7,960,374,992
Reduction during the year				(2,145,902,320)	(8,435,037,102)
				<b>10,345,761,856</b>	<b>12,265,471,777</b>
<b>8</b>	<b>Bills purchased and discounted</b>				
Payable in Bangladesh	8.1	14,141,724,304	9,665,670,886	14,141,724,304	9,665,670,886
Payable outside Bangladesh	8.1	504,459,794	1,295,076,913	504,459,794	1,295,076,913
		<b>14,646,184,098</b>	<b>10,960,747,799</b>	<b>14,646,184,098</b>	<b>10,960,747,799</b>
<b>8.1</b>	<b>Bill purchased and discounted</b>				
Payable in Bangladesh					
Local bills/documents					
Inland documentary bill purchase (IDBP)		659,374,049	968,734,045	659,374,049	968,734,045
Payment against documents-cash		139,983,935	1,126,143,073	139,983,935	1,126,143,073
Payment against documents-EDF		9,880,117,837	6,078,902,756	9,880,117,837	6,078,902,756
Payment against documents-forced (Inland)		1,361,594,788	517,338,885	1,361,594,788	517,338,885

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Payment against documents-forced (Foreign)		664,145,629	554,885,209	664,145,629	554,885,209
Payment against documents-Others		1,436,508,066	419,666,918	1,436,508,066	419,666,918
		<b>14,141,724,304</b>	<b>9,665,670,886</b>	<b>14,141,724,304</b>	<b>9,665,670,886</b>
<b>Payable outside Bangladesh</b>					
Foreign documentary bill purchase (FDBP)		263,473,626	988,024,005	263,473,626	988,024,005
Usance Bill Discounted (OBU)		240,986,168	307,052,908	240,986,168	307,052,908
		<b>504,459,794</b>	<b>1,295,076,913</b>	<b>504,459,794</b>	<b>1,295,076,913</b>
		<b>14,646,184,098</b>	<b>10,960,747,799</b>	<b>14,646,184,098</b>	<b>10,960,747,799</b>
<b>8.2 Residual maturity grouping of bill purchased and discounted</b>					
On demand		4,651,948,851	3,279,461,674	4,651,948,851	3,279,461,674
Up to 1 month		1,312,579,764	2,666,974,599	1,312,579,764	2,666,974,599
Over 1 month but not more than 3 months		1,026,523,210	2,535,468,726	1,026,523,210	2,535,468,726
Over 3 months but not more than 6 months		4,729,856,640	2,454,040,122	4,729,856,640	2,454,040,122
Over 6 months		2,925,275,633	24,802,678	2,925,275,633	24,802,678
		<b>14,646,184,098</b>	<b>10,960,747,799</b>	<b>14,646,184,098</b>	<b>10,960,747,799</b>

## 9 Fixed assets including premises, furniture and fixtures

### Cost/revalued:

Land	2,423,609,559	2,423,609,559	2,423,609,559	2,423,609,559
Buildings and premises	1,902,617,204	1,910,944,970	1,902,617,204	1,902,617,204
Right of Use Assets	1,979,330,915	1,030,679,830	1,938,582,527	989,931,442
Wooden furniture	288,496,137	258,861,871	287,581,539	254,570,346
Steel furniture	111,193,993	77,057,552	111,193,993	77,057,552
Computer equipment	1,054,899,844	868,368,562	1,049,746,984	863,236,002
Office equipment	1,085,482,116	909,508,657	1,085,482,116	902,371,888
Electrical & gas equipment	292,981,559	246,609,374	290,404,959	242,661,330
Leasehold improvement	528,640,273	315,909,065	508,637,207	312,213,038
Vehicles	165,108,501	147,985,565	165,108,501	147,985,565
Leased vehicles	47,600,000	47,600,000	47,600,000	47,600,000
Soft furnishing	12,960,055	12,982,518	12,960,055	12,646,335
Software	1,108,927,318	696,110,814	1,107,209,905	693,375,354
	<b>11,001,847,474</b>	<b>8,946,228,337</b>	<b>10,930,734,549</b>	<b>8,869,875,615</b>
Capital work in progress	88,200,413	297,219,437	88,200,413	297,219,437
	<b>11,090,047,887</b>	<b>9,243,447,774</b>	<b>11,018,934,962</b>	<b>9,167,095,052</b>
Less: Accumulated depreciation	3,552,923,311	2,813,016,154	3,523,762,842	2,782,896,158
<b>Written down value</b>	<b>7,537,124,576</b>	<b>6,430,431,620</b>	<b>7,495,172,120</b>	<b>6,384,198,894</b>

Details of fixed assets [solo basis] are shown in "Annexure-D"

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>10 Other assets</b>					
Stationery and stamps		42,897,670	40,922,225	42,895,192	40,919,747
Suspense account	10.1	850,058,824	988,514,123	840,559,567	986,739,119
Advance, deposit and prepayments	10.2	7,545,055,046	6,422,357,403	7,208,526,113	6,106,810,736
Accrued interest & other income receivable	10.3	1,323,991,985	1,090,781,883	1,323,991,985	1,090,781,883
Investment in subsidiaries	10.4	-	-	2,234,342,260	2,233,302,400
Deferred tax assets	10.5	731,058,171	870,102,393	730,988,041	870,102,393
Dividend Receivable and others		933,675,990	193,859,577	71,181,064	193,419,566
		<b>11,426,737,686</b>	<b>9,606,537,605</b>	<b>12,452,484,222</b>	<b>11,522,075,844</b>
<b>10.1 Suspense account</b>					
Advance against bills, new branches		61,807,914	32,858,601	61,807,914	32,858,601
Advance against TA / DA		1,012,700	6,722,800	1,012,700	6,722,800
Law charges		297,658,828	265,265,869	297,658,828	265,265,869
Sanchaypatra paid		239,526,291	414,811,535	239,526,291	414,811,535
Wage earners development bond paid		98,125,282	133,764,030	98,125,282	133,764,030
Investment bond		12,174,046	14,015,504	12,174,046	14,015,504
Sundry debtors		138,580,799	120,653,005	129,081,542	118,878,001
CIB charge receivable		325,250	90,060	325,250	90,060
EFTN receivable		532,901	317,333	532,901	317,333
Others		314,813	15,386	314,813	15,386
		<b>850,058,824</b>	<b>988,514,123</b>	<b>840,559,567</b>	<b>986,739,119</b>
<b>10.2 Advance, deposit and prepayments</b>					
Rent		300,948,581	172,395,507	299,440,239	171,545,507
Income tax	10.2.1	6,932,516,876	5,818,370,764	6,598,635,166	5,507,367,245
Security deposit including demand note		23,867,575	11,867,313	23,867,575	11,867,313
Car purchase		128,964,094	155,505,067	127,825,212	154,032,849
Money remittance company		265,800	38,441,562	265,800	38,441,562
Protested bills		47,820,206	44,543,206	47,820,206	44,543,206
Cash remittance		78,500,000	135,500,000	78,500,000	135,500,000
Supplier		28,793,262	31,458,697	28,793,262	29,237,767
Lease vehicle		896,021	896,021	896,021	896,021
Share money deposits		2,482,632	13,379,266	2,482,632	13,379,266
		<b>7,545,055,046</b>	<b>6,422,357,403</b>	<b>7,208,526,113</b>	<b>6,106,810,736</b>
<b>10.2.1 Advance income tax</b>					
Opening balance on 1 January		5,818,370,764	5,132,379,011	5,507,367,245	4,863,041,730
Add: Payment made during the year		1,114,146,112	1,702,545,421	1,091,267,921	1,660,879,183
Less: Settlement of Years 2013 and 2014		-	(1,016,553,668)	-	(1,016,553,668)
<b>Closing balance</b>		<b>6,932,516,876</b>	<b>5,818,370,764</b>	<b>6,598,635,166</b>	<b>5,507,367,245</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>10.3</b>	<b>Accrued interest &amp; other income receivable</b>				
	Treasury bonds and bills	624,924,948	465,016,906	624,924,948	465,016,906
	Receivables from Government	41,272,375	41,272,375	41,272,375	41,272,375
	Interest accrued on loans and advances	648,268,049	473,234,204	648,268,049	473,234,204
	Investment on term and call	9,526,613	110,893,000	9,526,613	110,893,000
	Holding period interest on reverse repo	-	365,398	-	365,398
		<b>1,323,991,985</b>	<b>1,090,781,883</b>	<b>1,323,991,985</b>	<b>1,090,781,883</b>
<b>10.4</b>	<b>Investment in subsidiaries</b>				
	IFIC Securities Limited			2,199,994,000	2,199,994,000
	IFIC Money Transfer (UK) Limited			34,348,260	33,308,400
				<b>2,234,342,260</b>	<b>2,233,302,400</b>
<b>10.5</b>	<b>Deferred tax assets</b>				
	Deferred tax assets have been recognized and measured as per <i>International Accounting Standards 12: Income Taxes</i> and BRPD Circular no. 11, dated 12 December 2011 based on the temporary difference in the carrying amount of the assets and liabilities in the financial statements and its tax base. Calculation of deferred tax assets is as follows:				
	Deferred tax assets			955,727,024	1,064,159,464
	Deferred tax liabilities			(224,738,983)	(194,057,071)
	<b>Deferred tax assets/(liabilities)</b>			<b>730,988,041</b>	<b>870,102,393</b>
<b>i)</b>	<b>Deferred tax on provision for loans and advances classified as doubtful and bad &amp; loss</b>				
	Carrying amount			2,510,293,263	2,819,230,101
	Tax base			-	-
	Deductible/(taxable) temporary difference			2,510,293,263	2,819,230,101
	Tax rate			37.50%	37.50%
	<b>Closing deferred tax assets/(liabilities)</b>			<b>941,359,974</b>	<b>1,057,211,288</b>
	Opening deferred tax assets/(liabilities)			1,057,211,288	1,168,882,916
	<b>Deferred tax (expense)/income (A)</b>			<b>(115,851,314)</b>	<b>(111,671,628)</b>
<b>ii)</b>	<b>Deferred tax on fixed assets</b>				
	Carrying amount			3,621,024,521	2,833,825,524
	Tax base			3,021,720,566	2,316,340,000
	Deductible/(Taxable) temporary difference			599,303,955	517,485,524
	Tax rate			37.50%	37.50%
	<b>Closing deferred tax assets/(liabilities)</b>			<b>(224,738,983)</b>	<b>(194,057,071)</b>
	Opening deferred tax assets/(liabilities)			(194,057,071)	(265,087,660)
	<b>Deferred tax (expense)/income (B)</b>			<b>(30,681,912)</b>	<b>71,030,589</b>
<b>iii)</b>	<b>Deferred tax on leased assets</b>				
	Right-of-Use Assets			1,354,456,802	817,235,585
	Less: Lease Liabilities			(1,199,683,069)	(671,725,133)
	Carrying amount			154,773,733	145,510,453
	Tax base			193,085,866	164,038,922
	Temporary difference			38,312,133	18,528,469

Amount in BDT

Particulars	Note	Group		Bank		
		31 December 2020	31 December 2019	31 December 2020	31 December 2019	
Tax rate				37.50%	37.50%	
Closing deferred tax assets/(liabilities)				14,367,050	6,948,176	
Opening deferred tax assets/(liabilities)				6,948,176	-	
Deferred tax (expense)/income (C)				7,418,874	6,948,176	
Deferred tax (expense)/income (A+B+C)				(139,114,352)	(33,692,863)	
<b>10.6</b>	<b>Income generating other assets</b>					
	Investment in subsidiary-IFIC Securities Limited			2,199,994,000	2,199,994,000	
	Investment in subsidiary-IFIC Money Transfer (UK) Limited			34,348,260	33,308,400	
				2,234,342,260	2,233,302,400	
<b>10.7</b>	<b>Non-income generating other assets</b>					
	Stationery and stamps			42,895,192	40,919,747	
	Suspense account			840,559,567	986,739,119	
	Advance, deposit and prepayments			7,208,526,113	6,106,810,736	
	Accrued interest & other income receivable			1,323,991,985	1,090,781,883	
	Deferred tax assets			730,988,041	870,102,393	
	Receivable others			71,181,064	193,419,566	
				10,218,141,962	9,288,773,444	
<b>11</b>	<b>Non-banking assets</b>	<b>373,474,800</b>	<b>373,474,800</b>	<b>373,474,800</b>	<b>373,474,800</b>	
	Through the verdict of honorable court under section 33(7) of the Artharin Adalat Act 2003, the Bank has got absolute ownership on few mortgaged properties. These properties were recorded at Tk. 373,474,800 as non-banking assets in the year 2013.					
<b>12</b>	<b>Borrowing from other banks, financial institutions and agents</b>					
	In Bangladesh	12.1	12,512,987,412	6,517,860,335	12,512,987,412	6,517,860,335
	Outside Bangladesh	12.2	508,806,600	1,698,000,000	508,806,600	1,698,000,000
			13,021,794,012	8,215,860,335	13,021,794,012	8,215,860,335
<b>12.1</b>	<b>In Bangladesh</b>					
	<b>Term borrowing</b>					
	Obligation under lease finance		3,181,639	12,001,012	3,181,639	12,001,012
			3,181,639	12,001,012	3,181,639	12,001,012
	Refinance from Bangladesh Bank					
	Export Development Fund (EDF)		9,666,178,492	5,935,951,100	9,666,178,492	5,935,951,100
	Small and Medium Enterprise (SME)		324,677,867	530,344,520	324,677,867	530,344,520
	Long Term Financing Facility (LTFF)		34,162,919	39,563,703	34,162,919	39,563,703
	Stimulus Package		2,484,786,495	-	2,484,786,495	-
			12,509,805,773	6,505,859,323	12,509,805,773	6,505,859,323
			12,512,987,412	6,517,860,335	12,512,987,412	6,517,860,335



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>12.2 Outside Bangladesh</b>					
Nepal Bangladesh Bank Limited		508,806,600	1,698,000,000	508,806,600	1,698,000,000
		<b>508,806,600</b>	<b>1,698,000,000</b>	<b>508,806,600</b>	<b>1,698,000,000</b>
Borrowing from outside Bangladesh is used for Off-shore Banking unit.					
<b>12.3 Secured and unsecured borrowing from other banks, financial institutions and agents</b>					
Secured borrowing		-	-	-	-
Unsecured borrowing		13,021,794,012	8,215,860,335	13,021,794,012	8,215,860,335
		<b>13,021,794,012</b>	<b>8,215,860,335</b>	<b>13,021,794,012</b>	<b>8,215,860,335</b>
<b>12.4 Maturity grouping of borrowing from other banks, financial institutions and agents</b>					
Payable					
On demand		-	-	-	-
Up to 1 month		1,482,457,108	1,361,351,010	1,482,457,108	1,361,351,010
Over 1 month but not more than 3 months		4,191,908,871	4,390,920,724	4,191,908,871	4,390,920,724
Over 3 months but not more than 1 year		7,088,478,478	1,984,011,837	7,088,478,478	1,984,011,837
Over 1 year but not more than 5 years		123,803,291	268,012,046	123,803,291	268,012,046
Over 5 years		135,146,264	211,564,718	135,146,264	211,564,718
		<b>13,021,794,012</b>	<b>8,215,860,335</b>	<b>13,021,794,012</b>	<b>8,215,860,335</b>

### 13 Subordinated debt

Institution wise subscription, redemption, and outstanding amount of the Principal of the Bond are as follows:

Subscribers	Subscribed Amount	Redemption of Principal	Outstanding 31 December 2020	Outstanding 31 December 2019
Sonali Bank Limited	1,000,000,000	400,000,000	600,000,000	800,000,000
Janata Bank Limited	1,000,000,000	400,000,000	600,000,000	800,000,000
Rupali Bank Limited	1,000,000,000	400,000,000	600,000,000	800,000,000
Agrani Bank Limited	500,000,000	200,000,000	300,000,000	400,000,000
	<b>3,500,000,000</b>	<b>1,400,000,000</b>	<b>2,100,000,000</b>	<b>2,800,000,000</b>

### 14 Deposits and other accounts

Current deposit and other accounts	14.1	92,694,716,685	56,902,194,086	92,720,625,780	57,089,778,779
Bills payable	14.2	2,547,263,402	1,840,433,536	2,547,263,402	1,840,433,536
Savings bank deposits	14.3	25,343,706,980	23,299,407,700	25,343,706,980	23,299,407,700
Fixed deposits	14.4	175,760,802,599	176,138,383,050	175,762,350,267	176,138,521,221
		<b>296,346,489,666</b>	<b>258,180,418,372</b>	<b>296,373,946,429</b>	<b>258,368,141,236</b>
<b>14.1 Current deposit and other accounts</b>					
Current accounts		20,546,778,489	16,564,140,142	20,572,687,584	16,751,724,835
IFIC AAMAR account		63,263,202,940	32,361,380,548	63,263,202,940	32,361,380,548
IFIC Shohoj Account		869,665,186	136,862,041	869,665,186	136,862,041

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Foreign currency deposit		330,848,835	255,461,641	330,848,835	255,461,641
Resident foreign currency deposit		48,287,936	47,095,819	48,287,936	47,095,819
Exporters foreign currency account		5,189,408,559	5,064,346,336	5,189,408,559	5,064,346,336
Margin on letters of credit		1,462,856,896	1,611,311,769	1,462,856,896	1,611,311,769
Margin on letters of guarantee		393,140,325	413,544,674	393,140,325	413,544,674
Sundry deposit	14.1.1	590,527,519	448,051,116	590,527,519	448,051,116
		<b>92,694,716,685</b>	<b>56,902,194,086</b>	<b>92,720,625,780</b>	<b>57,089,778,779</b>
<b>14.1.1 Sundry deposit</b>					
Sundry creditor		109,042,803	118,860,020	109,042,803	118,860,020
Lease deposit		14,727,414	18,593,332	14,727,414	18,593,332
Risk fund-lease, CCS & others		224,303	224,303	224,303	224,303
Clearing collection		22,903,192	165,425,901	22,903,192	165,425,901
Card deposit		125,603,536	56,304,761	125,603,536	56,304,761
Sundry deposit BFF		25,912,400	25,912,400	25,912,400	25,912,400
FDD issued but not presented		13,323,391	13,323,391	13,323,391	13,323,391
Key deposit		5,977,675	5,873,025	5,977,675	5,873,025
CIB Charges		3,173,013	1,973,542	3,173,013	1,973,542
Other sundry deposits		269,639,792	41,560,441	269,639,792	41,560,441
		<b>590,527,519</b>	<b>448,051,116</b>	<b>590,527,519</b>	<b>448,051,116</b>
<b>14.2 Bills payable</b>					
Payment order		2,539,556,145	1,832,716,279	2,539,556,145	1,832,716,279
Demand draft		5,728,179	5,728,179	5,728,179	5,728,179
Security deposit receipt		1,979,078	1,989,078	1,979,078	1,989,078
		<b>2,547,263,402</b>	<b>1,840,433,536</b>	<b>2,547,263,402</b>	<b>1,840,433,536</b>
<b>14.3 Savings bank deposit</b>					
Savings account		19,488,529,745	17,589,866,057	19,488,529,745	17,589,866,057
Super savings plus		4,430,654,105	4,357,759,777	4,430,654,105	4,357,759,777
Payroll savings		385,717,213	341,507,069	385,717,213	341,507,069
Sanchita-female savings		1,038,072,461	1,009,734,700	1,038,072,461	1,009,734,700
Interest payable on savings deposit		733,456	540,097	733,456	540,097
		<b>25,343,706,980</b>	<b>23,299,407,700</b>	<b>25,343,706,980</b>	<b>23,299,407,700</b>
<b>14.4 Fixed deposit</b>					
Special notice deposit (SND)		30,028,622,318	17,423,650,556	30,030,169,986	17,423,788,727
Term deposit	14.4.1	134,376,901,295	148,706,357,525	134,376,901,295	148,706,357,525
Recurring deposit	14.4.2	10,660,411,907	9,588,859,670	10,660,411,907	9,588,859,670
Non resident foreign currency deposit (NFCD)		6,385,181	9,255,260	6,385,181	9,255,260
Export retention quota (ERQ)		688,481,898	410,260,039	688,481,898	410,260,039
		<b>175,760,802,599</b>	<b>176,138,383,050</b>	<b>175,762,350,267</b>	<b>176,138,521,221</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>14.4.1 Term deposit</b>					
Fixed deposits		120,912,851,010	132,401,520,210	120,912,851,010	132,401,520,210
Double return deposit scheme		5,059,921,698	7,037,614,862	5,059,921,698	7,037,614,862
Three years deposit plus		3,044,250	5,163,900	3,044,250	5,163,900
Monthly income scheme		5,174,309,817	4,894,756,648	5,174,309,817	4,894,756,648
Monthly income scheme - Arjon		27,950,000	32,380,000	27,950,000	32,380,000
Interest payable on term deposit		3,198,824,520	4,334,921,905	3,198,824,520	4,334,921,905
		<b>134,376,901,295</b>	<b>148,706,357,525</b>	<b>134,376,901,295</b>	<b>148,706,357,525</b>
<b>14.4.2 Recurring deposit</b>					
Pension savings scheme (PSS)		6,261,776,512	6,792,946,944	6,261,776,512	6,792,946,944
Pension savings scheme - Joma		5,678,197	7,269,422	5,678,197	7,269,422
Flexi DPS - Freedom		1,279,477,985	1,222,175,166	1,279,477,985	1,222,175,166
Millionaire dream plan		558,566,205	527,616,976	558,566,205	527,616,976
School savings plan		28,883,953	26,124,547	28,883,953	26,124,547
IFIC Aamar Bhobishawt		2,166,063,856	691,582,552	2,166,063,856	691,582,552
Interest payable on recurring deposit		359,965,199	321,144,063	359,965,199	321,144,063
		<b>10,660,411,907</b>	<b>9,588,859,670</b>	<b>10,660,411,907</b>	<b>9,588,859,670</b>
<b>14.5 Deposit and other accounts of the banks</b>					
Deposit from banks	14.9	116,847,774	8,564,982,723	116,847,774	8,564,982,723
Deposit from customers		296,229,641,892	249,615,435,649	296,257,098,655	249,803,158,513
		<b>296,346,489,666</b>	<b>258,180,418,372</b>	<b>296,373,946,429</b>	<b>258,368,141,236</b>
<b>14.6 Payable on demand and time deposit</b>					
<b>Demand deposits</b>					
Current deposits		85,752,102,798	49,784,317,319	85,779,559,561	49,972,040,183
Savings deposits		2,280,933,628	2,096,946,693	2,280,933,628	2,096,946,693
Sundry deposit		2,446,524,742	2,472,907,559	2,446,524,742	2,472,907,559
Bills payable		2,547,263,402	1,840,433,537	2,547,263,402	1,840,433,537
		<b>93,026,824,570</b>	<b>56,194,605,108</b>	<b>93,054,281,333</b>	<b>56,382,327,972</b>
<b>Time deposits</b>					
Savings deposits		23,062,773,351	21,202,461,006	23,062,773,351	21,202,461,006
Fixed deposits		140,124,876,059	154,298,320,837	140,124,876,059	154,298,320,837
Special notice deposits		30,030,169,985	17,423,788,727	30,030,169,985	17,423,788,727
Deposits under schemes		10,101,845,701	9,061,242,694	10,101,845,701	9,061,242,694
		<b>203,319,665,096</b>	<b>201,985,813,264</b>	<b>203,319,665,096</b>	<b>201,985,813,264</b>
		<b>296,346,489,666</b>	<b>258,180,418,372</b>	<b>296,373,946,429</b>	<b>258,368,141,236</b>
<b>14.7 Sector-wise concentration of deposits and other accounts</b>					
Government deposits		7,529,049,900	8,072,842,260	7,529,049,900	8,072,842,260
Other public sector		36,338,930,114	33,352,810,380	36,338,930,114	33,352,810,380
Deposit from banks		116,847,774	8,565,419,464	116,847,774	8,565,419,464
Foreign currency deposits		5,568,545,330	5,786,419,095	5,568,545,330	5,786,419,095
Private sectors		246,793,116,549	202,402,927,174	246,820,573,312	202,590,650,037
		<b>296,346,489,666</b>	<b>258,180,418,372</b>	<b>296,373,946,429</b>	<b>258,368,141,236</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>14.8 Unclaimed deposits</b>		<b>104,021,875</b>	<b>60,093,591</b>	<b>104,021,875</b>	<b>60,093,591</b>
<b>14.9 Residual maturity grouping of deposits and other accounts</b>					
<b>Maturity grouping of deposit from banks</b>					
On demand		-	-	-	-
Up to 1 month		116,847,774	240,000,000	116,847,774	240,000,000
Over 1 month but not more than 3 months		-	934,982,723	-	934,982,723
Over 3 months but not more than 1 year		-	7,390,000,000	-	7,390,000,000
Over 1 year but not more than 5 years		-	-	-	-
Over 5 years		-	-	-	-
		<b>116,847,774</b>	<b>8,564,982,723</b>	<b>116,847,774</b>	<b>8,564,982,723</b>
<b>Maturity grouping of deposit from customers excluding bills payable</b>					
On demand		5,949,154,679	1,912,412,834	5,949,154,679	1,912,412,834
Up to 1 month		40,783,082,019	28,691,042,305	40,810,538,782	28,878,765,168
Over 1 month but not more than 3 months		47,899,155,066	50,559,114,016	47,899,155,066	50,559,114,016
Over 3 months but not more than 1 year		64,596,057,382	69,090,047,625	64,596,057,382	69,090,047,625
Over 1 year but not more than 5 years		32,739,167,299	26,079,654,873	32,739,167,299	26,079,654,873
Over 5 years		101,715,762,047	71,442,730,460	101,715,762,047	71,442,730,460
		<b>293,682,378,490</b>	<b>247,775,002,113</b>	<b>293,709,835,253</b>	<b>247,962,724,977</b>
<b>Maturity grouping of bills payable</b>					
On demand		254,726,340	184,043,354	254,726,340	184,043,354
Up to 1 month		509,452,680	368,086,707	509,452,680	368,086,707
Over 1 month but not more than 3 months		509,452,680	368,086,707	509,452,680	368,086,707
Over 3 months but not more than 1 year		254,726,340	184,043,354	254,726,340	184,043,354
Over 1 year but not more than 5 years		509,452,680	368,086,707	509,452,680	368,086,707
Over 5 years		509,452,680	368,086,707	509,452,680	368,086,707
		<b>2,547,263,402</b>	<b>1,840,433,536</b>	<b>2,547,263,402</b>	<b>1,840,433,536</b>
		<b>296,346,489,666</b>	<b>258,180,418,372</b>	<b>296,373,946,429</b>	<b>258,368,141,236</b>
<b>15 Other liabilities</b>					
Specific provision for classified loans and advance	15.1	2,737,576,718	3,086,703,002	2,737,576,718	3,086,703,002
General provision for unclassified loans and advances	15.2	3,699,988,858	2,717,263,182	3,468,692,019	2,485,966,343
Special general provision COVID-19	15.3	1,200,000,000	-	1,200,000,000	-
Provision for off balance sheet items	15.4	435,409,089	460,901,538	435,409,089	460,901,538
<b>Provision for loans and advance</b>		<b>8,072,974,665</b>	<b>6,264,867,722</b>	<b>7,841,677,826</b>	<b>6,033,570,883</b>
Provision for diminution in value of investments	15.5	354,475,761	655,089,410	354,475,761	651,829,320
Provision for nostro account	15.6	10,646,778	10,659,195	10,646,778	10,659,195
Provision for other assets	15.7	452,469,410	416,485,497	452,469,411	416,485,497

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Provision for loans, investments and other assets</b>		<b>8,890,566,614</b>	<b>7,347,101,824</b>	<b>8,659,269,776</b>	<b>7,112,544,895</b>
Provision for taxation	15.8	8,398,477,805	7,569,815,580	8,133,240,938	7,317,502,199
Interest suspense accounts	15.9	8,972,123,118	8,134,196,969	7,471,280,308	6,633,354,159
Incentive bonus	15.10	1,662,000	251,550,000	-	250,000,000
Unclaimed dividend account		2,814,447	2,814,447	2,814,447	2,814,447
Lease Liability		1,233,531,392	706,074,947	1,199,683,069	671,725,133
Rebate to good borrowers		21,870,000	21,870,000	21,870,000	21,870,000
Interest payable on borrowing and bond		31,336,762	51,307,247	31,336,762	51,307,247
Accrued expenses		109,026,021	101,440,791	104,222,561	83,560,453
Withholding Tax payable to government *		362,976,044	341,688,828	362,830,343	341,514,845
Withholding VAT payable to government *		111,520,816	80,951,443	111,388,832	80,529,151
Excise duty payable to government *		291,542,361	192,744,701	291,542,361	192,744,701
Revaluation of investment abroad		30,946,297	30,946,297	30,946,297	30,946,297
Payable against Govt Bond & Sanchaypatra		88,416,642	65,743,619	88,416,642	65,743,619
Others		190,550,054	116,690,071	190,229,318	113,205,018
		<b>28,737,360,373</b>	<b>25,014,936,764</b>	<b>26,699,071,654</b>	<b>22,969,362,164</b>

\* Subsequently deposited to government exchequer.

<b>15.1</b>	<b>Specific provision for classified loans and advances</b>				
	Provision held at the beginning of the year	3,086,703,002	3,439,332,446	3,086,703,002	3,439,332,446
	Less: Fully provided debts written off	-	(1,296,176,672)	-	(1,296,176,672)
	Add: Recoveries of amounts previously written off	161,055,817	601,783,125	161,055,817	601,783,125
	Add: Specific provision for the year	41	341,764,103	(510,182,101)	341,764,103
		<b>2,737,576,718</b>	<b>3,086,703,002</b>	<b>2,737,576,718</b>	<b>3,086,703,002</b>
<b>15.1.1</b>	<b>Specific provision required for classified loans and advances</b>				
	<b>Status of loans and advances</b>	<b>Base for provision</b>	<b>Rate (%)</b>	<b>Required provision</b>	
				<b>31 Dec. 2020</b>	<b>31 Dec. 2019</b>
	Sub-standard	1,119,739,936	20%	223,947,988	267,142,565
	Sub-standard-Cottage, Micro and Small	61,920,098	5%	3,096,005	
	Sub-standard- Short term agri. credit	4,789,244	5%	239,462	330,335
	Doubtful	72,296,626	50%	36,148,313	62,816,808
	Doubtful-Cottage, Micro and Small	89,828,556	20%	17,965,711	-
	Doubtful- Short term agri. credit	6,974,726	5%	348,736	331,105
	Bad/loss*	2,426,257,650	100%	2,455,830,503	2,756,082,189
		<b>3,781,806,836</b>		<b>2,737,576,718</b>	<b>3,086,703,002</b>
	Specific provision maintained (note-15.1)			2,737,576,718	3,086,703,002
	<b>Excess/(short)</b>			<b>-</b>	<b>-</b>

\* As per Bangladesh Bank instruction, BDT 29,572,853 has been maintained as an additional provision against rescheduling of loans against 2% down payment in line with the BRPD Circular No. 05 dated 16 May 2019.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>15.2 General provision for un-classified loans &amp; advances</b>					
Provision held at the beginning of the year		2,690,833,981	2,179,362,318	2,459,537,142	1,948,065,479
Adjustment of previously written off loan		148,377,233	-	148,377,233	-
Provision made/(release) during the year	41	837,830,609	511,471,663	837,830,609	511,471,663
		<b>3,677,041,823</b>	<b>2,690,833,981</b>	<b>3,445,744,984</b>	<b>2,459,537,142</b>
<b>Off-shore Banking Unit (OBU)</b>					
Provision held at the beginning of the year		26,429,201	21,989,163	26,429,201	21,989,163
Provision made/(release) during the year	41	(3,482,166)	4,440,038	(3,482,166)	4,440,038
		<b>22,947,035</b>	<b>26,429,201</b>	<b>22,947,035</b>	<b>26,429,201</b>
		<b>3,699,988,858</b>	<b>2,717,263,182</b>	<b>3,468,692,019</b>	<b>2,485,966,343</b>

**15.2.1 General provision required for un-classified loans and advances**

Status of loans and advances	Base for provision	Rate (%)	Required provision	
			31 December 2020	31 December 2019
<b>Standard</b>				
Small and medium enterprise	23,798,058,127	0.25%	59,495,145	54,497,400
Consumer finance (house building)	38,106,169,796	1.00%	381,061,698	302,246,113
Loans to LP/BHs/MBs/SDs share etc.	81,674,131	2.00%	1,633,483	1,760,511
Consumer finance	4,281,890,102	2.00%	85,637,802	214,720,625
Consumer finance (card)	107,234,425	2.00%	2,144,689	2,375,047
Short term agri. and micro-credit	1,102,883,016	1.00%	11,028,830	10,472,149
Staff loan	1,266,619,144	0.00%	-	-
Other unclassified loan*	54,011,089,300	1.00%	2,813,311,889	1,752,207,278
	<b>122,755,618,041</b>		<b>3,354,313,536</b>	<b>2,338,279,123</b>
<b>Special Mention Account (SMA)</b>				
Small and medium enterprise	157,470,573	0.25%	393,676	1,183,730
Consumer finance (house building)	222,720,523	1.00%	2,227,205	6,114,725
Consumer finance	2,264,082	2.00%	45,282	1,111,661
Consumer finance (card)	2,627,918	2.00%	52,558	83,614
Other unclassified loan **	4,869,122,995	1.00%	88,712,728	112,764,289
	<b>5,254,206,091</b>		<b>91,431,449</b>	<b>121,258,019</b>
<b>Off-shore banking unit</b>				
Un-classified loans	2,294,703,416	1.00%	22,947,034	26,429,201
	<b>2,294,703,416</b>		<b>22,947,034</b>	<b>26,429,201</b>
			3,468,692,019	2,485,966,343
<b>General provision maintained (note-15.2)</b>			<b>3,468,692,019</b>	<b>2,485,966,343</b>
<b>Excess/(short)</b>			-	-

\* Provision against loans and advances has been maintained as per Bangladesh Bank letter no.: DBI-1/32/2021/927 dated 31 March 2021. According to the letter there is a provision shortfall of Tk 3,785 million against loans and advances which requires to be kept in next three years from 2021-2023.

\*\* 1% additional provision has been maintained against the restructured loan in line with the BRPD Circular No. 04, dated 29 January 2015. Details Restructured Loan are shown in Annexure-J.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>15.3 Special general provision COVID-19</b>					
1% additional provision has been maintained against the facilities for which payment was deferred during COVID-19 under the purview of BRPD Circular No. 56, dated 10 December 2020.					
<b>15.4 Provision for off-balance sheet</b>					
Provision held at the beginning of the year		460,901,538	544,535,590	460,901,538	544,535,590
Provision made/(release) during the year	41	(25,492,449)	(83,634,052)	(25,492,449)	(83,634,052)
		<b>435,409,089</b>	<b>460,901,538</b>	<b>435,409,089</b>	<b>460,901,538</b>
<b>15.4.1 Provision required for off-balance sheet exposure</b>					
Status	Base for provision	Rate (%)	Required provision		
			31 Dec. 2020	31 Dec. 2019	
Acceptances and endorsements	16,350,951,601	1.00%	163,509,516	179,784,285	
Letters of guarantee *	8,058,992,366	1.00%	93,095,955	92,742,505	
Irrevocable letters of credit	17,880,361,773	1.00%	178,803,618	159,237,410	
Bills for collection	8,193,373,111	0.00%	-	29,137,337	
<b>Required provision</b>			<b>435,409,089</b>	<b>460,901,537</b>	
Provision maintained (note-15.3)			435,409,089	460,901,537	
<b>Excess/(short)</b>			<b>-</b>	<b>-</b>	
As per Bangladesh Bank instruction, BDT 537,544 and BDT 11,968,588 have been maintained as an additional provision against a letter of guarantee of M/s. Hannan Works and M/s ATCO International, respectively.					
<b>15.5 Provision for diminution in value of investments</b>					
Provision held at the beginning of the year		651,829,320	528,163,279	651,829,320	524,903,189
Provision made/(release) during the year	41	(297,353,559)	126,926,131	(297,353,559)	126,926,131
		<b>354,475,761</b>	<b>655,089,410</b>	<b>354,475,761</b>	<b>651,829,320</b>
<b>15.6 Provision for nostro account</b>					
Provision held at the beginning of the year		10,659,195	10,533,645	10,659,195	10,533,645
Provision made/(release) during the year	41.1	(12,417)	125,550	(12,417)	125,550
		<b>10,646,778</b>	<b>10,659,195</b>	<b>10,646,778</b>	<b>10,659,195</b>
<b>15.7 Provision for other assets</b>					
Provision held at the beginning of the year		416,485,497	376,349,960	416,485,497	376,349,960
Less: written off during the year		-	(1,791,292)	-	(1,791,292)
Provision made/(release) during the year	41.1	35,983,913	41,926,829	35,983,913	41,926,829
		<b>452,469,410</b>	<b>416,485,497</b>	<b>452,469,411</b>	<b>416,485,497</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>15.7.1 Particulars of required provision for other assets</b>					
				Required provision	
<b>Status</b>	<b>Base for provision</b>	<b>Rate (%)</b>		<b>31 Dec. 2020</b>	<b>31 Dec. 2019</b>
Other assets for 6-12 months	19,884,970	50%		9,942,485	15,122,588
Other assets for more than 12 months	394,706,721	100%		394,706,721	346,819,703
Protested bills	47,820,206	100%		47,820,206	44,543,206
<b>Required provision</b>				<b>452,469,411</b>	<b>406,485,497</b>
Provision maintained (note-15.7)				452,469,411	416,485,497
<b>Excess/(Short)</b>				<b>(0)</b>	<b>10,000,000</b>
<b>15.8 Provision for taxation</b>					
Provision held at the beginning of the year	7,569,815,580	6,864,446,679		7,317,502,199	6,634,055,867
Provision made during the year	975,923,486	1,721,922,569		963,000,000	1,700,000,000
	<b>8,545,739,066</b>	<b>8,586,369,248</b>		<b>8,280,502,199</b>	<b>8,334,055,867</b>
Less: Settlement of previous year	(147,261,261)	(1,016,553,668)		(147,261,261)	(1,016,553,668)
	<b>8,398,477,805</b>	<b>7,569,815,580</b>		<b>8,133,240,938</b>	<b>7,317,502,199</b>
*Provision for tax has been adjusted considering the previous year surplus					
<b>15.9 Interest suspense account</b>					
Balance at the beginning of the year	8,134,196,969	7,787,146,660		6,633,354,159	6,286,303,850
Add: Amount transferred to interest suspense account during the year	1,477,570,087	3,959,253,482		1,477,570,087	3,959,253,482
Less: Amount transferred to interest income account during the year	(639,643,938)	(3,317,300,859)		(639,643,938)	(3,317,300,859)
Less: Amount written-off during the year	-	(294,902,314)		-	(294,902,314)
	<b>8,972,123,118</b>	<b>8,134,196,969</b>		<b>7,471,280,308</b>	<b>6,633,354,159</b>
<b>15.10 Incentive bonus</b>					
Balance at the beginning of the year	250,000,000	240,500,000		250,000,000	240,500,000
Add: Provision made during the year	1,662,000	251,550,000		-	250,000,000
Less: Paid during the year	(250,000,000)	(238,498,794)		(250,000,000)	(238,498,794)
Less: Transfer to income during the year	-	(2,001,206)		-	(2,001,206)
	<b>1,662,000</b>	<b>251,550,000</b>		<b>-</b>	<b>250,000,000</b>
<b>15.11 Unclaimed dividend account</b>					
More than 3 years	-	-		-	-
More than 4 years	-	-		-	-
More than 5 years & above	2,814,447	2,814,447		2,814,447	2,814,447
	<b>2,814,447</b>	<b>2,814,447</b>		<b>2,814,447</b>	<b>2,814,447</b>



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>16 Share Capital</b>					
<b>16.1 Authorized Capital</b>					
4,000,000,000 ordinary shares of Taka 10 each		40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
<b>16.2 Issued, subscribed and fully paid up capital</b>					
8,000,000 ordinary shares of Taka 10 each issued for cash		80,000,000	80,000,000	80,000,000	80,000,000
4,400,000 ordinary shares of Taka 10 each issued as rights share	16.2.1	44,000,000	44,000,000	44,000,000	44,000,000
563,821,907 ordinary shares of Taka 10 each issued as rights share	16.2.2	5,638,219,070	5,638,219,070	5,638,219,070	5,638,219,070
1,043,651,961 ordinary shares of Taka 10 each issued for bonus share		10,436,519,610	8,963,907,010	10,436,519,610	8,963,907,010
		<b>16,198,738,680</b>	<b>14,726,126,080</b>	<b>16,198,738,680</b>	<b>14,726,126,080</b>

16.2.1 The Bank raised paid-up capital of Tk. 44,000,000 through Rights Issue of 440,000 no. of ordinary shares at a ratio of 1R:2 i.e. one rights share for two existing shares at par in the year 1989 which was completed in the month of January 1990, before the change of denomination from Tk. 100 to Tk. 10 which was effected from 4 December 2011.

16.2.2 The Bank raised paid-up capital of Tk. 5,638,219,070 through Rights Issue of 563,821,907 no. of ordinary shares at a ratio of 1R:1 i.e. one rights share for one existing share at par in the year 2017.

#### 16.3 Issued, subscribed and fully paid up Capital-Shareholders' Category

1,089,388,542 [Year 2019: 990,353,220] ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.	10,893,885,420	9,903,532,200	10,893,885,420	9,903,532,200
530,485,326 [Year 2019: 482,259,388] ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.	5,304,853,260	4,822,593,880	5,304,853,260	4,822,593,880
	<b>16,198,738,680</b>	<b>14,726,126,080</b>	<b>16,198,738,680</b>	<b>14,726,126,080</b>

#### 16.4 Shareholding by category

Category	31 December 2020			31 December 2019		
	No. of Share	%	Taka	No. of Share	%	Taka
Sponsors & Directors	66,603,111	4.11	666,031,110	122,738,541	8.33	1,227,385,410
Government (Director also)	530,485,326	32.75	5,304,853,260	482,259,388	32.75	4,822,593,880
<b>Sub-Total</b>	<b>597,088,437</b>	<b>36.86</b>	<b>5,970,884,370</b>	<b>604,997,929</b>	<b>41.08</b>	<b>6,049,979,290</b>
Institutions	470,454,459	29.04	4,704,544,590	340,317,105	23.11	3,403,171,050
Foreign investors	12,717,884	0.79	127,178,840	15,276,079	1.04	152,760,790
General investors	539,613,088	33.31	5,396,130,880	512,021,495	34.77	5,120,214,950
<b>Sub-Total</b>	<b>1,022,785,431</b>	<b>63.14</b>	<b>10,227,854,310</b>	<b>867,614,679</b>	<b>58.92</b>	<b>8,676,146,790</b>
<b>Total</b>	<b>1,619,873,868</b>	<b>100</b>	<b>16,198,738,680</b>	<b>1,472,612,608</b>	<b>100</b>	<b>14,726,126,080</b>

The Government is representing in the Board of the Bank by nominating 03 (Three) Directors and as such, Sponsors & Directors are at present holding 36.86% shares of the Bank.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019

### 16.5 Distribution of paid up capital

Holding of share	31 December 2020			31 December 2019		
	No. of holder	Total shares	%	No. of holder	Total shares	%
1 to 500 shares	14,608	2,051,350	0.13	14,695	2,091,145	0.14
501 to 5,000 shares	14,325	29,969,707	1.85	15,689	31,842,708	2.16
5,001 to 10,000 shares	3,888	29,134,724	1.80	4,197	30,197,520	2.05
10,001 to 20,000 shares	2,692	39,307,003	2.43	3,168	44,639,141	3.03
20,001 to 30,000 shares	1,151	28,833,294	1.78	1,226	30,311,561	2.06
30,001 to 40,000 shares	544	19,086,097	1.18	652	22,745,183	1.55
40,001 to 50,000 shares	449	20,831,451	1.28	379	17,268,513	1.17
50,001 to 100,000 shares	783	56,545,941	3.49	754	52,193,228	3.55
100,001 to 1,000,000 shares	697	201,241,451	12.42	698	184,521,732	12.53
More than 1,000,000 shares	130	1,192,872,850	73.64	115	1,056,801,877	71.76
<b>Total</b>	<b>39,267</b>	<b>1,619,873,868</b>	<b>100</b>	<b>41,573</b>	<b>1,472,612,608</b>	<b>100</b>

### 16.6 Shareholding of Directors as at 31 December 2020

Sl.	Name of the Directors	Status	Holding %	Closing Position	Opening Position
1	Mr. Salman F Rahman	Chairman	2.00	32,406,599	29,460,545
2	Mr. Ahmed Shayan Fazlur Rahman*	Vice-Chairman	2.11	34,196,512	35,482,892
3	Mr. Anwaruzzaman Chowdhury	Independent Director	Nil	Nil	Nil
4	Ms. Rabeya Jamali	Independent Director	Nil	Nil	Nil
5	Mr. A. R. M. Nazmus Sakib**	Govt. nominated Director	32.75	530,485,326	482,259,388
6	Ms. Quamrun Naher Ahmed**	Govt. nominated Director			
7	Mr. Md. Zafar Iqbal, ndc**	Govt. nominated Director			
8	Mr. Mohammad Shah Alam Sarwar	Managing Director	Nil	Nil	Nil

\* Represents M/s. New Dacca Industries Limited against its holding of 2.11% shares in the Bank.

\*\* Directors nominated by the Ministry of Finance, Govt. of the People's Republic of Bangladesh against its holding of 32.75% shares in the Bank.

### 16.7 Capital Adequacy Ratio (BASEL-III)

As per section 13(2) of the Banking Companies Act, 1991 (as amended to date), BRPD circular no. 18 dated 21 December 2014, the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel-III) was issued and effective from 1 January 2015. Capital to Risk-weighted Asset Ratio (CRAR) is calculated as follows:

#### Common Equity Tier 1 (going-concern capital)

Paid-up capital	16.2	16,198,738,680	14,726,126,080	16,198,738,680	14,726,126,080
Statutory reserve	17	6,864,775,853	6,531,903,475	6,864,775,853	6,531,903,475
General reserve	18	155,071,397	155,071,397	155,071,397	155,071,397
Retained earnings	21	4,248,076,927	4,920,565,744	1,775,205,220	3,018,442,662
		<b>27,466,662,857</b>	<b>26,333,666,696</b>	<b>24,993,791,150</b>	<b>24,431,543,614</b>
<b>Less: Regulatory Adjustments:</b>					
Deduction from Tier-1 Capital (95% of deferred tax assets)		907,940,673	1,010,951,491	907,940,673	1,010,951,491
<b>Total Common Equity Tier 1 Capital</b>		<b>26,558,722,185</b>	<b>25,322,715,205</b>	<b>24,085,850,478</b>	<b>23,420,592,124</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>Tier-2 (Gone-Concern Capital)</b>					
General provision		5,335,397,947	2,946,867,881	5,104,101,108	2,946,867,881
Subordinated debt that meet the qualifying criteria for Tier 2		2,100,000,000	2,800,000,000	2,100,000,000	2,800,000,000
<b>Total Tier-2 Capital</b>		<b>7,435,397,947</b>	<b>5,746,867,881</b>	<b>7,204,101,108</b>	<b>5,746,867,881</b>
<b>Total Regulatory Capital (A)</b>		<b>33,994,120,132</b>	<b>31,069,583,086</b>	<b>31,289,951,586</b>	<b>29,167,460,005</b>
Total assets including off-balance sheet items		418,513,245,012	371,849,359,537	413,895,445,927	368,045,509,902
Total risk-weighted Assets		262,206,655,232	231,554,686,630	255,638,666,438	227,798,495,191
Required capital @12.5% (B)		32,775,831,904	28,944,335,829	31,954,833,305	28,474,811,899
<b>Total capital surplus/(Deficit) C=(A-B)</b>		<b>1,218,288,228</b>	<b>2,125,247,258</b>	<b>(664,881,718)</b>	<b>692,648,106</b>
<b>Capital to Risk-weighted Asset Ratio (CRAR):</b>					
Common Equity Tier 1 to RWA		10.13%	10.94%	9.42%	10.28%
Tier - 2 Capital to RWA		2.84%	2.48%	2.82%	2.52%
Capital to Risk-weighted Asset Ratio (CRAR)		12.96%	13.42%	12.24%	12.80%

At the end of the year 2020, the Bank maintained CRAR of 12.24% against the regulatory requirement of 12.50% (10% minimum capital plus 2.5% Conservation Buffer), i.e. Capital Conservation Buffer (CCB) is 0.26% below the regulatory requirement on a solo basis. However, the Bank has surplus capital of 0.46% on a consolidation basis.

Details computation of risk-weighted assets [solo basis] are shown in "Annexure - E"

## 17 Statutory reserve

Balance at the beginning of the year		6,531,903,475	5,696,418,313	6,531,903,475	5,696,418,313
Transferred from profit during the year		332,872,378	835,485,162	332,872,378	835,485,162
		<b>6,864,775,853</b>	<b>6,531,903,475</b>	<b>6,864,775,853</b>	<b>6,531,903,475</b>

## 18 General reserve

		155,071,397	155,071,397	155,071,397	155,071,397
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General reserve also includes the surplus provision of Tk. 99,300,000 against the restructured large loan of RR Holdings which was transferred from the specific provision in the year 2015 as per BRPD Circular No. 04 dated 29 January 2015 and extra ordinary foreign exchange gain of Tk. 28,559,248 transferred from profit in the year 2010.

## 19 Revaluation reserve against securities

HTM securities	19.1	80,968,715	48,258,777	80,968,715	48,258,777
HFT securities	19.2	26,880,411	1,862,360	26,880,411	1,862,360
		<b>107,849,126</b>	<b>50,121,137</b>	<b>107,849,126</b>	<b>50,121,137</b>

### 19.1 Revaluation reserve HTM securities

Balance at the beginning of the year		48,258,777	4,743,046	48,258,777	4,743,046
Gain/(loss) from revaluation on investments		32,709,938	43,515,731	32,709,938	43,515,731
		<b>80,968,715</b>	<b>48,258,777</b>	<b>80,968,715</b>	<b>48,258,777</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>19.2 Revaluation reserve HFT securities</b>					
Balance at the beginning of the year		1,862,360	8,365,801	1,862,360	8,365,801
Gain/(loss) from revaluation on investments		25,018,051	(6,503,441)	25,018,051	(6,503,441)
		<b>26,880,411</b>	<b>1,862,360</b>	<b>26,880,411</b>	<b>1,862,360</b>
<b>20 Revaluation reserve against fixed assets</b>		<b>115,314,704</b>	<b>115,314,704</b>	<b>115,314,704</b>	<b>115,314,704</b>
In terms of International Accounting Standard (IAS) 16: Property, Plant & Equipment and instruction contained in BRPD Circular No. 10, dated 25 November 2002 issued by Bangladesh Bank, gain on revaluation of Tk. 115,314,704 has been credited to the revaluation reserve account.					
<b>20.a Consolidated foreign currency translation reserve</b>					
IFIC Money Transfer (UK) Limited		1,442,548	1,829,993	-	-
Investment in joint venture/ associate (NBBL)		119,996,466	40,324,282	-	-
Investment in joint venture/ associate (OE LLC)		12,649,392	1,713,661	-	-
		<b>134,088,406</b>	<b>43,867,936</b>	<b>-</b>	<b>-</b>
<b>21 Surplus in profit and loss account</b>					
Balance at the beginning of the year		-	-	3,018,442,662	2,748,933,607
Net profit after tax for the year		-	-	562,247,536	2,443,732,947
Transfer to statutory reserve during the year		-	-	(332,872,378)	(835,485,162)
Issue of bonus shares		-	-	(1,472,612,600)	(1,338,738,730)
		<b>-</b>	<b>-</b>	<b>1,775,205,220</b>	<b>3,018,442,662</b>
<b>22 Consolidated surplus in profit and loss account</b>					
IFIC Bank Limited	21	1,775,205,220	3,018,442,662	-	-
IFIC Securities Limited		372,552,596	322,799,499	-	-
IFIC Money Transfer (UK) Limited		(19,110,491)	(26,232,171)	-	-
Share of profit of investment in joint venture/associate (NBBL)		2,152,120,471	1,642,684,855	-	-
Share of profit of investment in joint venture/associate (OE LLC)		70,358,359	57,314,825	-	-
Exchange (gain)/loss on investment in joint venture/associate (NBBL)		(90,399,836)	(92,730,264)	-	-
Exchange (gain)/loss on investment in joint venture/associate (OE LLC)		(12,649,393)	(1,713,662)	-	-
		<b>4,248,076,927</b>	<b>4,920,565,744</b>	<b>-</b>	<b>-</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
<b>23 Non-controlling interest (NCI)</b>					
IFIC Securities Limited	23.1	7,016	6,880	-	-
IFIC Money Transfer (UK) Limited		-	-	-	-
		<b>7,016</b>	<b>6,880</b>	-	-
<b>23.1 NCI of IFIC Securities Limited</b>					
Opening balance on 1 January		6,880	6,818	-	-
Add: Share of profit during the year		136	62	-	-
		<b>7,016</b>	<b>6,880</b>	-	-
<b>24 Contingent liabilities</b>					
Acceptances and endorsements	24.1	16,350,951,601	17,978,428,515	16,350,951,601	17,978,428,515
Letters of guarantee	24.2	8,058,992,366	9,274,250,539	8,058,992,366	9,274,250,539
Irrevocable Letters of credit	24.3	17,880,361,773	14,673,137,826	17,880,361,773	14,673,137,826
Bills for collection	24.4	8,193,373,111	9,169,349,832	8,193,373,111	9,169,349,832
		<b>50,483,678,851</b>	<b>51,095,166,712</b>	<b>50,483,678,851</b>	<b>51,095,166,712</b>
<b>24.1 Acceptances and endorsements</b>					
Back to back bills (local currency)		279,594,776	197,607,606	279,594,776	197,607,606
Back to back bills (foreign currency)		16,071,356,825	17,780,820,909	16,071,356,825	17,780,820,909
		<b>16,350,951,601</b>	<b>17,978,428,515</b>	<b>16,350,951,601</b>	<b>17,978,428,515</b>
<b>24.2 Letters of guarantee</b>					
Letters of guarantee (local currency)		7,979,200,054	9,145,418,872	7,979,200,054	9,145,418,872
Letters of guarantee (foreign currency)		79,792,312	128,831,667	79,792,312	128,831,667
		<b>8,058,992,366</b>	<b>9,274,250,539</b>	<b>8,058,992,366</b>	<b>9,274,250,539</b>
Money for which the bank is contingently liable in respect of guarantee issued favoring:					
Directors		27,443,000	-	27,443,000	-
Government		3,819,557,827	4,264,377,276	3,819,557,827	4,264,377,276
Banks and other financial institutions		1,454,967,826	1,892,035,766	1,454,967,826	1,892,035,766
Others		2,757,023,712	3,117,837,497	2,757,023,712	3,117,837,497
		<b>8,058,992,366</b>	<b>9,274,250,539</b>	<b>8,058,992,366</b>	<b>9,274,250,539</b>
<b>24.3 Irrevocable letters of credit</b>					
Letter of credit (LC) - cash sight		9,102,343,168	6,740,841,075	9,102,343,168	6,740,841,075
Letter of credit (LC) - back to back		8,539,680,148	7,730,378,117	8,539,680,148	7,730,378,117
Letter of credit (LC) - cash usance		238,338,457	201,918,634	238,338,457	201,918,634
		<b>17,880,361,773</b>	<b>14,673,137,826</b>	<b>17,880,361,773</b>	<b>14,673,137,826</b>
<b>24.4 Bills for collection</b>					
Inland bills collection		20,994,127	21,261,409	20,994,127	21,261,409
Foreign bills collection		745,436	-	745,436	-
Inland documentary bills for collection		2,826,418,019	2,913,733,690	2,826,418,019	2,913,733,690
Foreign documentary bills for collection		5,345,215,529	6,234,354,733	5,345,215,529	6,234,354,733
		<b>8,193,373,111</b>	<b>9,169,349,832</b>	<b>8,193,373,111</b>	<b>9,169,349,832</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>25 Income Statement</b>					
<b>Income</b>					
Interest, discount and similar income	26, 28	24,434,346,321	26,837,282,047	24,423,150,019	26,784,747,249
Dividend income	28	105,135,607	37,981,800	67,006,708	208,265,302
Fees, commission and brokerage	29.1	991,723,232	982,172,625	965,131,611	942,838,224
Gains less losses arising from dealing in securities	28	169,849,269	57,167,058	169,849,269	57,167,058
Gains less losses arising from investment securities	28.1	(37,605,869)	4,212,721	(46,234,087)	2,040,818
Gain less losses arising from dealing in foreign currencies	29.2	534,781,144	695,573,614	543,386,446	719,498,177
Income from non-banking assets		-	-	-	-
Other operating income	30	1,127,841,349	988,305,983	597,074,284	433,206,205
Profit less losses on interest rate change		-	-	-	-
		<b>27,326,071,053</b>	<b>29,602,695,848</b>	<b>26,719,364,250</b>	<b>29,147,763,033</b>
<b>Expenses</b>					
Interest, fee and commission	27	18,292,521,314	18,028,004,167	18,294,764,064	18,028,020,880
Losses on loan and advances		-	758,054,030	-	758,054,030
Administrative expenses	31-38	3,448,589,146	3,690,765,228	3,414,988,464	3,649,243,381
Other operating expenses	39, 40	1,303,718,536	1,119,169,625	1,282,611,363	1,100,594,037
Depreciation on banking assets		832,687,471	496,054,458	825,346,640	491,404,633
		<b>23,877,516,467</b>	<b>24,092,047,508</b>	<b>23,817,710,531</b>	<b>24,027,316,961</b>
<b>Profit before provision</b>		<b>3,448,554,586</b>	<b>5,510,648,340</b>	<b>2,901,653,719</b>	<b>5,120,446,072</b>
<b>26 Interest Income</b>					
Term loan-industrial		1,628,539,825	2,245,650,120	1,628,539,825	2,245,650,120
Term Loan-Agricultural Loan		218,334,668	230,573,616	218,334,668	230,573,616
Term loan-consumer finance		21,870,644	41,855,294	21,870,644	41,855,294
Term Loan-Housing Finance		3,559,324,300	3,752,614,702	3,559,324,300	3,752,614,702
Term Loan-Transport loan		9,434,971	19,240,905	9,434,971	19,240,905
Term Loan-Lease finance		28,168,085	44,921,629	28,168,085	44,921,629
Term Loan-Foreign Currency (OBU)		114,091,566	109,387,936	114,091,566	109,387,936
Term loan-others		5,353,517,834	5,830,751,989	5,353,517,834	5,830,751,989
Overdrafts		5,622,943,151	6,330,928,169	5,656,951,752	6,330,928,169
Cash credit		2,046,145,455	2,592,629,570	2,046,145,455	2,592,629,570
Credit card		21,280,806	22,471,501	21,280,806	22,471,501
Demand loan		805,860,564	991,711,151	805,860,564	991,711,151
Loan general		139,764,200	165,542,963	139,764,200	165,542,963
Loan against trust receipt (LTR)		624,022,742	797,570,270	624,022,742	797,570,270
Staff loan		51,889,992	66,539,810	51,889,992	66,539,810
Overdue interest		85,746,752	107,258,282	85,746,752	107,258,282
Interest on Margin Loan		45,204,904	52,534,798	-	-

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>Interest income from loans and advances</b>		<b>20,376,140,458</b>	<b>23,402,182,705</b>	<b>20,364,944,156</b>	<b>23,349,647,907</b>
Inland documentary bill purchased (IDBP)		88,308,397	199,887,302	88,308,397	199,887,302
Usance Bill Discounted (OBU)		2,762,355	14,990,490	2,762,355	14,990,490
Payment against document (cash)		34,647,736	32,466,045	34,647,736	32,466,045
Payment against document (forced)		65,513,791	102,010,669	65,513,791	102,010,669
Payment against document (EDF)		228,831,992	353,393,596	228,831,992	353,393,596
Payment against document (inland)		106,514,037	70,537,557	106,514,037	70,537,557
Payment against document (others)		171,589,828	179,077,315	171,589,828	179,077,315
<b>Interest income from bills paid and discounted</b>		<b>698,168,136</b>	<b>952,362,974</b>	<b>698,168,136</b>	<b>952,362,974</b>
Money at call on short notice		76,031,361	76,448,278	76,031,361	76,448,278
Balance held outside Bangladesh		4,244,218	20,295,103	4,244,218	20,295,103
Balance held inside Bangladesh		15,671,857	27,147,595	15,671,857	27,147,595
		<b>21,170,256,030</b>	<b>24,478,436,655</b>	<b>21,159,059,728</b>	<b>24,425,901,857</b>

## 27 Interest paid on deposits, borrowings etc.

### Interest paid on deposits

Current deposit	3,880,233,972	2,671,127,609	3,882,456,003	2,671,144,322
Saving bank deposit	791,146,403	825,843,679	791,146,403	825,843,679
Special notice deposit	984,009,748	1,210,243,333	984,030,467	1,210,243,333
Fixed deposit	10,371,264,329	10,765,983,265	10,371,264,329	10,765,983,265
Non resident FC deposit	128,694	129,728	128,694	129,728
Resident FC deposit	232,330	235,514	232,330	235,514
Pension savings scheme	675,533,737	595,573,864	675,533,737	595,573,864
Monthly income scheme	1,152,769,204	1,176,171,547	1,152,769,204	1,176,171,547
Foreign currency deposit	275,125	266,311	275,125	266,311
	<b>17,855,593,542</b>	<b>17,245,574,850</b>	<b>17,857,836,292</b>	<b>17,245,591,563</b>

### Interest paid on borrowings

Call borrowing	-	7,339,496	-	7,339,496
Term borrowing	41,798,192	125,406,848	41,798,192	125,406,848
Repurchase agreement (repo)	-	17,152,125	-	17,152,125
Bangladesh Bank- Refinance	29,107,429	26,701,333	29,107,429	26,701,333
Payment against lease obligation	965,511	1,958,139	965,511	1,958,139
Interest on subordinated bond	214,816,096	346,193,151	214,816,096	346,193,151
Bangladesh Bank- EDF	149,779,870	255,023,726	149,779,870	255,023,726
Bangladesh Bank- LTF Refinance	460,674	2,654,499	460,674	2,654,499
	<b>436,927,772</b>	<b>782,429,317</b>	<b>436,927,772</b>	<b>782,429,317</b>
	<b>18,292,521,314</b>	<b>18,028,004,167</b>	<b>18,294,764,064</b>	<b>18,028,020,880</b>

## 28 Investment income

### Interest income

Interest on Treasury bills and bonds	2,883,603,926	1,861,423,952	2,883,603,926	1,861,423,952
Interest on term placement	380,486,365	497,421,440	380,486,365	497,421,440

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
Interest on reverse repo		169,849,269	57,167,058	169,849,269	57,167,058
Gain/(loss) on share sale	28.1	(37,605,869)	4,212,721	(46,234,087)	2,040,818
Dividend income - local		105,135,607	37,981,800	67,006,708	34,955,882
Dividend income - Foreign		-	-	-	173,309,420
		<b>3,501,469,298</b>	<b>2,458,206,971</b>	<b>3,454,712,181</b>	<b>2,626,318,570</b>
<b>28.1</b>	<b>Gain from sale of shares of listed companies</b>				
Gain on share sale		105,714,070	7,245,259	105,714,070	7,245,259
Less: Loss on sale of share		(151,948,157)	(5,204,441)	(151,948,157)	(5,204,441)
		<b>(46,234,087)</b>	<b>2,040,818</b>	<b>(46,234,087)</b>	<b>2,040,818</b>
<b>29</b>	<b>Commission, exchange and brokerage</b>				
Commission	29.1	991,723,232	982,172,625	965,131,611	942,838,224
Exchange gain/(loss)	29.2	534,781,144	695,573,614	543,386,446	719,498,177
Brokerage		32,271,877	20,352,880	-	-
		<b>1,558,776,252</b>	<b>1,698,099,119</b>	<b>1,508,518,057</b>	<b>1,662,336,401</b>
<b>29.1</b>	<b>Commission</b>				
Bills purchased (Inland)		378,851	731,947	378,851	731,947
Remittances (inland)		5,332,826	11,438,335	5,332,826	11,438,335
Remittances (foreign)		2,698,332	3,134,240	2,698,332	3,134,240
Letter of guarantee (LG)-local		78,561,809	81,926,382	78,561,809	81,926,382
Letter of guarantee (LG)-foreign		4,295,097	1,166,396	4,295,097	1,166,396
Letter of credit (back to back)		368,549,339	356,725,556	368,549,339	356,725,556
Letter of credit (cash)		139,946,305	127,337,074	139,946,305	127,337,074
Letter of credit (others)		90,205,668	84,972,476	90,205,668	84,972,476
Wage earners development bond		3,076,563	4,574,613	3,076,563	4,574,613
Local documentary bills collection (LDBC)		1,405,617	7,508,447	1,405,617	7,508,447
Inward foreign documentary bills collection (IFDBC)		119,797,564	74,961,720	119,797,564	74,961,720
Foreign documentary bills collection (FDBC)		1,565,400	1,853,500	1,565,400	1,853,500
Foreign bills collection (FBC)		312,315	733,100	312,315	733,100
Add confirmation		19,281,121	21,829,873	19,281,121	21,829,873
Bill collection commission OBU		2,121,951	63,173	2,121,951	63,173
Visa card		17,131,590	12,518,489	17,131,590	12,518,489
Sanchaypatra		94,857	4,276,389	94,857	4,276,389
Foreign correspondent charges		36,476,969	47,202,824	36,476,969	47,202,824
Negotiation against contract		20,434,948	40,701,949	20,434,948	40,701,949
Rebate from foreign correspondent		44,982,180	51,273,358	44,982,180	51,273,358
Commission others		35,073,930	47,242,782	8,482,309	7,908,381
		<b>991,723,232</b>	<b>982,172,625</b>	<b>965,131,611</b>	<b>942,838,224</b>
<b>29.2</b>	<b>Exchange gain/(loss)</b>				
Exchange gain from revaluation of FC		534,781,144	695,573,614	543,386,446	719,498,177
		<b>534,781,144</b>	<b>695,573,614</b>	<b>543,386,446</b>	<b>719,498,177</b>



Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>30 Other operating income</b>					
Locker rent		17,409,164	18,820,201	17,409,164	18,820,201
Cheque Book charge recovery		31,005,994	26,424,264	31,005,994	26,424,264
SWIFT charges recovery		17,819,054	21,720,497	17,819,054	21,720,497
Loan origination fees		121,682,941	67,301,014	121,682,941	67,301,014
Visa card fees		59,772,494	30,857,926	59,772,494	30,857,926
Service charge on accounts		232,920,153	152,701,543	231,699,153	151,482,043
Online Charge		6,483,291	14,562,761	6,483,291	14,562,761
Gain/(loss) on sale of fixed assets	40.5	-	1,623,480	-	1,623,480
Management fee - Foreign*		12,725,625	15,853,125	12,725,625	15,853,125
Miscellaneous earning **		105,543,481	84,608,087	98,476,567	84,560,894
		<b>605,362,198</b>	<b>434,472,898</b>	<b>597,074,284</b>	<b>433,206,205</b>

\* The Bank has received Management fee from NBBL under Management service/Technical Know-how fee agreement which has credited Bank's Nostro Account in 2020.

\*\* Miscellaneous earnings includes BDT 29,451,603 against forfeited amount returned from Provident Fund according to the Instruction of Financial Reporting Council [FRC] directives Dated 7 July 2020.

<b>31 Salary and allowances</b>					
Basic salary		1,156,201,134	1,107,980,129	1,141,032,381	1,092,535,881
House rent allowance		495,138,791	472,965,924	492,149,903	470,160,456
Conveyance allowance		66,832,905	62,979,278	66,442,905	61,903,622
Medical allowances		110,557,941	105,368,885	109,903,849	104,772,557
Entertainment allowance		41,094,808	47,744,569	40,758,808	47,408,569
Other allowances		163,498,172	78,594,384	162,486,736	78,186,034
Incentive bonus		1,662,000	251,550,000	-	250,000,000
Leave encashment		11,534,992	17,660,322	11,534,992	17,660,322
Festival bonus		210,076,155	198,801,407	208,829,005	197,587,595
Leave fare assistance		101,741,173	101,395,717	101,058,373	100,712,917
Provident fund- Bank's contribution		105,369,591	101,182,915	105,369,591	101,182,915
Contribution to gratuity fund		96,800,000	30,000,000	96,800,000	30,000,000
		<b>2,560,507,662</b>	<b>2,576,223,530</b>	<b>2,536,366,543</b>	<b>2,552,110,868</b>

The number of employees for the year of 2020 who were paid remuneration less than Tk. 36,000 was nil (the year 2019: nil). The total number of employees employed in the Bank at the end of the year 2020 was 3,011 (year 2019:2,559).

<b>32 Rent, taxes, insurance, electricity etc.</b>					
Rent paid		91,172,266	296,763,124	88,516,316	286,571,455
Rates & taxes		20,751,796	8,313,806	20,463,431	5,684,953
Insurance premium		210,437,076	179,520,237	210,336,241	179,331,545
Electricity & water		96,244,408	94,817,425	95,411,536	93,446,617
		<b>418,605,546</b>	<b>579,414,593</b>	<b>414,727,523</b>	<b>565,034,570</b>

Total office rent expenses for the year 2020 are Tk. 578,832,541. Due to application of IFRS 16: Leases, Tk. 510,099,888 has been distributed as depreciation (Annexure-D) and interest expense (note 40). Required withholding tax and VAT on total rental expense have been deducted and deposited accordingly. Details are disclosed in Note 2.2.1.7.

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>33 Legal expenses</b>					
Legal expenses		3,608,201	2,515,190	1,551,463	1,804,546
Professional fees		7,104,778	7,555,521	5,376,010	6,795,144
		<b>10,712,980</b>	<b>10,070,711</b>	<b>6,927,473</b>	<b>8,599,690</b>
<b>34 Postage, stamp, telecommunication etc.</b>					
Postage expenses		8,209,120	7,589,704	8,200,462	7,580,279
Telephone		19,845,981	13,744,194	19,709,636	13,515,201
Communication facilities		45,814,707	42,335,219	45,393,199	42,335,219
		<b>73,869,808</b>	<b>63,669,117</b>	<b>73,303,297</b>	<b>63,430,699</b>
<b>35 Stationery, printing, advertisement etc.</b>					
Printing stationery		5,212,473	5,887,567	4,875,872	5,535,684
Security stationery		11,609,553	7,414,916	11,609,553	7,414,916
Petty stationery		30,834,314	23,639,915	30,834,314	23,639,915
Computer stationery		18,256,250	12,648,728	18,256,250	12,648,728
Advertisement and publicity		293,061,560	390,712,558	293,012,611	390,631,644
		<b>358,974,150</b>	<b>440,303,684</b>	<b>358,588,600</b>	<b>439,870,887</b>
<b>36 Managing Director's salary</b>					
Basic salary		15,427,500	12,000,000	15,427,500	12,000,000
House rent allowance		1,200,000	375,000	1,200,000	375,000
Provident fund- Bank's contribution		1,542,750	1,200,000	1,542,750	1,200,000
Festival bonus		2,805,000	2,145,000	2,805,000	2,145,000
		<b>20,975,250</b>	<b>15,720,000</b>	<b>20,975,250</b>	<b>15,720,000</b>
In addition to the above, the Managing Director was paid BDT 1 million as incentive bonuses in both years and BDT 1.275 million as LFA in Y2020 (Y2019: 1 million).					
<b>37 Directors' fees</b>					
Meeting attendance fees		1,892,000	1,854,500	1,672,000	1,560,000
		<b>1,892,000</b>	<b>1,854,500</b>	<b>1,672,000</b>	<b>1,560,000</b>
Each Director is paid Tk. 8,000 for attending each meeting as per the latest BRPD Circular no. 11, dated 04 October 2015.					
<b>38 Auditors' fees*</b>					
Statutory annual audit fees		3,051,750	2,509,093	2,427,778	1,916,667
Interim audit fees		-	1,000,000	-	1,000,000
		<b>3,051,750</b>	<b>3,509,093</b>	<b>2,427,778</b>	<b>2,916,667</b>

\* Audit fee is inclusive of tax and VAT.

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>39 Depreciation and repair of bank's assets</b>					
Depreciation					
Buildings and premises		47,174,472	47,045,580	47,174,472	47,045,580
Right of Use Assets		459,560,011	174,979,390	454,886,479	172,695,856
Wooden furniture		21,167,011	20,370,160	21,075,551	20,183,246
Steel furniture		4,127,431	3,309,100	4,127,431	3,309,100
Computer equipment		72,234,039	69,296,021	71,735,012	68,928,095
Office equipment		18,099,158	14,503,189	18,099,158	13,694,046
Electrical & gas equipment		93,716,939	88,023,171	93,429,031	87,771,515
Leasehold improvement		32,195,064	20,926,453	30,567,987	20,572,499
Vehicles		11,833,728	11,754,830	11,833,728	11,754,830
Leased vehicles		8,819,373	7,826,745	8,819,373	7,826,745
Soft furnishing		795,240	714,904	795,240	711,217
Software		62,965,003	37,304,916	62,803,177	36,911,905
		<b>832,687,471</b>	<b>496,054,458</b>	<b>825,346,640</b>	<b>491,404,633</b>
<b>Repairs and maintenance</b>					
Property maintenance and repairs		190,568,721	196,431,109	188,896,442	194,577,671
Vehicles maintenance and repairs		47,152,118	48,860,969	47,152,118	48,860,969
		<b>237,720,839</b>	<b>245,292,078</b>	<b>236,048,560</b>	<b>243,438,640</b>
		<b>1,070,408,309</b>	<b>741,346,537</b>	<b>1,061,395,200</b>	<b>734,843,273</b>
<b>40 Other expenses</b>					
Entertainment		29,493,167	42,887,119	29,255,717	42,596,573
Petrol, oil and lubricants	40.1	60,024,751	66,991,479	60,020,446	66,991,479
Training and internship	40.2	7,220,475	28,081,193	7,220,475	28,081,193
Traveling expenses	40.3	50,455,579	68,069,063	49,944,253	67,821,573
Casual and contractual service	40.4	278,546,048	186,488,441	278,347,717	185,883,376
Loss on sales of fixed assets	40.5	4,914,422	-	2,186,382	-
Subscription and donation		114,892,574	38,342,731	114,460,720	35,107,080
Corporate Social Responsibility (CSR)		121,089,235	94,015,985	121,089,235	94,015,985
Books, newspapers and magazines, etc.		1,548,345	1,424,651	1,540,085	1,415,141
Interest on leased assets		57,923,933	28,018,283	55,213,409	26,962,117
NID verification charge		769,180	411,015	769,180	411,015
Reward and recognition		368,500	1,689,961	368,500	1,689,961
Uniforms and liveries		1,091,778	1,760,688	1,091,778	1,760,688
AGM and EGM expense		5,775,504	11,956,633	5,607,504	11,785,133
Business development		10,308,231	42,355,489	10,308,231	42,351,989
Croceries		1,938,907	1,225,472	1,921,977	1,225,472
Security services		153,479,739	145,540,638	152,654,361	145,068,368
Bank charges and commission		12,762,582	17,898,858	6,974,650	7,679,845
Recovery and sales agent		32,792,499	14,841,187	32,792,499	14,841,187

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
Visa card expense		51,478,038	26,270,762	51,478,038	26,085,414
Risk charges		10,188,132	17,678,640	10,188,132	17,678,640
Branch Charge		11,399,903	11,582,673	11,399,903	11,582,673
Bond & Rights Share issue		1,433,987	1,976,979	1,433,987	1,976,979
Miscellaneous		46,102,189	24,369,605	40,295,626	24,143,515
		<b>1,065,997,697</b>	<b>873,877,546</b>	<b>1,046,562,803</b>	<b>857,155,397</b>
Expenses incurred by the Bank shown in these Financial Statements are inclusive of VAT where applicable as per Value Added Tax and Supplementary Duty Act, 2012.					
<b>40.1</b>	<b>Petrol, oil and lubricants</b>				
	Petrol, oil and lubricants - pool car	16,157,450	18,867,856	16,153,145	18,867,856
	Petrol, oil and lubricants - car purchase scheme	43,867,301	48,123,623	43,867,301	48,123,623
		<b>60,024,751</b>	<b>66,991,479</b>	<b>60,020,446</b>	<b>66,991,479</b>
<b>40.2</b>	Training and internship expense includes daily allowance and traveling allowances.				
<b>40.3</b>	Traveling expense represents foreign and local travel which include daily allowances and traveling allowance.				
<b>40.4</b>	<b>Casual and contractual service</b>				
	Driver salary - car purchase scheme	47,494,362	47,650,157	47,494,362	47,650,157
	DSA salary and incentive	105,955,051	63,293,461	105,955,051	63,293,461
	Casual and contractual - staff	125,096,635	75,544,823	124,898,304	74,939,758
		<b>278,546,048</b>	<b>186,488,441</b>	<b>278,347,717</b>	<b>185,883,376</b>
<b>40.5</b>	<b>Gain/ (loss) on sales of fixed assets</b>				
	Cost of fixed assets sold				
	Wooden furniture	10,279,262	8,219,388	5,987,739	8,219,388
	Steel furniture	1,076,428	280,432	1,076,428	280,432
	Computer equipment	8,217,109	41,086,145	8,217,109	41,086,145
	Office equipment	3,915,606	2,939,011	3,579,423	2,939,011
	Electrical & gas equipment	17,915,510	23,665,104	14,754,679	23,665,104
	Leasehold improvement	13,800,069	15,955,183	10,976,260	15,955,183
	Vehicles	-	2,428,750	-	2,428,750
	Soft furnishing	488,372	350,124	488,372	350,124
	Software	315,333	-	315,333	-
		<b>56,007,690</b>	<b>94,924,137</b>	<b>45,395,344</b>	<b>94,924,137</b>
	<b>Less : Accumulated depreciation</b>				
	Wooden furniture	8,295,722	7,967,946	5,686,424	7,967,946
	Steel furniture	577,031	243,849	577,031	243,849
	Computer equipment	8,181,015	41,081,636	8,181,015	41,081,636
	Office equipment	3,902,157	2,937,062	3,571,502	2,937,062
	Electrical & gas equipment	16,855,608	23,151,351	14,158,524	23,151,351
	Leasehold improvement	10,150,954	15,777,228	8,045,185	15,777,228
	Vehicles	-	2,428,746	-	2,428,746
	Soft furnishing	488,338	350,117	488,338	350,117
	Software	315,327	-	315,327	-
		<b>48,766,152</b>	<b>93,937,934</b>	<b>41,023,346</b>	<b>93,937,934</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>Written down value</b>		<b>7,241,537</b>	<b>986,202</b>	<b>4,371,997</b>	<b>986,202</b>
Sale proceeds of above fixed assets		2,327,116	2,609,682	2,185,616	2,609,682
<b>Gain / (loss) on sales of fixed assets</b>		<b>(4,914,422)</b>	<b>1,623,480</b>	<b>(2,186,382)</b>	<b>1,623,480</b>
<b>40.a Details of investment in joint ventures/ associates - under equity method</b>					
<b>i) Nepal Bangladesh Bank Limited</b>					
Opening balance		4,025,376,164	3,667,144,961	-	-
Add/ (less): Share of post acquisition profit during the year		509,435,617	530,139,098	-	-
Add/ (less): Cash dividend received		-	(173,309,420)	-	-
Add/ (less): Effect of changes in foreign currency exchange rate		79,672,184	1,401,525	-	-
<b>Closing balance</b>		<b>4,614,483,965</b>	<b>4,025,376,165</b>	<b>-</b>	<b>-</b>
<b>ii) Oman Exchange LLC</b>					
Opening balance		133,400,738	52,691,476	-	-
Add/ (less): New investment made during the year		-	56,654,197	-	-
Add/ (less): Share of post acquisition profit/(loss) during the year		13,043,534	23,693,987	-	-
Add/ (less): Effect of changes in foreign currency exchange rate		10,935,731	361,078	-	-
<b>Closing balance</b>		<b>157,380,003</b>	<b>133,400,738</b>	<b>-</b>	<b>-</b>
<b>iii) Share of post acquisition profit during the year</b>					
Nepal Bangladesh Bank Limited		509,435,617	530,139,098	-	-
Oman Exchange LLC		13,043,534	23,693,987	-	-
		<b>522,479,151</b>	<b>553,833,085</b>	<b>-</b>	<b>-</b>
<b>iv) Investment in joint ventures/associates- under equity method</b>					
<b>A. Book value of investment</b>					
Nepal Bangladesh Bank Limited		2,432,766,863	2,435,097,291	-	-
Oman Exchange LLC		87,021,644	76,085,913	-	-
		<b>2,519,788,507</b>	<b>2,511,183,204</b>	<b>-</b>	<b>-</b>
<b>B. Cumulative share of post acquisition profit</b>					
Nepal Bangladesh Bank Limited		2,181,717,102	1,590,278,874	-	-
Oman Exchange LLC		70,358,359	57,314,825	-	-
		<b>2,252,075,462</b>	<b>1,647,593,699</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>		<b>4,771,863,968</b>	<b>4,158,776,903</b>	<b>-</b>	<b>-</b>
<b>41 Provision for loans, investments and other assets</b>					
Specific provision	15.1	(510,182,101)	341,764,103	(510,182,101)	341,764,103
General provision	15.2	837,830,609	511,471,663	837,830,609	511,471,663
Provision for off-shore banking unit	15.2	(3,482,166)	4,440,038	(3,482,166)	4,440,038

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
Special general provision COVID-19	15.3	1,200,000,000	-	1,200,000,000	-
Provision for off-balance sheet exposure	15.4	(25,492,449)	(83,634,052)	(25,492,449)	(83,634,052)
<b>Provision for loans and advances</b>		<b>1,498,673,893</b>	<b>774,041,752</b>	<b>1,498,673,893</b>	<b>774,041,752</b>
Provision for diminution in value of investments	15.5	(300,613,649)	130,186,221	(297,353,559)	126,926,131
Other provisions	41.1	35,971,496	42,052,379	35,971,496	42,052,379
		<b>1,234,031,740</b>	<b>946,280,352</b>	<b>1,237,291,830</b>	<b>943,020,262</b>
<b>41.1 Other provisions</b>					
Provision for nostro account	15.6	(12,417)	125,550	(12,417)	125,550
Provision for other assets	15.7	35,983,913	41,926,829	35,983,913	41,926,829
		<b>35,971,496</b>	<b>42,052,379</b>	<b>35,971,496</b>	<b>42,052,379</b>
<b>42 Provision for taxation</b>					
Current tax		975,923,486	1,721,922,569	963,000,000	1,700,000,000
Deferred tax expense/(income)	42.1	137,874,939	35,067,669	139,114,352	33,692,863
		<b>1,113,798,425</b>	<b>1,756,990,238</b>	<b>1,102,114,352</b>	<b>1,733,692,863</b>
Provision for current tax has been made after considering the prior years surplus provision.					
<b>42.1 Deferred tax expense/(income)</b>					
Deferred tax on provision for loans and advances (DF & BL)	10.5	115,851,314	111,671,628	115,851,314	111,671,628
Deferred tax on fixed assets	10.5	29,442,499	(71,096,047)	30,681,912	(71,030,589)
Deferred tax on leased assets	10.5	(7,418,874)	(5,507,912)	(7,418,874)	(6,948,176)
		<b>137,874,939</b>	<b>35,067,669</b>	<b>139,114,352</b>	<b>33,692,863</b>
<b>43 Receipts from other operating activities</b>					
Rent received		17,409,164	18,820,201	17,409,164	18,820,201
Other receipts		587,953,034	415,669,410	579,665,120	414,386,004
Capital gain/(loss)	28.1	(37,605,869)	4,212,721	(46,234,087)	2,040,818
		<b>567,756,329</b>	<b>438,702,331</b>	<b>550,840,197</b>	<b>435,247,023</b>
<b>44 Cash paid for other operating activities</b>					
Postage, stamp, telecommunication etc.		73,869,808	63,669,117	73,303,297	63,430,699
Rent paid		91,172,266	286,571,455	88,516,316	286,571,455
Rates, taxes & utilities		20,751,796	20,064,976	20,463,431	5,684,953
Insurance premium		210,437,076	179,331,545	210,336,241	179,331,545
Electricity & water		96,244,408	93,446,617	95,411,536	93,446,617
Traveling expenses		50,455,579	67,821,573	49,944,253	67,821,573
Auditors' fees		3,051,750	3,509,093	2,427,778	2,916,667
Directors' fees		1,892,000	1,854,500	1,672,000	1,560,000
Legal expenses		10,712,980	10,070,710	6,927,473	8,599,690

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
Repairs and maintenance		237,720,839	243,438,640	236,048,560	243,438,640
Other expenses		907,462,253	678,972,979	891,679,849	661,236,710
		<b>1,703,770,755</b>	<b>1,648,751,205</b>	<b>1,676,730,733</b>	<b>1,614,038,549</b>
<b>45 Cash and cash equivalents</b>					
Cash in hand		4,088,663,229	2,872,338,679	4,084,799,668	2,871,220,070
Balance with Bangladesh Bank and its agent Bank (s)		14,407,730,302	15,183,691,094	14,407,730,302	15,183,691,094
Balance with other banks and financial Institutions		8,068,327,513	5,637,834,204	8,895,390,969	5,617,034,218
Money at call and on short notice		2,330,000,000	910,000,000	2,330,000,000	910,000,000
Prize Bonds		3,449,000	3,114,600	3,449,000	3,114,600
		<b>28,898,170,044</b>	<b>24,606,978,577</b>	<b>29,721,369,939</b>	<b>24,585,059,982</b>
<b>46 (Increase)/decrease of other assets</b>					
Stationery and stamps		42,897,670	40,919,747	42,895,192	40,919,747
Suspense account		850,058,824	986,739,119	840,559,567	986,739,119
Advance, deposit and prepayments		419,452,304	602,404,120	416,805,081	599,443,491
Investment in subsidiaries		2,234,342,260	2,233,302,400	2,234,342,260	2,233,302,400
Receivable others		933,675,990	194,996,171	71,181,064	193,419,566
<b>Closing other assets</b>		<b>4,480,427,048</b>	<b>4,058,361,557</b>	<b>3,605,783,164</b>	<b>4,053,824,323</b>
<b>Opening other assets</b>		<b>4,058,361,557</b>	<b>3,859,728,751</b>	<b>4,053,824,323</b>	<b>3,845,479,625</b>
		<b>(422,065,491)</b>	<b>(198,632,806)</b>	<b>448,041,159</b>	<b>(208,344,698)</b>
<b>47 Increase/(decrease) of other liabilities</b>					
Withholding Tax payable to government		362,976,044	341,514,845	362,830,343	341,514,845
Withholding VAT payable to government		111,520,816	80,529,151	111,388,832	80,529,151
Excise duty payable to government		291,542,361	192,744,701	291,542,361	192,744,701
Dividend payable		2,814,447	2,814,447	2,814,447	2,814,447
Revaluation of investment abroad		30,946,297	30,946,297	30,946,297	30,946,297
Sale proceeds of PSP & TC		88,416,642	65,743,619	88,416,642	65,743,619
Others		295,585,180	135,547,402	190,229,318	113,205,018
<b>Closing other liabilities</b>		<b>1,183,801,787</b>	<b>849,840,462</b>	<b>1,078,168,240</b>	<b>827,498,078</b>
<b>Opening other liabilities</b>		<b>849,840,462</b>	<b>1,033,496,178</b>	<b>827,498,078</b>	<b>997,470,369</b>
		<b>333,961,325</b>	<b>(183,655,716)</b>	<b>250,670,162</b>	<b>(169,972,291)</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>48 Reconciliation of statement of cash flows from operating activities</b>					
Profit before provision				2,901,653,719	5,120,446,072
<b>Adjustment for non cash items</b>					
Depreciation on fixed asset				762,543,463	454,492,728
Amortization on software				62,803,177	36,911,905
<b>Adjustment with non-operating activities</b>				<b>825,346,640</b>	<b>491,404,633</b>
Recovery of written off loans				161,055,817	601,783,125
Interest receivable				(233,210,102)	77,162,602
Interest payable on deposits				(1,116,087,864)	1,289,054,780
Charges on loan losses				-	758,054,030
Accrued Expense				20,662,108	54,090,228
Bonus payable				(250,000,000)	9,500,000
Interest on leased assets				55,213,409	26,962,117
				<b>(1,362,366,631)</b>	<b>2,816,606,881</b>
<b>Changes in operating assets and liabilities</b>					
Changes in loans & advances				(31,704,320,689)	(23,239,690,456)
Changes in deposit and other accounts				39,102,888,083	30,720,115,734
Changes in other assets				448,041,159	(208,344,698)
Changes in other liabilities				250,670,162	(169,972,291)
				<b>8,097,278,715</b>	<b>7,102,108,289</b>
Income tax paid				(1,238,529,182)	(1,660,879,183)
<b>Net cash flows from/(used in) operating activities</b>				<b>9,223,383,261</b>	<b>13,869,686,693</b>
<b>49 Number of ordinary shares outstanding</b>					
Balance at the beginning of the year		1,472,612,608	1,338,738,735	1,472,612,608	1,338,738,735
Add: Bonus share issued		147,261,260	133,873,873	147,261,260	133,873,873
		<b>1,619,873,868</b>	<b>1,472,612,608</b>	<b>1,619,873,868</b>	<b>1,472,612,608</b>
<b>50 Earnings Per Share (EPS)*</b>					
Net profit after tax		1,132,996,161	2,827,730,568	562,247,536	2,443,732,947
Number of ordinary shares outstanding		1,619,873,868	1,619,873,868	1,619,873,868	1,619,873,868
<b>Earning Per Share (EPS)</b>		<b>0.70</b>	<b>1.75</b>	<b>0.35</b>	<b>1.51</b>
<b>51 Net Operating Cash Flow per Share*</b>					
Net cash flows from operating activities		8,579,202,724	13,893,097,492	9,223,383,261	13,869,686,693
Number of ordinary shares outstanding in respective years		1,619,873,868	1,619,873,868	1,619,873,868	1,619,873,868
<b>Net Operating Cash Flow per Share</b>		<b>5.30</b>	<b>8.58</b>	<b>5.69</b>	<b>8.56</b>



Amount in BDT

Particulars	Note	Group		Bank	
		2020	2019	2020	2019
<b>52 Net Asset Value (NAV) per Share*</b>					
Net assets value at the end of the year		27,823,915,093	26,542,970,473	25,216,954,980	24,596,979,455
Number of ordinary shares outstanding in respective years		1,619,873,868	1,619,873,868	1,619,873,868	1,619,873,868
<b>Net Asset Value (NAV) per Share</b>		<b>17.18</b>	<b>16.39</b>	<b>15.57</b>	<b>15.18</b>

\* Previous year's figure has been restated.

### 53 Events after the reporting period

- 53.1 The Board of Directors in its 792<sup>nd</sup> Meeting held on 31 March 2021 recommended 5% stock dividend for the year ended 31 December 2020 which will be placed for approval of the shareholders in the forthcoming 44<sup>th</sup> Annual General Meeting of the Bank.
- 53.2 IFIC Investment Limited, a wholly owned subsidiary company of IFIC Bank was incorporated on 30 November 2020 to carry on the business of merchant banking and subsequently subscription of capital was paid on 03 January 2021.
- 53.3 The Board of Directors in its 789<sup>th</sup> meeting held on 28 February 2021 decided to issue a redeemable subordinated bond of BDT 5,000 million to meet the capital requirement as per Basel-III and strengthen the capital base of the Bank subject to the approval of regulatory authorities.

## Balance with other Banks and Financial Institutions-Outside Bangladesh

as at 31 December 2020

Name of the Bank and Financial Institutions	Account type	Currency type	31 December 2020			31 December 2019		
			FC amount	Conversion rate	Equivalent BDT	FC amount	Conversion rate	Equivalent BDT
AB Bank Ltd., Mumbai	CD	USD	395,913	84.80	33,573,878	588,403	84.90	49,955,411
Amana Bank, Sri Lanka	CD	USD	11,790	84.80	999,805	-	-	-
Bank of Bhutan, Phuentsoling	CD	USD	77,927	84.80	6,608,266	77,927	84.90	6,615,973
Citi Bank N.A, New York	CD	USD	1,290,776	84.80	109,459,226	2,063,130	84.90	175,159,724
Commerz Bank AG, Frankfurt	CD	USD	870,894	84.80	73,852,764	731,794	84.90	62,129,307
Commerz Bank AG, Frankfurt	CD	EUR	259,390	103.87	26,943,552	336,659	94.89	31,945,058
Habib Bank, New York	CD	USD	642,042	84.80	54,445,833	1,231,921	84.90	104,590,065
Habib Bank AG, Zurich	CD	CHF	16,161	95.87	1,549,398	10,950	87.08	953,528
ICIC Bank Ltd., India	CD	USD	777,170	84.80	65,904,870	704,396	84.90	59,803,179
J.P. Morgan Chase Bank AG, Frankfurt	CD	EUR	27,150	103.87	2,820,185	102,687	94.89	9,743,813
J.P. Morgan Chase Bank, New York	CD	USD	3,139,002	84.80	266,190,838	2,500,768	84.90	212,315,237
J.P. Morgan Chase Bank, Sydney	CD	AUD	60,073	64.50	3,874,664	80,090	59.24	4,744,809
Mashreq Bank, PSC, India	CD	USD	323,691	84.80	27,449,330	451,037	84.90	38,293,021
Masreq Bank PSC, New York	CD	USD	1,283,113	84.80	108,809,368	1,787,247	84.90	151,737,253
MCB Bank Ltd, Pakistan	CD	USD	149,715	84.80	12,696,015	149,818	84.90	12,719,509
Nations Trust Bank Ltd., Colombo	CD	USD	-	-	-	113,912	84.90	9,671,134
Nepal Bangladesh Bank Ltd., Nepal	CD	USD	198,346	84.80	16,819,930	282,207	84.90	23,959,387
Sonali Bank Limited, Kolkata	CD	USD	152,559	84.80	12,937,139	154,216	84.90	13,092,906
Standard Chartered Bank, New York	CD	USD	4,900,230	84.80	415,544,859	5,165,275	84.90	438,531,824
Standard Chartered Bank, Kolkata	CD	USD	645,508	84.80	54,739,795	372,060	84.90	31,587,890
Standard Chartered Bank, London	CD	GBP	140,208	114.49	16,053,021	466,191	111.03	51,760,267
Standard Chartered Bank, London	CD	USD	122,970	84.80	10,427,984	122,970	84.90	10,440,145
Standard Chartered Bank, Tokyo	CD	JPY	14,114,314	0.82	11,555,389	7,072,726	0.78	5,487,728
Wells Fargo Bank, New York	CD	USD	592,745	84.80	50,265,436	1,143,436	84.90	97,077,755
<b>Total</b>			<b>30,191,685</b>		<b>1,383,521,546</b>	<b>25,709,818</b>		<b>1,602,314,923</b>

## Details of investment in shares

as at 31 December 2020

Amount in BDT

Name of the Company	Face value	No. of share	Cost/share	Cost price	Mkt or NAV price/share	Total value	Gain/(loss)
<b>Unquoted shares</b>							
Karma Sangsthan Bank	100	200,000	100.00	20,000,000	116.11	23,221,703	3,221,703
Central Depository Bangladesh Limited	10	2,284,722	10.00	22,847,220	34.69	79,250,463	56,403,243
Energypac Power Generation Limited*	10	619,500	41.90	25,960,000	36.88	22,847,073	(3,112,927)
				<b>68,807,220</b>		<b>125,319,239</b>	<b>56,512,019</b>
<b>Quoted shares</b>							
<b>Under General/own Fund</b>							
Beximco Limited	10	18,193,920	43.72	795,441,620	57.00	1,037,053,440	241,611,820
Beximco Pharmaceuticals Limited	10	3,040,600	105.26	320,041,062	190.50	579,234,300	259,193,238
Confidence Cement Limited	10	184,000	140.82	25,910,052	121.30	22,319,200	(3,590,852)
Fareast Life Insurance Limited	10	979,224	125.11	122,511,641	46.40	45,435,994	(77,075,647)
Linde Bangladesh Limited	10	6,430	1,258.79	8,094,008	1,281.10	8,237,473	143,465
National Housing Finance & Investment Limited	10	5,288,910	7.38	39,010,000	40.20	212,614,182	173,604,182
Power Grid Company Limited	10	1,728,072	69.13	119,453,500	41.80	72,233,410	(47,220,091)
Renata Limited	10	6,550	1,144.75	7,498,124	1,106.90	7,250,195	(247,929)
Runner Automobiles Limited	10	160,000	57.77	9,242,832	50.90	8,144,000	(1,098,832)
Singer Bangladesh Limited	10	70,656	204.96	14,481,915	175.60	12,407,194	(2,074,721)
Square Pharmaceuticals Limited	10	74,025	178.31	13,199,287	219.50	16,248,488	3,049,201
Summit Power Limited	10	399,600	41.91	16,748,715	38.90	15,544,440	(1,204,275)
TTAS Gas Transmission and Distribution Limited	10	2,965,629	76.60	227,159,152	30.80	91,341,373	(135,817,779)
Unique Hotel and Resorts Limited	10	200,000	105.15	21,029,385	39.60	7,920,000	(13,109,385)
Walton Hi-Tech Industries Limited	10	4,500	1,033.43	4,650,429	1,113.80	5,012,100	361,671
<b>Total</b>				<b>1,744,471,722</b>		<b>2,140,995,788</b>	<b>396,524,065</b>
*Energypac Power Generation Limited subsequently listed with the both Stock Exchanges of Bangladesh and started its trading from 19 Jan 2021							
<b>Under Special Fund as per BB DOS Circular number 1, dated 10 February 2020</b>							
Beximco Pharmaceuticals Limited	10	7,371,650	106.05	781,737,625	190.50	1,404,299,325	622,561,700
<b>Total</b>				<b>781,737,625</b>		<b>1,404,299,325</b>	<b>622,561,700</b>

Name of the Company	Face value	No. of share	Cost/share	Cost price	Mkt or NAV price/share	Total value	Gain/(loss)
<b>Mutual funds</b>							
IFIC Bank 1st Mutual Fund	10	37,951,655	6.59	250,000,000	9.02	342,267,001	92,267,001
ICB Employee 1st Mutual Fund	10	1,339,500	13.43	17,986,473	7.20	9,644,400	(8,342,073)
				<b>267,986,473</b>		<b>351,911,401</b>	<b>83,924,928</b>
<b>Foreign Investment: In associate/joint venture</b>							
Nepal Bangladesh Bank Limited		34,742,855	70.02	2,432,766,863	195.11	6,778,715,614	4,345,948,751
Oman Exchange LLC		627,841	138.60	87,021,644	257.56	161,704,054	74,682,410
				2,519,788,507		6,940,419,668	4,420,631,161
Other foreign Investment: MCB Bank Limited, Pakistan		175,508	2,052.34	360,202,069	97.89	17,181,308	(343,020,761)
<b>Total foreign investment</b>				<b>2,879,990,576</b>		<b>6,957,600,976</b>	<b>4,077,610,400</b>
<b>Total</b>				<b>5,742,993,615</b>		<b>10,980,126,727</b>	<b>5,237,133,112</b>

Required provision for investment in shares

Amount in BDT

Particulars	Cost price	Market value	Req. Provision
Unquoted shares <sup>1</sup>	68,807,220	125,319,239	3,112,927
Quoted- own/general Fund <sup>2</sup>	1,744,471,722	2,140,995,788	-
Quoted- under special fund <sup>2</sup>	781,737,625	1,404,299,325	-
Mutual funds <sup>3</sup>	267,986,473	351,911,401	8,342,073
<b>Sub-total</b>	<b>2,863,003,040</b>	<b>4,022,525,752</b>	<b>11,455,000</b>
Foreign Investment: In associate/joint venture	2,519,788,507	6,940,419,668	-
Other foreign investment- MCB Bank Ltd.	360,202,069	17,181,308	343,020,761
<b>Grand Total</b>	<b>5,742,993,615</b>	<b>10,980,126,727</b>	<b>354,475,761</b>

<sup>1</sup> Provision is kept against unrealized loss for investment in unquoted shares.

<sup>2</sup> Provision against quoted- own/general Fund has been made following DOS circular no. 4 dated 24 November 2011.

<sup>3</sup> Provision against Mutual Fund made in line with the directives contained in Bangladesh Bank DOS Circular no. 03 and 10, dated 12 March and 28 June 2015 respectively. Calculation as under:

Name of the Company	No. of share	Cost/Share	NAV/share	NAV x 85%	MV/share	Higher of C & D	(NAVx85%) - CP	Required Provision
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F=(E-B)</b>	<b>G=(A x F)</b>	
IFIC Bank 1 <sup>st</sup> MF	37,951,655	6.59	9.02	6.10	9.02	-	-	-
ICB EP 1 <sup>st</sup> MF	1,339,500	13.43	6.32	7.20	7.20	(6.23)	(8,342,073)	(8,342,073)
<b>Total provision required</b>								<b>(8,342,073)</b>

## Loans and advances allowed to each customer exceeding 10% of Bank's total capital

as at 31 December 2020

BDT in million

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2020			Amount classified
			Funded	Non-funded	Total	
1	Uttara	Uttara Traders(Pvt.) Ltd.	3,038.55	2,892.20	5,930.75	-
		<b>Sub Total:</b>	<b>3,038.55</b>	<b>2,892.20</b>	<b>5,930.75</b>	-
2	Silver Line	Silver Composite Textile Mills Ltd.	2,067.37	400.70	2,468.07	-
		Silver Line Composite Textile Mill Ltd.	2,432.06	697.20	3,129.26	-
		<b>Sub Total:</b>	<b>4,499.43</b>	<b>1,097.90</b>	<b>5,597.33</b>	-
3	Doha-Global	Dohatec Newmedia Ltd.	1,602.03	42.60	1,644.63	-
		Global Voice Telecom Ltd.	2,318.77	1,549.40	3,868.17	-
		<b>Sub Total:</b>	<b>3,920.79</b>	<b>1,592.00</b>	<b>5,512.79</b>	-
4	Habib Hotel	Habib Hotel International Ltd.	5,118.10	6.00	5,124.10	-
		<b>Sub Total:</b>	<b>5,118.10</b>	<b>6.00</b>	<b>5,124.10</b>	-
5	Nassa	Nassa Properties Ltd.	3,911.11	-	3,911.11	-
		Nassa Spinners & Garments	468.74	297.30	766.04	-
		Nassa Supreme Wash Ltd.	337.41	17.00	354.41	-
		<b>Sub Total:</b>	<b>4,717.26</b>	<b>314.30</b>	<b>5,031.56</b>	-
6	Islam	Islam Garments Ltd.	2,574.87	1,697.30	4,272.17	-
		Islam Knit Designs Ltd.	153.27	415.70	568.97	-
		Euro Jeans Ltd.	45.76	-	45.76	-
		<b>Sub Total:</b>	<b>2,773.89</b>	<b>2,113.00</b>	<b>4,886.89</b>	-
7	ENA	Ena Properties Ltd.	1,939.34	28.20	1,967.54	-
		Northern Power Solutions Ltd.	1,870.92	100.00	1,970.92	-
		Ena Building Products Ltd.	286.46	-	286.46	-
		Sakoatex Ltd.	516.37	29.90	546.27	-
		<b>Sub Total:</b>	<b>4,613.09</b>	<b>158.10</b>	<b>4,771.19</b>	-
8	Elham	Elham International Ltd	511.48	-	511.48	-
		Elham Fashion Ltd.	3,061.13	1,058.00	4,119.13	-
		<b>Sub Total:</b>	<b>3,572.61</b>	<b>1,058.00</b>	<b>4,630.61</b>	-
9	Uttara Jute	Uttara Jute Fibres & Industries Ltd.	4,510.47	14.70	4,525.17	-
		<b>Sub Total:</b>	<b>4,510.47</b>	<b>14.70</b>	<b>4,525.17</b>	-
10		Absolute Construction & Engineering Ltd.	4,440.66	-	4,440.66	-
		<b>Sub Total:</b>	<b>4,440.66</b>	-	<b>4,440.66</b>	-
11		Northstone Eng. & Cons. Limited	4,406.38	-	4,406.38	-
		<b>Sub Total:</b>	<b>4,406.38</b>	-	<b>4,406.38</b>	-
12		Global LPG Ltd.	4,397.87	-	4,397.87	-
		<b>Sub Total:</b>	<b>4,397.87</b>	-	<b>4,397.87</b>	-
13		Sristi Real Estate Limited	4,327.88	-	4,327.88	-
		<b>Sub Total:</b>	<b>4,327.88</b>	-	<b>4,327.88</b>	-
14	Teambuild	Teambuild Construction & Eng. Ltd.	4,324.31	-	4,324.31	-
		<b>Sub Total:</b>	<b>4,324.31</b>	-	<b>4,324.31</b>	-
15	Navana	Navana Ltd.	654.46	417.20	1,071.66	-
		Navana Real Estate Ltd.	2,773.67	-	2,773.67	-
		Navana Interlinks Ltd.	101.21	90.00	191.21	-
		Navana Electronics Ltd.	103.95	-	103.95	-
		<b>Sub Total:</b>	<b>3,633.28</b>	<b>507.20</b>	<b>4,140.48</b>	-

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2020			Amount classified
			Funded	Non-funded	Total	
16		Central Land & Buildings Ltd	4,088.68	-	4,088.68	-
		<b>Sub Total:</b>	<b>4,088.68</b>	<b>-</b>	<b>4,088.68</b>	<b>-</b>
17		Wisdom Attires Ltd.	3,603.84	456.10	4,059.94	-
		<b>Sub Total:</b>	<b>3,603.84</b>	<b>456.10</b>	<b>4,059.94</b>	<b>-</b>
18	Sikder	Powerpac Mutiara Keraniganj (Pvt) Ltd.	2,084.01	-	2,084.01	-
		R & R Holdings	1,975.92	-	1,975.92	-
		<b>Sub Total:</b>	<b>4,059.94</b>	<b>-</b>	<b>4,059.94</b>	<b>-</b>
19		Quick Real Estate Ltd.	4,002.30	-	4,002.30	-
		<b>Sub Total:</b>	<b>4,002.30</b>	<b>-</b>	<b>4,002.30</b>	<b>-</b>
20	Phonix	Appollo Ispat Complex Limited	3,683.34	270.90	3,954.24	-
		<b>Sub Total:</b>	<b>3,683.34</b>	<b>270.90</b>	<b>3,954.24</b>	<b>-</b>
21		Raj Housing Ltd	3,939.97	-	3,939.97	-
		<b>Sub Total:</b>	<b>3,939.97</b>	<b>-</b>	<b>3,939.97</b>	<b>-</b>
22		Vestel Cable TV Networks	3,664.56	-	3,664.56	-
		<b>Sub Total:</b>	<b>3,664.56</b>	<b>-</b>	<b>3,664.56</b>	<b>-</b>
23		Crystal Construction Ltd.	3,652.65	-	3,652.65	-
		<b>Sub Total:</b>	<b>3,652.65</b>	<b>-</b>	<b>3,652.65</b>	<b>-</b>
24		Prisma Digital Network Ltd	3,442.08	117.00	3,559.08	-
		<b>Sub Total:</b>	<b>3,442.08</b>	<b>117.00</b>	<b>3,559.08</b>	<b>-</b>
25	SQ	SQ Celsius Ltd.	2,147.85	139.00	2,286.85	-
		SQ Birichina Ltd.	477.17	771.90	1,249.07	-
		<b>Sub Total:</b>	<b>2,625.02</b>	<b>910.90</b>	<b>3,535.92</b>	<b>-</b>
26	Knit Concern	Knit Concern Ltd.	829.09	1,684.40	2,513.49	-
		KC Apparels Ltd	58.82	50.90	109.72	-
		Pack Concern Ltd.	68.27	16.70	84.97	-
		KC Lingerie Ltd	239.19	499.10	738.29	-
		Zas Concern Ltd	12.86	5.00	17.86	-
		JMJ Mollah Cold Storage Ltd	53.44	-	53.44	-
		Surecell Medical (BD) Ltd	14.06	-	14.06	-
		<b>Sub Total:</b>	<b>1,275.72</b>	<b>2,256.10</b>	<b>3,531.82</b>	<b>-</b>
27	Bengal	Bengal Communications Ltd.	3,488.55	-	3,488.55	-
		<b>Sub Total:</b>	<b>3,488.55</b>	<b>-</b>	<b>3,488.55</b>	<b>-</b>
28	Bashundhara	Bashundhara Paper Mills	1,425.48	126.20	1,551.68	-
		Bashundhara Industrial Complex Limited	104.88	-	104.88	-
		East West Property Development	238.22	-	238.22	-
		Bashundhara Multi Paper Industry Ltd.	1,430.46	-	1,430.46	-
		<b>Sub Total:</b>	<b>3,199.04</b>	<b>126.20</b>	<b>3,325.24</b>	<b>-</b>
		<b>Grand Total:</b>	<b>107,020.26</b>	<b>13,890.60</b>	<b>120,910.86</b>	<b>-</b>

## Schedule of fixed assets including premises, furniture and fixture

as at 31 December 2020

Particulars	Balance as at 1 January 2020			Cost			Depreciation/Amortization			Balance as at 31 December 2020	Written down value as at 31 December 2020
	Balance as at 1 January 2020	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2020	Transfer from CWIP	Charged during the year	Disposal during the year	Balance as at 31 December 2020		
Land	2,423,609,559	-	-	-	2,423,609,559	-	-	-	-	422,008,536	2,423,609,559
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	-	47,174,472	-	-	1,480,608,668	1,480,608,668
Right of Use Assets	951,944,753	1,045,628,181	-	58,990,406	1,938,582,527	-	454,886,479	5,469,921	-	584,125,725	1,354,456,802
Wooden furniture	254,570,346	38,998,932	-	5,987,739	287,581,539	-	21,075,551	5,686,424	-	147,092,121	140,489,418
Steel furniture	77,057,552	25,087,869	10,125,000	1,076,428	111,193,993	-	4,127,431	577,031	-	49,804,274	61,389,719
Computer equipment	863,236,002	77,513,866	117,214,225	8,217,109	1,049,746,984	-	71,735,012	8,181,015	-	743,955,942	305,791,042
Electrical & gas equipment	902,371,888	197,864,907	-	14,754,679	1,085,482,116	-	93,429,031	14,158,524	-	562,544,470	522,937,646
Office equipment	242,661,330	51,323,052	-	3,579,423	290,404,959	-	18,099,158	3,571,502	-	219,524,399	70,880,560
Leasehold improvement	329,274,712	173,277,081	17,061,674	10,976,260	508,637,207	-	30,567,987	8,045,185	-	208,944,409	299,692,798
Vehicles	147,985,565	17,122,936	-	-	165,108,501	-	11,833,728	-	-	127,415,383	37,693,118
Leased vehicles	47,600,000	-	-	-	47,600,000	-	8,819,873	-	-	44,418,361	3,181,639
Soft furnishing	12,646,335	802,092	-	488,372	12,960,055	-	795,240	488,338	-	11,745,436	1,214,619
Software	693,375,354	33,888,255	380,261,630	315,333	1,107,209,905	-	62,803,177	315,327	-	402,183,786	705,026,119
	8,448,950,600	1,661,507,171	524,662,529	104,385,750	10,930,734,549	-	2,744,909,469	825,346,640	-	3,523,762,842	7,406,971,707
Capital work in progress *	297,219,437	315,643,505	(524,662,529)	-	88,200,413	-	-	-	-	-	88,200,413
<b>Total</b>	<b>9,146,170,037</b>	<b>1,977,150,676</b>	-	<b>104,385,750</b>	<b>11,018,934,962</b>	-	<b>825,346,640</b>	<b>46,493,267</b>	-	<b>3,523,762,842</b>	<b>7,495,172,120</b>

\* Capital work in progress represents the amount paid for Disaster Recovery Centre, Iron safe, EKYC Solution and Fusion Banking Essence.

Particulars	Balance as at 1 January 2019			Cost			Depreciation/Amortization			Balance as at 31 December 2019	Written down value as at 31 December 2019
	Balance as at 1 January 2019	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2019	Transfer from CWIP	Charged during the year	Disposal during the year	Balance as at 31 December 2019		
Land	2,423,609,559	-	-	-	2,423,609,559	-	-	-	-	374,834,064	1,527,783,140
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	-	47,045,580	-	-	134,709,167	817,235,586
Right of Use Assets	254,995,657	7,794,078	-	37,986,689	951,944,753	-	172,695,856	37,986,689	-	131,702,993	122,867,353
Wooden furniture	69,355,032	7,982,952	-	280,432	254,570,346	-	20,183,246	7,967,946	-	46,253,874	30,803,678
Steel furniture	834,234,736	60,434,811	9,652,600	41,086,145	77,057,552	-	3,309,100	243,849	-	680,401,945	182,834,057
Computer equipment	872,562,106	48,863,916	4,610,970	23,665,104	863,236,002	-	68,928,095	41,081,636	-	483,273,963	419,097,925
Electrical & gas equipment	227,658,391	17,941,950	-	2,939,011	242,661,330	-	13,694,046	2,937,062	-	204,996,742	37,664,587
Office equipment	295,691,386	32,476,895	-	15,955,183	312,213,038	-	20,572,499	15,777,228	-	186,421,607	125,791,432
Leasehold improvement	134,040,330	16,373,985	-	2,428,750	147,985,565	-	11,754,830	2,428,746	-	115,581,655	32,403,910
Vehicles	47,600,000	-	-	-	47,600,000	-	7,826,745	-	-	35,598,988	12,001,012
Leased vehicles	11,764,626	1,231,833	-	350,124	12,646,335	-	11,077,434	350,117	-	11,438,534	1,207,801
Soft furnishing	554,133,463	8,036,689	131,205,202	-	693,375,354	-	36,911,905	-	-	339,695,937	353,679,417
Software	7,628,262,489	1,191,068,490	145,468,772	132,910,826	8,831,888,926	-	2,385,429,459	491,404,633	-	2,744,909,469	6,086,979,456
Capital work in progress *	195,116,279	247,571,991	(145,468,772)	-	297,219,437	-	-	-	-	-	297,219,437
<b>Total</b>	<b>7,823,378,768</b>	<b>1,438,640,420</b>	-	<b>132,910,826</b>	<b>9,129,108,363</b>	-	<b>491,404,633</b>	<b>131,924,623</b>	-	<b>2,744,909,469</b>	<b>6,384,198,894</b>

\* Capital work in progress represents the amount paid for Data Centre, Fusion Banking Essence, Digital Channel Solution, Network Solution for Digital Channel, Implementation of SWIFT etc.

## Computation of Risk Weighted Assets

### Solo Basis

As at 31 December 2020

#### 1.0 Risk Weighted Assets for Credit Risk Balance Sheet Exposures

BDT in Million

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
1	2	3	4	5	6 = (4x5)
a.	Cash		0	4,084.80	-
b.	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank		0	50,846.11	-
c.	Claims on other Sovereigns & Central Banks		0.5	-	-
d.	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0	-	-
	Claims on Multilateral Development Banks (MDBs):			-	-
	i) IBRD, IFC, ADB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB		0	-	-
e.	ii) Others MDBs	1	0.20	-	-
		2,3	0.50	-	-
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	0.50	-	-
f.	Claims on Public Sector Entities (other than Government) in Bangladesh	1	0.20	-	-
		2,3	0.50	-	-
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	0.50	20.00	10.00
g.	Claims on Banks and NBFIs			-	-
i)	Maturity over 3 months	1	0.20	255.85	51.17
		2,3	0.50	18.40	9.20
		4,5	1.00	4.11	4.11
		6	1.50	-	-
		Unrated	1.00	62.69	62.69
ii)	Maturity less than 3 months		0.20	11,807.19	2,361.44
h.	Claims on Corporate (excluding equity exposure)	1	0.20	11,746.77	2,349.35
		2	0.50	26,451.79	13,225.90
		3,4	1.00	64,707.99	64,707.99
		5,6	1.50	-	-
		Unrated	1.25	19,910.31	24,887.89
h(1)	Claims on SME	SME 1	0.20	-	-
		SME 2	0.40	255.50	102.20
		SME 3	0.60	2,602.07	1,561.24
		SME 4	0.80	658.68	526.94
		SME 5	1.20	-	-
		SME 6	1.50	-	-
		Unrated (small enterprise & <BDT 3m)	0.75	2,293.31	1,719.98
		Unrated (small enterprise having ≥ BDT 3m&Medium enterprise)	1.00	10,485.21	10,485.21



## 1.0 Risk Weighted Assets for Credit Risk Balance Sheet Exposures

BDT in Million

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
i.	Claims under Credit Risk Mitigation	PSE		-	-
		Banks & NBFIs		-	-
		Corporate		7,445.52	4,667.94
		Retail		531.15	6.20
		SME		890.74	123.10
		Consumer finance		1,539.86	46.52
		Residential property		153.64	21.62
		Commercial real estate		-	-
j.	Claims categorized as retail portfolio (excluding SME, Consumer Finance and Staff loan) up to 1 crore		0.75	765.52	574.14
k.	Consumer finance		1.00	1,276.29	1,276.29
l.	Claims fully secured by residential property		0.50	56,844.21	28,422.10
m.	Claims fully secured by Commercial real estate		1.00	35,806.12	35,806.12
n.	1. Past Due Claims that is past due for 60 days or more (Risk weights are to be assigned net of specific provision):			-	
	i) Where specific provisions are less than 20 percent of the outstanding amount of the past due claim		1.50	6,036.88	9,055.32
	ii) Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim		1.00	1,856.11	1,856.11
	iii) Where specific provisions are more than 50 percent of the outstanding amount of the past due claim		0.50	404.84	202.42
	2. Claims fully secured against residential property that are past due for more than 60 days and/or impaired and specific provision held there-against is less than 20% of outstanding amount		1.00	522.78	522.78
	3. Loans and claims fully secured against residential property that are past due for more than 60 days and/or impaired and specific provision held there-against is no less than 20% of outstanding amount		0.75	38.93	29.19
o.	Capital Market Exposure		1.25	-	-
p.	Investment in equity and other regulatory capital instruments issued by other banks and merchant Banks/Brokerage Houses/Exchange Houses which are not listed in the Stock Exchanges (other than those deducted from capital) held in banking book		1.25	135.83	169.79
q.	Investments in venture capital		1.50	-	-
r.	Investments in premises, plant and equipment and all other fixed assets		1.00	7,495.17	7,495.17
s.	Claims on all fixed assets under operating lease		1.00	203.61	203.61
t.	All other assets			-	-
	i) Claims on GoB & BB		0.00	7,602.48	-
	ii) Staff loan/Investment		0.20	1,266.62	253.32
	iii) Cash items in Process of Collection		0.20	-	-
	iv) Claims on Off-shore Banking Units (OBU)		1.00	2,294.70	2,294.70
	v) Other assets (net off specific provision, if any)		1.00	6,313.01	6,313.01
Sub-Total				345,634.80	221,404.80

## 2.0 Risk Weighted Amount for Credit Risk Off-Balance Sheet Exposures

BDT in Million

Sl. No.	Exposure Type	BB's Rating Grade*	Risk Weight	Exposure	RWA
1	2	3	4	5	6 = (4x5)
a)	Claims on Bangladesh Government and Bangladesh Bank		0		
b)	Claims on other Sovereigns & Central Banks*				
c)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0		
d)	Claims on Multilateral Development Banks (MDBs):				
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB		0		
	ii) Others MDBs	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
f)	Claims on Banks & NBFIs				
	i) Maturity over 3 months	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
	ii) Maturity less than 3 months		0.20		
g)	Claims on Corporate (excluding equity exposure)	1	0.20	4,659.32	931.86
		2	0.50	6,372.82	3,186.41
		3,4	1.00	3,259.30	3,259.30
		5,6	1.50	-	-
		Unrated	1.25	3,784.33	4,730.41
h)	Claims under retail exposure		0.75	7.70	5.77
h(1)	Claims under SME Credit Rating-wise exposure	1	0.20	68.18	13.64
		2	0.40	163.55	65.42
		3	0.60	430.02	258.01
		4	0.80	191.56	153.25
		5	1.20	-	-
		6	1.50	-	-
		Unrated (small enterprise & <BDT 3.00m)	0.75	58.61	43.96
		Unrated (small enterprise having ≥ BDT 3.00m & Medium enterprise)	1.00	940.99	940.99

## 2.0 Risk Weighted Amount for Credit Risk Off-Balance Sheet Exposures

BDT in Million

Sl. No.	Exposure Type	BB's Rating Grade*	Risk Weight	Exposure	RWA
i)	Consumer Loan		1.00	-	
j)	Claims fully secured by residential property		0.50	-	
k.)	Claims fully secured by commercial real estate		1.00	-	
l)	Investments in venture capital		1.50	-	
m)	All other assets		1.00	-	
<b>Sub-Total</b>				<b>19,936.36</b>	<b>13,589.01</b>

## 3.0 Capital Charge for Market Risk (Balance Sheet Exposures)

BDT in Million

Sl. No.	Market Risk	Capital Charge	Risk Weight	RWA
a	Interest Rate Related Instruments	41.68	10.00	416.80
b	Equities	757.29	10.00	7,572.89
c	Foreign Exchange Position	74.08	10.00	740.80
d	Commodities	-	-	-
<b>Sub-Total</b>			<b>873.05</b>	<b>8,730.59</b>

## 4.0 Capital Charge for Operational Risk (Basic Indicator Approach)

Sl. No.	Operational Risk	Capital Charge	Risk Weight	RWA
a	Gross Income	1,191.44	10.00	11,914.40
<b>Sub-Total</b>			<b>1,191.44</b>	<b>11,914.40</b>
<b>Grand Total Risk Weighted Assets</b>				<b>255,638.80</b>

## Related Party Disclosures

### Name of Directors and their interest in different entities

SI No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
1	Mr. Salman F Rahman	Chairman	Chairman	Bangladesh Enterprise Institute
			Chairman	Abahani Limited
			Vice Chairman	Bangladesh Export Import Co. Ltd.
			Vice Chairman	Beximco Pharmaceuticals Ltd.
			Vice Chairman	Beximco Synthetics Ltd.
			Vice Chairman	Shinepukur Ceramics Ltd.
			Vice Chairman	Independent Television Ltd.
			Vice Chairman	Beximco Holdings Ltd.
			Vice Chairman	Beximco Computers Ltd.
			Vice Chairman	Beximco Pharma Center for Bio & Industrial Research Ltd.
			Vice Chairman	Beximco Property Development and Management Ltd.
			Vice Chairman	Sonali Ansh Limited
			Vice Chairman	Esces Exporters Ltd.
			Shareholder	Beximco Power Company Ltd.
			Shareholder	Beximco Engineering Ltd.
Shareholder	I & I Services Ltd.			
2	Mr. Ahmed Shayan Fazlur Rahman	Vice Chairman	Chairman	Beximco Communications Limited
			Chairman	Escorp LPG Limited
			Chairman	Beximco Petroleum Limited
			Chairman	Escorp Cylinders Limited
			Chairman (Nominee Director)	Beximco LPG Unit-1 Limited
			Chairman (Nominee Director)	Beximco LPG Unit-2 Limited
			Chairman (Nominee Director)	Giga Tech Limited
			Managing Director (Nominee Director)	Beximco Power Company Limited
			Managing Director (Nominee Director)	Escorp Holdings Limited
			Managing Director (Nominee Director)	OK Company Limited
			Managing Director	Esces Holdings Limited
			Shareholder	Crescent Fashion and Design Limited
			Shareholder	SFR Estates Limited
3	Mr. Anwaruzzaman Chowdhury	Independent Director	Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Alternate Director (Nominated by IFIC Bank)	Oman Exchange LLC
4	Ms. Rabeya Jamali	Independent Director	Chairman	Kipling
			Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Investment Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Alternate Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Partner	Jamali & Morshed
Independent Director	Confidence Cement Limited			

Sl No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
5	Mr. A. R. M. Nazmus Sakib	Govt. nominated Director	Chairman (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Chairman (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Investment Limited
6	Ms. Quamrun Naher Ahmed	Govt. nominated Director	Chairman (Nominated by IFIC Bank)	IFIC Securities Limited
			Chairman (Nominated by IFIC Bank)	IFIC Investment Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Director (Nominated by IFIC Bank)	Beximco Pharmaceuticals Ltd.
7	Mr. Md. Zafar Iqbal, ndc	Govt. nominated Director	Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	IFIC Investment Limited
			Alternate Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Additional Secretary	Ministry of Public Administration, Bangladesh Secretariat
8	Mr. Mohammad Shah Alam Sarwar	Managing Director	Director (Nominated by Govt. of Bangladesh)	Grameen Bank
			Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Investment Limited

### Related party transactions

- i) Significant contracts with the Bank wherein Directors have interest during the year is nil.
- ii) Share issued to Directors and Executive without consideration or exercisable at a discount is nil.
- iii) The details of the related party transactions are as follows:

Nature of Transaction	As at and for the year ended	
	31 December 2020	31 December 2019
<b>1) Name of the Party : IFIC Securities Limited</b>		
Relationship with the company : Subsidiary		
A. Capital investment	2,199,994,000	2,199,994,000
B. Current & SND Account	82,462,094	207,156,658
C. BO account balance	829,312,122	3,659
D. Loan	2,860,263,433	-
<b>2) Name of the Party : IFIC Money Transfer (UK) Limited</b>		
Relationship with the company : Subsidiary		
A. Capital investment	34,348,260	33,308,400
<b>3) Name of the Party : Oman Exchange LLC</b>		
Relationship with the company : Associate		
A. Capital investment	87,021,643.94	76,085,913
<b>4) Name of the Party : Nepal Bangladesh Bank Limited</b>		
Relationship with the company : Associate		
A. Capital investment	2,432,766,863	2,435,097,291
B. Borrowing	508,806,600	1,698,000,000
C. Cash Dividend received	-	173,309,420
D. Management fee received	12,725,625	15,853,125
E. Share money deposits	2,482,632	2,485,527

## iv) Lending facility of Director and their related concern:

Name of the Borrower	Related Director	Relation with the Bank	Loan Type & Date of expiry	Relation with Borrower	Investment at Cost
Beximco Computers Limited	Mr. Salman F Rahman	Chairman	Guarantee (10.05.21)	Director	25,000,000
Beximco Computers Limited	Mr. Salman F Rahman	Chairman	Guarantee (19.01.22)	Director	563,000
Giga Tech Limited	Mr. Ahmed Shayan Fazlur Rahman	Vice Chairman	Guarantee (22.02.21)	Chairman	1,880,000

In case of approval of Loan to related parties, the Bank follows the BRPD circular no. 04 dated 23 February 2014 and requirement of section 27(1) of the Banking Companies Act 1991 as amended.

## v) Business other than banking business with any related concern of the Directors as per section 18(2) of Bank Companies Act 1991:

Bank has executed maintenance agreement with Beximco Computers Limited for maintenance of Nostro Reconciliation Software with a fees of BDT 50,000 per year, Bangladesh Bank Taka Account Reconciliation software with a fees of BDT 50,000 per year and Bangladesh Bank Foreign Exchange Return software with a fee of BDT 95,000 per month and also an agreement with Giga Tech Limited for implementation of EKYC Solution with a fees of BDT 29,895,000. Bank has also a service agreement with Bangladesh Export Import Co. Limited for Broadband Internet Service with a fees of BDT 60,000 per month. Bank also paid BDT 12,704,722 and BDT 984,922 to Independent Television Ltd. and Independent Publications Ltd. respectively in the year 2020.

## vi) Investment in the securities of Director and their related concern:

Investee Entity	Related Director	Relation with the Bank	Relation with Investee Entity	Investment at Cost
Beximco Pharmaceuticals Limited	Mr. Salman F Rahman	Chairman	Vice Chairman	1,101,778,687
Beximco Limited	Mr. Salman F Rahman	Chairman	Vice Chairman	795,441,620
Confidence Cement Limited	Ms. Rabeya Jamali	Independent Director	Independent Director	25,910,052

## Disclosure on Audit Committee of the Bank

### a) Particulars of members of the Audit Committee

Sl.	Name	Status with the Bank	Status	Educational Qualification
1	Ms. Rabeya Jamali	Independent Director	Chairman	L.L.B. (Hons), L.L.M. in Banking and Financial Law
2	Mr. Anwaruzzaman Chowdhury	Independent Director	Member	MBA
3	Mr. Md. Zafar Iqbal, ndc	Director	Member	B. Com (Hons), M. Com (Accounting), MBA, Masters in Economics

\* The Audit Committee of the Board was lastly reconstituted by the Board of Directors of the Bank in it's 771st Meeting held on 18 March 2020.

### b) Particulars of meetings held by the Audit Committee during the period from 01 January to 31 December 2020

Sl.	Meeting No	Meeting held on
1	143 <sup>rd</sup> Audit Committee Meeting	23.01.2020
2	144 <sup>th</sup> Audit Committee Meeting	06.02.2020
3	145 <sup>th</sup> Audit Committee Meeting	26.02.2020
4	146 <sup>th</sup> Audit Committee Meeting	18.03.3020
5	147 <sup>th</sup> Audit Committee Meeting	24.06.2020
6	148 <sup>th</sup> Audit Committee Meeting	24.06.2020
7	149 <sup>th</sup> Audit Committee Meeting	09.07.2020
8	150 <sup>th</sup> Audit Committee Meeting	23.07.2020
9	151 <sup>st</sup> Audit Committee Meeting	29.07.2020
10	152 <sup>nd</sup> Audit Committee Meeting	15.10.2020
11	153 <sup>rd</sup> Audit Committee Meeting	29.10.2020
12	154 <sup>th</sup> Audit Committee Meeting	02.11.2020
13	155 <sup>th</sup> Audit Committee Meeting	02.12.2020
14	156 <sup>th</sup> Audit Committee Meeting	20.12.2020
15	Adjourned 156 <sup>th</sup> Audit Committee Meeting	21.12.2020

### Evaluation of the Audit Committee regarding strengthening of Internal Control System

The Internal Control & Compliance Division (ICCD) of the Bank reviews the Internal Control System of the Bank and ensures that the internal controls are being properly managed and supervised throughout all Divisions and Branches of the Bank.

As per guideline of Bangladesh Bank, the Audit Committee, in the meetings held during the 2020, reviewed and evaluated various issues/reports/findings on financial reporting process, the system of internal control, the audit process and the process for monitoring compliance with laws and regulations and its own code of business conduct submitted by ICCD.

During the discussion on some memo(s) and Compliance Report, the Committee has advised the Management to devise a system for arresting occurrence of the irregularities on a recurring basis and ICCD of the Bank has also been advised to take necessary steps for rectification of all irregularities as mentioned in the memo(s)/reports at the earliest. The committee has also advised the Head of ICC to formulate a matrix/format to monitor status of compliance on a regular basis and devise some innovative tools/system for reducing number of irregularities in the Branches as well as enabling them to monitor up-to-date status of compliance.

All audited/un-audited yearly/quarterly Financial Statements submitted during 2020 have been explained and endorsed to the Audit Committee whether the statements reflects the complete and concrete information, and whether the statements are prepared according to the existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank and Bangladesh Securities and Exchange Commission.

The Committee has submitted compliance reports to the Board on a quarterly basis during 2020 regarding compliance with recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

## Segment Reporting

### The Bank reports its operations under geographical location and business segment as per IFRS:8 Operating Segment

Profit and Loss Account for the year ended 31 December 2020

Particulars	IFC Bank Limited				Subsidiaries			Associates		Adjustment	Consolidated
	Inside Bangladesh		Off-Shore Banking Unit	Adjustment	Total	IFC Securities Limited	IFC Money Transfer (UK) Limited	Nepal Bangladesh Bank Limited	Oman Exchange LLC		
	Conventional Banking	Off-Shore Banking Unit									
Interest income	21,042,205,807	116,853,921	-	21,159,059,728	45,204,904	-	-	-	-	(34,008,601)	21,170,256,030
Interest paid on deposits and borrowings, etc.	18,294,764,064	95,056,661	(95,056,661)	18,294,764,064	34,008,601	-	-	-	-	(36,251,351)	18,292,521,314
<b>Net interest income</b>	<b>2,747,441,743</b>	<b>21,797,260</b>	<b>(95,056,661)</b>	<b>2,864,295,664</b>	<b>11,196,302</b>	-	-	-	-	<b>2,242,750</b>	<b>2,877,734,717</b>
Investment income	3,454,712,181	-	-	3,454,712,181	46,757,117	-	-	-	-	-	3,501,469,298
Commission, exchange and brokerage	1,507,233,239	1,284,818	-	1,508,518,057	32,271,877	26,591,621	2,330,428	(10,935,731)	-	-	1,558,776,252
Other operating income	596,237,151	837,133	-	597,074,284	5,029,531	5,501,133	-	-	-	(2,242,750)	605,362,198
<b>Total operating income</b>	<b>5,558,182,571</b>	<b>2,121,951</b>	<b>(95,056,661)</b>	<b>5,560,304,522</b>	<b>84,058,525</b>	<b>32,092,754</b>	<b>2,330,428</b>	<b>(10,935,731)</b>	<b>(2,242,750)</b>	<b>(2,242,750)</b>	<b>5,665,607,748</b>
Salary and allowances	8,305,624,314	23,919,211	(23,919,211)	8,424,600,186	95,254,827	32,092,754	2,330,428	(10,935,731)	-	-	8,543,342,465
Rent, taxes, insurance, electricity, etc.	2,536,366,543	-	-	2,536,366,543	15,756,658	8,384,461	-	-	-	-	2,560,507,662
Legal expenses	414,727,523	-	-	414,727,523	783,017	3,095,006	-	-	-	-	418,605,546
Postage, stamps, telecommunication, etc.	6,927,473	-	-	6,927,473	18,917	3,766,590	-	-	-	-	10,712,980
Stationery, printing, advertisement, etc.	73,303,297	-	-	73,303,297	454,798	111,713	-	-	-	-	73,869,808
Managing Director's salary	358,588,600	-	-	358,588,600	225,432	160,118	-	-	-	-	358,974,150
Directors' fees	20,975,250	-	-	20,975,250	-	-	-	-	-	-	20,975,250
Auditors' fees	1,672,000	-	-	1,672,000	220,000	-	-	-	-	-	1,892,000
Depreciation and repairs of Bank's assets	2,427,778	-	-	2,427,778	323,750	300,222	-	-	-	-	3,051,750
Other expenses	1,061,395,200	-	-	1,061,395,200	6,598,824	2,414,285	-	-	-	-	1,070,408,309
<b>Total operating expenses</b>	<b>1,046,562,803</b>	<b>-</b>	<b>-</b>	<b>1,046,562,803</b>	<b>12,696,215</b>	<b>6,738,679</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,065,997,697</b>
<b>Operating profit</b>	<b>5,222,946,467</b>	<b>-</b>	<b>-</b>	<b>5,522,946,467</b>	<b>37,077,612</b>	<b>24,971,075</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,584,995,153</b>
Share of profit of joint ventures/associates	2,782,677,847	23,919,211	(23,919,211)	2,901,653,719	58,177,216	7,121,679	2,330,428	(10,935,731)	-	-	2,958,347,312
Profit before provision	2,782,677,847	23,919,211	(23,919,211)	2,901,653,719	58,177,216	7,121,679	509,435,617	13,043,534	-	-	3,480,826,463
Provision against loans and advances	1,498,673,893	-	-	1,498,673,893	-	-	-	-	-	-	1,498,673,893
Provision for diminution in value of investments	(297,353,559)	-	-	(297,353,559)	(3,260,090)	-	-	-	-	-	(300,613,649)
Provisions for other assets	35,971,496	-	-	35,971,496	-	-	-	-	-	-	35,971,496
<b>Total provision</b>	<b>1,237,291,830</b>	<b>-</b>	<b>-</b>	<b>1,237,291,830</b>	<b>(3,260,090)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,234,031,740</b>
<b>Profit before taxation</b>	<b>1,545,386,017</b>	<b>23,919,211</b>	<b>(23,919,211)</b>	<b>1,564,361,889</b>	<b>61,437,306</b>	<b>7,121,679</b>	<b>511,766,045</b>	<b>2,107,803</b>	<b>-</b>	<b>-</b>	<b>2,246,794,722</b>
Provision for taxation	-	-	-	-	-	-	-	-	-	-	-
Current tax	963,000,000	-	-	963,000,000	12,923,486	-	-	-	-	-	975,923,486
Deferred tax	139,114,352	-	-	139,114,352	(1,239,413)	-	-	-	-	-	137,874,939
<b>Net profit after taxation</b>	<b>443,271,664</b>	<b>23,919,211</b>	<b>(23,919,211)</b>	<b>562,247,536</b>	<b>49,753,233</b>	<b>7,121,679</b>	<b>511,766,045</b>	<b>2,107,803</b>	<b>-</b>	<b>-</b>	<b>1,132,996,297</b>

Amount in BDT



# The Bank reports its operations under geographical location and business segment as per IFRS:8 Operating Segment

Balance Sheet as at 31 December 2020

Amount in BDT

Particulars	IFIC Bank Limited			Subsidiaries			Associates		Adjustment	IFIC Bank & its subsidiaries
	Inside Bangladesh		Off-Shore Banking Unit	IFIC Securities Limited	IFIC Exchange (UK) Ltd.	Nepal Bangladesh Bank Limited	Oman Exchange LLC			
	Conventional Banking	Off-Shore Banking Unit						Total		
<b>PROPERTY AND ASSETS</b>										
Cash	18,492,529,970	-	-	11,060	3,852,501	-	-	-	-	18,496,393,531
Balance with other banks and financial institute	8,895,390,969	76,732,600	(76,732,600)	82,462,094	2,248,666	-	-	-	(911,774,216)	8,068,327,513
Money at call and on short notice	2,330,000,000	-	-	-	-	-	-	-	-	2,330,000,000
Investments	52,722,425,470	-	-	3,125,579,651	-	-	-	-	2,252,075,462	58,100,080,583
Loans and advances	258,355,586,109	2,294,703,416	-	3,907,401,381	-	-	-	-	(2,860,263,433)	261,697,427,473
Fixed assets	7,495,172,120	-	-	40,435,064	1,517,392	-	-	-	-	7,537,124,576
Other assets	12,447,294,149	5,190,073	-	1,198,721,401	9,874,323	-	-	-	(2,234,342,260)	11,426,737,686
Non-banking assets	373,474,800	-	-	-	-	-	-	-	-	373,474,800
<b>Total Assets</b>	<b>361,111,873,587</b>	<b>2,376,626,089</b>	<b>(76,732,600)</b>	<b>8,354,610,650</b>	<b>17,492,882</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,754,304,447)</b>	<b>368,029,566,161</b>
<b>LIABILITIES AND CAPITAL</b>										
Borrowings from other banks, financial institutions and agents	13,021,794,012	2,347,836,793	(2,347,836,793)	2,860,263,433	-	-	-	-	(2,860,263,433)	13,021,794,012
Subordinated debt	2,100,000,000	-	-	-	-	2,100,000,000	-	-	-	2,100,000,000
Deposits and other accounts	296,373,946,429	-	-	884,317,453	-	296,373,946,429	-	-	(911,774,216)	296,346,489,666
Other Liabilities	26,694,201,568	4,870,086	-	2,037,476,155	812,565	26,699,071,654	-	-	-	28,737,360,374
<b>Total Liabilities</b>	<b>338,189,942,009</b>	<b>2,352,706,879</b>	<b>(2,347,836,793)</b>	<b>5,782,057,041</b>	<b>812,565</b>	<b>338,194,812,095</b>	<b>-</b>	<b>-</b>	<b>(3,772,037,649)</b>	<b>340,205,644,052</b>
<b>Capital/Shareholders' equity</b>										
Paid up capital	16,198,738,680	-	-	2,200,000,000	34,348,260	16,198,738,680	-	-	(2,234,348,260)	16,198,738,680
Statutory reserve	6,864,775,853	-	-	-	-	6,864,775,853	-	-	-	6,864,775,853
General reserve	155,071,397	-	-	-	-	155,071,397	-	-	-	155,071,397
Revaluation reserve against securities	107,849,126	-	-	-	-	107,849,126	-	-	-	107,849,126
Revaluation reserve against fixed assets	115,314,704	-	-	-	-	115,314,704	-	-	-	115,314,704
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-	-
Surplus in profit and loss account	1,775,205,220	23,919,211	(23,919,211)	372,552,596	(19,110,491)	1,775,205,220	70,358,359	103,049,229	(103,049,229)	4,248,076,927
	<b>25,216,954,980</b>	<b>23,919,211</b>	<b>(23,919,211)</b>	<b>2,572,552,596</b>	<b>16,680,317</b>	<b>25,216,954,980</b>	<b>83,007,751</b>	<b>(2,337,397,489)</b>	<b>-</b>	<b>27,823,915,093</b>
Minority interest	-	-	-	7,016	-	-	-	-	-	7,016
<b>Total shareholders' equity</b>	<b>25,216,954,980</b>	<b>23,919,211</b>	<b>(23,919,211)</b>	<b>2,572,559,612</b>	<b>16,680,317</b>	<b>25,216,954,980</b>	<b>83,007,751</b>	<b>(2,337,397,489)</b>	<b>-</b>	<b>27,823,922,109</b>
<b>Total liabilities and shareholders' equity</b>	<b>363,406,896,990</b>	<b>2,376,626,090</b>	<b>(2,371,756,004)</b>	<b>8,354,616,652</b>	<b>17,492,882</b>	<b>363,411,767,076</b>	<b>83,007,751</b>	<b>(6,109,435,138)</b>	<b>-</b>	<b>368,029,566,161</b>

## Financial Highlights of the Bank

as at and for the year ended 31 December 2020

Sl.	Particulars	Currency/ percentage	31 December 2020	31 December 2019
1	Paid up capital	BDT	16,198,738,680	14,726,126,080
2	Total capital	BDT	31,289,951,586	29,167,460,005
3	Capital surplus/(deficit)	BDT	(664,881,718)	692,648,106
4	Total assets	BDT	363,411,767,076	316,950,343,190
5	Total deposits	BDT	296,373,946,429	258,368,141,236
6	Total loan & advances	BDT	260,650,289,525	228,588,500,237
7	Total contingent liabilities & commitments	BDT	50,483,678,851	51,095,166,712
8	Credit deposit ratio	%	82.75	84.08
9	Percentage of classified loan against total loans & advances	%	3.97	5.37
10	Profit after tax & provision	BDT	562,247,536	2,443,732,947
11	Amount of classified loans	BDT	10,345,761,856	12,265,471,777
12	Provision kept against classified loans	BDT	2,737,576,718	3,086,703,002
13	Cost of fund	%	5.41	6.01
14	Interest earning assets	BDT	317,877,110,625	275,639,501,293
15	Non-interest earning assets	BDT	45,534,656,451	41,310,841,897
16	Return on Investment (ROI)	%	7.03	6.84
17	Return on Assets (ROA)	%	0.17	0.81
18	Income from investment	BDT	3,454,712,181	2,626,318,570
19	Earnings per share	BDT	0.35	1.51
20	Net income per share	BDT	0.35	1.51
21	Net Asset Value (NAV)	BDT	25,216,954,980	24,596,979,455
22	Net Asset Value (NAV) per share	BDT	15.57	15.18
23	Net Operating Cash Flow Per Share (NOCFPS)	BDT	5.69	8.56
24	Price earning ratio	Times	43.79	6.56

## Annexure - J

## Disclosure of Restructured Loan

as at and for the year ended 31 December 2020

BDT in Million

Sl.	Name of the Borrower	Type of Loan	Date of restructure	Down Payment		Due Date of 1st Installment	Outstanding Amount			Total Provision as at 31 December 2020		Present Status	Outstanding as at 31 December 2019
				Required	Realized		At the time of taking NOC from BB	New/Fresh Disbursement amount after NOC	Outstanding as at 31 December 2020	Required	Maintained		
1	Power Pac - Mutiara KPP Plant Ltd.	TL (O)	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	1,833.20	Nil	2,084.01	41.70	41.70	SMA(RST)	1,891.51
2	M/s R&R Holdings	TL (O)-1	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	936.20	Nil	1,063.03	21.30	21.30	SMA(RST)	965.44
3	M/s R&R Holdings	TL (O)-2	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	803.90	Nil	912.90	18.20	18.20	SMA(RST)	828.96
<b>Total</b>				-	-		<b>3,573.30</b>		<b>4,059.94</b>	<b>81.20</b>	<b>81.20</b>		<b>3,685.91</b>

## Annexure- K

## Statement of Tax Position

As at 31 December 2020

Accounting year	Assessment year	Tax provision in Financial Statements	Tax as per assessment	Excess/(shortage) provision	Advance income tax paid	Remarks
	Balance of provision for up to Y2015 (except Y2005 & Y2010)	1,344,988,022	-	1,344,988,022	-	Assessments up to Y2015 (except Y2005 & Y2010) have been completed by the Tax Authority and there is no tax liability remained outstanding against related years
2005	2006-2007	140,397,922		140,397,922		Honorable High Court Division of Supreme Court
2010	2011-2012	1,454,854,995	1,508,170,344	(53,315,349)	1,385,538,554	- Assessment was completed with loss, however, advance tax paid for 2005 amounting to Tk. 90.27 mln was adjusted in subsequent years.
2016	2017-2018	700,000,000	1,030,632,248	(330,632,248)	926,670,146	Honorable High Court Division of Supreme Court
2017	2018-2019	750,000,000	1,361,487,496	(611,487,496)	1,249,792,394	Subsequently settled in February 2021. Bank is waiting for Tax Clearance Certificate and Zero Demand Notice.
2018	2019-2020	1,080,000,000	1,199,674,275	(119,674,275)	1,069,572,247	Subsequently settled in February 2021. Bank is waiting for Tax Clearance Certificate and Zero Demand Notice.
2019	2020-2021	1,700,000,000	1,759,159,826	(59,159,826)	1,402,427,849	Bank has received the order from Deputy Commissioner of Taxes which are under review of the Management for next course of action.
2020	2021-2022	963,000,000	1,190,000,000	(227,000,000)	564,633,976	Assessment under process
Total		8,133,240,939	8,049,124,189	84,116,750	6,598,635,166	Not yet due

# International Finance Investment and Commerce Bank Limited

## Off-shore Banking Unit

### Balance Sheet

As at 31 December 2020

Particulars	Note	31 December 2020		31 December 2019	
		USD	Taka	USD	Taka
<b>PROPERTY AND ASSETS</b>					
Cash		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		-	-	-	-
<b>Balance with other banks and financial institutions</b>		<b>904,854</b>	<b>76,732,600</b>	-	-
In Bangladesh		904,854	76,732,600	-	-
Outside Bangladesh		-	-	-	-
<b>Money at call and on short notice</b>		-	-	-	-
<b>Investments</b>		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
<b>Loans and advances</b>	3	<b>27,059,831</b>	<b>2,294,703,416</b>	<b>31,129,800</b>	<b>2,642,920,061</b>
Loans, cash credits, overdrafts etc.	3.1	24,218,050	2,053,717,248	27,513,158	2,335,867,153
Bills purchased and discounted	3.2	2,841,781	240,986,168	3,616,642	307,052,908
<b>Fixed assets including premises, furniture and fixtures</b>		-	-	-	-
<b>Other assets</b>	4	<b>61,203</b>	<b>5,190,073</b>	<b>549,431</b>	<b>46,646,732</b>
<b>Non banking assets</b>		-	-	-	-
<b>Total assets</b>		<b>28,025,888</b>	<b>2,376,626,090</b>	<b>31,679,231</b>	<b>2,689,566,793</b>
<b>LIABILITIES AND CAPITAL</b>					
<b>Liabilities</b>					
<b>Borrowing from other banks, financial Institutions and agents</b>	5	<b>27,686,395</b>	<b>2,347,836,793</b>	<b>30,694,848</b>	<b>2,605,992,630</b>
<b>Deposit and other accounts</b>		-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed Deposits		-	-	-	-
<b>Other liabilities</b>	6	<b>57,430</b>	<b>4,870,086</b>	<b>562,347</b>	<b>47,743,295</b>
<b>Total liabilities</b>		<b>27,743,825</b>	<b>2,352,706,879</b>	<b>31,257,195</b>	<b>2,653,735,925</b>
<b>Capital / Shareholders' equity</b>					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General Reserve		-	-	-	-
Revaluation reserve against securities		-	-	-	-
Revaluation reserve against fixed assets		-	-	-	-
Surplus in profit and loss account	7	282,063	23,919,211	422,036	35,830,868
<b>Total shareholders' equity</b>		<b>282,063</b>	<b>23,919,211</b>	<b>422,036</b>	<b>35,830,868</b>
<b>Total liabilities and shareholders' equity</b>		<b>28,025,888</b>	<b>2,376,626,090</b>	<b>31,679,231</b>	<b>2,689,566,793</b>

# International Finance Investment and Commerce Bank Limited

## Off-shore Banking Unit

### Profit and Loss Account

For the year ended 31 December 2020

Particulars	Note	31 December 2020		31 December 2019	
		USD	Taka	USD	Taka
Interest income	8	1,377,977	116,853,921	1,464,999	124,378,426
Interest paid on deposits, borrowings etc.	9	1,120,937	95,056,661	1,047,447	88,928,257
<b>Net interest income</b>		<b>257,040</b>	<b>21,797,260</b>	<b>417,552</b>	<b>35,450,169</b>
Investment Income		-	-	-	-
Commission, exchange and brokerage	10	15,151	1,284,818	744	63,173
Other operating income	11	9,872	837,133	3,740	317,526
<b>Total operating income</b>		<b>282,063</b>	<b>23,919,211</b>	<b>422,036</b>	<b>35,830,868</b>
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telecommunication etc.		-	-	-	-
Stationery, printing, advertisement etc.		-	-	-	-
Managing Director's salary		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Charges on loan loss		-	-	-	-
Depreciation and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
<b>Total operating expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) before provision</b>		<b>282,063</b>	<b>23,919,211</b>	<b>422,036</b>	<b>35,830,868</b>
<b>Provision for loans, investments and other assets</b>					
Specific Provision		-	-	-	-
General Provision		-	-	-	-
Provision for off-balance sheet exposures		-	-	-	-
Provision for diminution in value of investments		-	-	-	-
Provision for other assets		-	-	-	-
<b>Total provision</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) before taxes</b>		<b>282,063</b>	<b>23,919,211</b>	<b>422,036</b>	<b>35,830,868</b>

These financial statements should be read in conjunction with the annexed notes.

## Off-Shore Banking Unit

### Notes to the Financial Statements

as at and for the year ended 31 December 2020

#### 1 Status of the unit

Off-shore Banking Units of IFIC Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission from Bangladesh Bank vide letter no. BRPD (P-3) 744 (104)/2009-4233 dated 17 November 2009. The Bank commenced the operation of its Off-shore Banking Unit on 10 May 2010. Presently the Bank has 1 (one) unit in Dhaka. The principal activity of the unit is to provide all kinds of commercial banking services to its customers through its off-shore Banking Unit in Bangladesh.

#### 2 Significant accounting policies and basis of preparation of financial statements

##### 2.1 Basis of accounting

The Off-shore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Banking Companies Act 1991, International Accounting Standards (IASs), and other applicable directives issued by Bangladesh Bank.

##### 2.2 Foreign currencies transaction and translation to presentation currency

Foreign currency transactions are converted into equivalent USD using the ruling exchange rates on the dates of respective transactions as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

Particulars	Note	31 December 2020		31 December 2019	
		USD	Taka	USD	Taka
<b>3 Loans and advances</b>					
3.1 Loans, cash credits, overdrafts etc.					
Term loan		24,218,050	2,053,717,248	27,513,158	2,335,867,153
		<b>24,218,050</b>	<b>2,053,717,248</b>	<b>27,513,158</b>	<b>2,335,867,153</b>
3.2 Bills purchased and discounted					
Inside Bangladesh		2,841,781	240,986,168	3,616,642	307,052,908
Outside Bangladesh		-	-	-	-
		2,841,781	240,986,168	3,616,642	307,052,908
		<b>27,059,831</b>	<b>2,294,703,416</b>	<b>31,129,800</b>	<b>2,642,920,061</b>
<b>4 Other assets</b>					
Interest receivable on term loan		46,860	3,973,758	507,472	43,084,406
Interest receivable on bills discount		14,343	1,216,315	41,959	3,562,326
		61,203	5,190,073	549,431	46,646,732
<b>5 Borrowing from other banks, financial Institutions and its agents</b>					
<b>In Bangladesh:</b>					
IFIC Bank Limited		27,686,395	2,347,836,793	30,694,848	2,605,992,630
		<b>27,686,395</b>	<b>2,347,836,793</b>	<b>30,694,848</b>	<b>2,605,992,630</b>
Outside Bangladesh		-	-	-	-
		<b>27,686,395</b>	<b>2,347,836,793</b>	<b>30,694,848</b>	<b>2,605,992,630</b>
<b>6 Other liabilities</b>					
Interest on borrowing from abroad		-	-	-	-
Due to Head Office		57,430	4,870,086	562,347	47,743,295
		<b>57,430</b>	<b>4,870,086</b>	<b>562,347</b>	<b>47,743,295</b>

Particulars	Note	31 December 2020		31 December 2019	
		USD	Taka	USD	Taka
<b>7 Surplus in profit and loss account</b>					
Opening balance		422,036	35,830,868	183,724	15,414,428
Less: Adjustment/ payment for the year		(422,036)	(35,830,868)	(183,724)	(15,414,428)
Add: Addition during the year		282,063	23,919,211	422,036	35,830,868
		<b>282,063</b>	<b>23,919,211</b>	<b>422,036</b>	<b>35,830,868</b>
<b>8 Interest income</b>					
Term Loan		1,345,402	114,091,566	1,288,433	109,387,936
Bills discount		32,575	2,762,355	176,566	14,990,490
<b>Interest on loans and advances</b>		<b>1,377,977</b>	<b>116,853,921</b>	<b>1,464,999</b>	<b>124,378,426</b>
<b>9 Interest paid on deposits, borrowings etc.</b>					
Interest paid on IFIC Bank Limited		1,120,937	95,056,661	1,047,447	88,928,257
Interest paid on SCB, NY		-	-	-	-
		<b>1,120,937</b>	<b>95,056,661</b>	<b>1,047,447</b>	<b>88,928,257</b>
<b>10 Commission, exchange and brokerage</b>					
Income-Fees & Commission		15,151	1,284,818	744	63,173
		<b>15,151</b>	<b>1,284,818</b>	<b>744</b>	<b>63,173</b>
<b>11 Other operating income</b>					
Income-Other Operating		9,872	837,133	3,740	317,526
		<b>9,872</b>	<b>837,133</b>	<b>3,740</b>	<b>317,526</b>



Financial Statements  
of the Subsidiaries



# IFIC Securities Limited

## Directors' Report

### Respected Shareholders,

The Board of Directors is pleased to present the 10th Annual Report of IFIC Securities Ltd. (IFICSL) for the year ended on 31 December 2020. In the report, IFICSL's operational performance of the year 2020 as compared to 2019 has been evaluated and analyzed within prevailing business environment. The information and analysis may be read in conjunction with the audited financial statements presented herewith.

### Capital Market 2020

The Capital Market of the country passed a challenging year in 2020. The business scenario in Bangladesh as well as the rest of the world has been very dull due to COVID 19. The effect has also been visible in the capital market of Bangladesh. Following a deep depression from the beginning of 2020, the trend of the capital market indicators significantly turned around at the end of 2020. This is visible in both the average daily volume of Dhaka Stock Exchange Limited and the trade volume of IFICSL as a participant. The market participation of IFICSL has also expressively increased.

### Our business

IFICSL has been established with the objectives of rendering compliant, efficient and innovative brokerage services to the prospective investors of the country, as well as to ensure adequate return on equity to the shareholders.

IFIC Securities Limited is a fully owned subsidiary of International Finance Investment and Commerce Bank Limited (IFIC Bank Ltd) and was incorporated with the Registrar of Joint Stock Companies and Firms, Bangladesh as a public limited company on 02 November 2010 under Companies Act, 1994. IFICSL as a subsidiary company of IFIC Bank for stock dealer and stock broker operations is authorized to undertake the following activities:

- Opening of Beneficiary owners (BO) account;
- Buy and Sell of Securities in Dhaka Stock Exchange Ltd;
- Margin Loan facilities to its clients;
- Settlement of buying and selling of Securities in Dhaka Stock Exchange through CDBL;
- Process IPO applications on behalf of clients;

### Capital

The authorized capital of IFICSL is BDT 3,000 million of which BDT 2,200 million has been paid up. The Paid-up capital represents the face value of 220,000,000 shares of BDT 10 each fully subscribed by the shareholders.

Total shareholders' equity at the end of December 2020 stood at BDT 2,572.55 million including retained earnings of BDT 372.55 million.

### Profit & Operating Results

IFICSL has earned BDT 129.26 million for the year 2020 in the form of operating income. During 2020 the operational expenses incurred by IFICSL stood at BDT 71.09 million. Furthermore, the total profit before tax stood at BDT 61.44 million during 2020. After keeping BDT 11.68 million as provision for income tax, the net profit of IFICSL for 2020 was BDT 49.75 million.

### Loans & Advances

Total margin loan facilities provided to the investors by IFICSL was BDT. 3,907.40 million as on 31 December 2020.

### Own Portfolio

Managing own investment portfolio is a regulatory requirement and also a core business objective of IFICSL to ensure higher return on equity. IFICSL has established an investment process and has been maintaining its own portfolio following this process in compliance with the Investment Policy of IFICSL. The active participation of IFICSL in the capital market has enabled the management to earn a capital gain of BDT 8.63 million during 2020. During 2019 IFICSL earned BDT 2.17 million as capital gain from investment in own portfolio. This increase has resulted from the expertise of the management in guiding the company through a turbulent year for capital market and the business environment of Bangladesh. However, IFICSL has always been prudent in managing its own investment portfolio and this is reflected in the huge provisions made against its investments to mitigate possible future losses.

### Support Services from IFIC Bank Ltd

IFIC Bank Ltd is providing professional support services to the IFICSL in the field of HRM, Support Services and

IT. As such entire functions of these fields are being managed from the respective IFIC Bank Limited divisions minimizing overall cost of operations.

**Rotation/Re-election of Directors**

According to clause 52 of the Articles of Association of the Company, the Directors shall retire by rotation at the 10<sup>th</sup> Annual General Meeting. However, as per clause 53 they are eligible for re-election.

**Appointment of Auditors and fix-up their remuneration**

In the 10<sup>th</sup> Annual General Meeting of the company M/s M. J. Abedin & Co., Chartered Accountants have been appointed as the statutory auditors of the company till conclusion of the 11<sup>th</sup> Annual General Meeting.

**Dividend**

In order to strengthen the capital base of the Company and also to ensure sufficient liquidity for smooth operations, the Board of Directors of the company did not recommend any dividend for the year 2020.

**Acknowledgement**

The Board of Directors would like to express its gratitude and thanks to our valued shareholders, customers, bankers, regulators, DSE, CDBL, BSEC and other stakeholders for their continuous support and assistance. The Board has special thanks for the management and employees for their commitments and hard work about the company.

For and on behalf of the Board of Directors



Chairman

## **Independent Auditor's Report to The Shareholders of IFIC Securities Limited**

### **Opinion**

We have audited the financial statements of IFIC Securities Limited, which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, accompanying the financial statements give a true and fair view of the financial position of the Company as at 31 December, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Mother Matters**

The Company departed from the requirements of IFRSs are explained in note 2.1 of the financial statements.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) The statement of financial position and statement of profit or loss and other comprehensive income, dealt with by the report agrees with the books of account and returns.

**Howladar Yunus & Co.**  
Chartered Accountants  
Reg. No: 14610EP



**Ali Amjad Choudhury FCA**  
Partner  
Enrollment No.: 1242  
DVC No.: 2104081242AS596580

Date: 30 March 2021  
Dhaka

# IFIC Securities Limited

## Statement of financial position

As at 31 December 2020

In taka	Note	31-Dec-20	31-Dec-19
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	4	40,435,064	43,433,542
Intangible asset	5	-	161,825
Investments membership value	6	56,241,750	56,241,750
Deferred tax asset	7	70,130	-
		<b>96,746,943</b>	<b>99,837,117</b>
<b>Current assets</b>			
Margin loan to clients	8	3,907,401,381	3,934,940,830
Account receivable (DSE)	9	834,429,556	183,808
Dividend receivables		28,065,370	256,203
Advance, deposits and prepayment	10	336,156,345	315,549,145
Investment	11	3,069,337,901	12,460,275
Cash & cash equivalents	12	82,473,154	207,182,863
		<b>8,257,863,707</b>	<b>4,470,573,125</b>
<b>Total</b>		<b>8,354,610,651</b>	<b>4,570,410,242</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholders' equity</b>			
Share capital	13.1	2,200,000,000	2,200,000,000
Retained earnings	14	372,553,612	322,800,380
		<b>2,572,553,612</b>	<b>2,522,800,380</b>
<b>Non- current liabilities</b>			
Lease liabilities	15.1	30,046,231	31,137,798
Deferred tax liabilities	7	-	1,169,283
		<b>30,046,231</b>	<b>32,307,081</b>
<b>Current liabilities</b>			
Lease liabilities - current portion	15.1	3,802,092	3,212,016
Loan form bank	16	2,860,263,433	-
Provision for income tax	17	265,236,867	252,313,381
Clients payables	18	884,317,453	19,433,794
DSE payable		375,814	2,040,470
General provision	19	231,296,839	234,556,929
Other liabilities	20	1,506,718,310	1,503,746,191
		<b>5,752,010,808</b>	<b>2,015,302,781</b>
<b>TOTAL</b>		<b>8,354,610,651</b>	<b>4,570,410,242</b>

The annexed notes from an integral part of these financial statements.



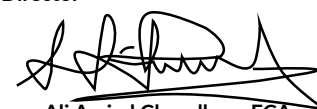
In-charge of IFIC Securities Ltd.



Director



Director



Ali Amjad Choudhury FCA  
Partner

Howladar Yunus & Co.

DVC No. 2104081242AS596580

Dated: 30 March 2021  
Dhaka

# IFIC Securities Limited

## Statement of comprehensive income

For the year ended 31 December 2020

In taka	Note	For the year ended	
		31-Dec-20	31-Dec-19
<b>Income</b>			
Operating income	21	77,476,780	72,887,678
Non- operating income	22	51,786,648	6,481,227
		<b>129,263,428</b>	<b>79,368,905</b>
<b>Expenses</b>			
Operating expenses	23	5,615,302	2,996,119
Office & administrative expenses	24	28,751,786	26,068,061
Financial expenses	25	36,719,125	1,056,166
		<b>71,086,213</b>	<b>30,120,346</b>
<b>Profit/(loss) before provisions and tax</b>		<b>58,177,215</b>	<b>49,248,559</b>
Less: Provision	26	(3,260,090)	3,260,090
<b>Profit after provision</b>		<b>61,437,305</b>	<b>45,988,469</b>
<b>Less: Tax</b>			
Deferred tax	7	(1,239,413)	1,374,806
Current tax	17	12,923,486	21,922,569
		<b>11,684,073</b>	<b>23,297,375</b>
<b>Net profit after tax</b>		<b>49,753,232</b>	<b>22,691,094</b>
<b>Earning per share</b>		<b>0.23</b>	<b>0.10</b>


The annexed notes from an integral part of these financial statements.



In-charge of IFIC Securities Ltd.



Director



Director



Ali Amjad Choudhury FCA  
Partner

Howladar Yunus & Co.

DVC No. 2104081242AS596580

Dated: 30 March 2021  
Dhaka

## IFIC Securities Limited

### Statement of change in equity

For the year ended 31 December 2020

In taka	Share capital	Retained earnings	Total
Opening balance as on January 01, 2020	2,200,000,000	322,800,380	2,522,800,380
Profit/(loss) during the year	-	49,753,232	49,753,232
<b>Balance as on December 31, 2020</b>	<b>2,200,000,000</b>	<b>372,553,612</b>	<b>2,572,553,612</b>

### Statement of change in equity

For the year ended 31 December 2019

In taka	Share capital	Retained earnings	Total
Opening balance as on January 01, 2019	2,200,000,000	300,109,286	2,500,109,286
Profit/(loss) during the year		22,691,094	22,691,094
<b>Balance as on December 31, 2019</b>	<b>2,200,000,000</b>	<b>322,800,380</b>	<b>2,522,800,380</b>


The annexed notes from an integral part of these financial statements.



In-charge of IFIC Securities Ltd.



Director



Director

Dated: 30 March 2021  
Dhaka

# IFIC Securities Limited

## Statement of cash flow

For the year ended 31 December 2020

In taka	For the year ended	
	31-Dec-20	31-Dec-19
<b>A) Cash flows from operating activities</b>		
Brokerage commission receipts	32,271,877	20,352,880
Interest on margin loan receipts	45,204,904	52,534,798
Interest payments	(34,008,601)	-
Dividend receipts	10,319,732	2,989,493
Payments to employees	(15,756,658)	(14,759,980)
Payments to suppliers	(636,309)	(7,841,135)
Income taxes paid	(22,878,191)	(41,666,238)
Payment made for rent expense including prepayment adjustment	-	(7,454,740)
Receipts from other operating activities	5,029,531	1,283,406
Payment for lease liabilities	(3,212,015)	-
Payments for other operating activities	(5,615,302)	(2,996,119)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>10,718,967</b>	<b>2,442,365</b>
<b>Increase / (decrease) in operating assets and liabilities</b>		
Margin loan to clients	27,539,449	67,715,194
Other assets	(833,958,003)	10,962,597
Other liabilities	864,883,659	(21,758,431)
	<b>58,465,105</b>	<b>56,919,360</b>
<b>Net cash from operating activities</b>	<b>69,184,073</b>	<b>59,361,725</b>
<b>B) Cash flows from investing activities</b>		
Investment in shares	(3,077,374,099)	(315,290)
Sale proceeds from shares	29,124,691	4,567,358
Purchase of fixed assets	(5,907,808)	(2,108,820)
<b>Net cash from investing activities</b>	<b>(3,054,157,216)</b>	<b>2,143,248</b>
<b>C) Cash flows from financing activities</b>		
Increase of short term loan	2,860,263,433	-
<b>Net cash from financing activities</b>	<b>2,860,263,433</b>	<b>-</b>
<b>D) Net increase in cash and cash equivalents (A+ B + C)</b>	<b>(124,709,710)</b>	<b>61,504,973</b>
<b>E) Cash and cash equivalents at beginning of the year</b>	<b>207,182,863</b>	<b>145,677,890</b>
<b>F) Cash and cash equivalents at end of the year (D+E)</b>	<b>82,473,154</b>	<b>207,182,863</b>
Cash and cash equivalents at end of the year		
Cash in hand	11,060	26,205
Cash at bank	82,462,094	207,156,658
	<b>82,473,154</b>	<b>207,182,863</b>
<b>Net operating cash flow per share</b>	<b>0.31</b>	<b>0.27</b>
Restatement of net operating cash flow per share:		
Net cash from operating activities	69,184,073	59,361,725
Number of outstanding shares (Current year's)	220,000,000	220,000,000

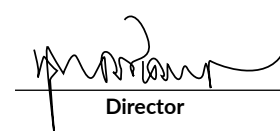
The annexed notes from an integral part of these financial statements.



In-charge of IFIC Securities Ltd.



Director



Director

Dated: 30 March 2021  
Dhaka



# IFIC Securities Limited

## Notes to the financial statements

As at and for the year ended 31 December, 2020

### Significant accounting policies and other material information

#### 1. Status of the reporting entity

##### 1.1 Corporate history

IFIC Securities Limited was incorporated in Bangladesh and registered with Joint Stock Companies and Firms vide its registration number C-87904/10 on November 02, 2010 as a public limited company with an Authorized Capital of Tk. 3,000,000,000 divided into 300,000,000 ordinary shares of Tk.10 each. The registered office of the company is located at IFIC Tower, 61 Purana Paltan C/A, Dhaka.

##### 1.2 Nature of business

The principal objectives of the company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealing and other services as mentioned in the Memorandum and Articles of Association of the Company.

#### 2.0 Basis of preparation

##### 2.1 Statement of compliance

The financial statements of IFIC Securities Limited have been prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), Companies Act 1994 and other applicable laws in Bangladesh.

As required, IFIC Securities Limited also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Commission Act, 1993
- Securities and Exchange Rules, 1987
- Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996
- Income Tax Ordinance, 1984
- The Value Added Tax Act 1991
- Dhaka Stock Exchange Limited (DSE) Rules
- Central Depository Bangladesh Limited (CDBL) Rules
- Negotiable Instrument Act, 1881; and

Other applicable laws and regulations.

The Company has departed from the following contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank, which is the primary regulator of its parent, IFIC Bank Limited:

##### Investment in shares and securities

**IFRS:** As per requirements of IFRS 9: Financial Instruments, investment in shares and securities generally falls either under “at fair value through profit and loss account” or “at fair value through other comprehensive income” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment (portfolio basis); otherwise investments are recognized at cost.

##### Cash flow statement

**IFRS:** The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, cash flow is the mixture of direct and indirect methods.

##### 2.2 Measurement bases used in preparing the financial statements

The elements of financial statements have been mostly measured on “Historical Cost” basis except the followings:

(i) Margin Loan to Client	Amortized Cost
(ii) Investment in Secondary Market	Lower of cost and fair value

### 2.3 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 estimates.

### 2.4 Accounting convention and basis

These financial statements have been prepared under the historical cost convention and going concern basis in accordance with applicable International Accounting Standards in Bangladesh which does not vary from the requirements of the Companies Act 1994, and other laws and rules applicable in Bangladesh.

### 2.5 Functional and presentational currency and level of precision

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

### 2.6 Reporting period

The financial period of the Company covers from 1 January to 31 December.

### 2.7 Date of authorization

The financial statements were authorized by the Board of Directors on 30 March 2021 for publication.

### 2.8 Components of the financial statements

According to the International Accounting Standard (IAS) 1 as adopted by ICAB "Presentation of Financial Statements" the complete set of financial statements includes the following components:

- i) Statement of financial position
- ii) Statement of profit or loss and other comprehensive income
- iii) Statement of changes in equity
- iv) Statement of cash flows
- v) Notes to the financial statements

## 3.0 Principal accounting policies

The accounting policies set out below have been applied in preparations of these financial statements.

### 3.1 Property, plant and equipment

#### 3.1.1 Recognition and measurement

Items of Property, Plant and Equipment (PPE) are initially measured at cost. After initial recognition, an item of PPE is carried at cost less accumulated depreciation and impairment losses in compliance with the requirements of IAS-16: Property, Plant and Equipment.

#### 3.1.2 Disposal of fixed assets

On disposal of property, plant and equipment, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

#### 3.1.3 Depreciation on property, plant and equipment

Depreciation is recognized in the comprehensive income on a written down value basis over the estimated useful life of each property, plant and equipment in accordance with the provisions of IAS 16: property, plant and equipment.

Rate of depreciation on property, plant and equipment considering the useful life of assets are as follows:

Sl no	Particulars of assets	Rate
1	Furniture & fixture	10%
2	Electric goods	12.5%
3	Computer & equipment	20%
4	Office renovation	20%
5	Other assets	40%

### 3.2 Accounts receivables

Accounts receivables (DSE) are consider good and realizable. No provision or allowance to be made during the year.

### 3.3 Advance, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory etc. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

### 3.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

### 3.5 Other current assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the statement of financial position.

### 3.6 Other corporate debt, accounts payable, trade and other liabilities

Liabilities are carried at the anticipated settlement amount in respect of goods and services received, whether or not billed by the supplier.

### 3.7 Income tax

The company has to pay income tax on its total turnover as tax deducted at source and provision has been made accordingly as per Income Tax Ordinance 1984 under section 53BBB.

### 3.8 Provisions

Provision is recognized on the statement of financial position date if, as a result of past events, the company has a presents legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

### 3.9 Revenue recognition

Commission, interest, dividend etc. have been recognised as per IFRS 9 & IFRS 15 "Revenue".

### 3.10 Statement of cash flow

Statement of Cash Flows is prepared in accordance with IAS-7 "Statement of cash flow".

### 3.11 Lease

The Entity has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

#### Policy applicable from 1 January 2019

At inception of a contract, the Entity assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Entity uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into, on or after 1 January 2019.

#### As a lessee

At commencement or on modification of a contract that contains a lease component, the Entity allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Entity has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Entity recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Entity by the end of the lease term or the cost of the right-of-use asset reflects that the Entity will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Entity's incremental borrowing rate. Generally, the Entity uses its incremental borrowing rate as the discount rate.

The Entity determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Entity's estimate of the amount expected to be payable under a residual value guarantee, if the Entity changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Entity presents right-of-use assets that do not meet the definition of investment property in 'Right of use asset (ROU)' and lease liabilities in 'Lease liabilities' in the statement of financial position.

#### **Short term leases**

The Entity has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases. The Entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### **3.12 Management of capital**

Capital consists of total equity attributable to the Shareholders. The Board of Directors monitors the level of capital. The company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. No changes were made in the objectives, policies or processes for managing capital during the period. The company is not subject to any externally imposed capital requirement.

### **3.13 Financial risk management**

The company has exposure to the following risks from its use of financial instruments:

- Credit Risks
- Liquidity Risks
- Market Risk

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

The Management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

#### **Credit risk**

Credit risk is the risk of a financial loss to the company if a customer to a margin loan fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Management has a margin loan policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to whether its is positive or negative equity and possibility of recovering margin loan. Margin loan receivables are related to the company's customers. The exposure of the company to credit risk on accounts receivables is mainly influenced by the market value of the customers' shares portfolio. Credit risk from this receivable is very minimal. Credit risk does not arise in respect any other receivables.

#### **Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

#### **Market risk**

Market risk is the risk that, changes in market prices, such as interest rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

### **3.14 Risk and uncertainties for the use of estimates in preparing financial statements:**

Preparation of financial statements in conformity with the International Accounting Standards (IAS) requires

management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization, taxes, reserves and contingencies.

### 3.15 Comparative amounts

Certain comparative amounts have been re-classified & rearranged to confirm with the current year's presentation.

	In taka	31 Dec 2020	31 Dec 2019
<b>4 Property, plant and equipment</b>			
Furniture and fixture		823,138	1,682,227
Electric goods		2,044,356	1,006,624
Computer and equipment		706,099	858,495
Office renovation		3,070,149	1,415,814
Other assets		-	5,528
Right to use asset		33,791,322	38,464,854
		<b>40,435,064</b>	<b>43,433,542</b>
Details please refer to Annexure -A-1			
<b>5 Intangible asset</b>		-	161,825
Details please refer to annexure A-2			
<b>6 Investments membership value</b>			
Membership with DSE *		56,241,750	56,241,750
		<b>56,241,750</b>	<b>56,241,750</b>

\* This represents our original investment cost for DSE membership in exchange of which shares at a face value of Tk. 10 each have been allotted in favor of the company in October 2013 for DSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission (BSEC) approved demutualization scheme, Dhaka Stock Exchange Ltd. (DSE) allotted total 54,11,329 ordinary Shares at face value of Tk. 10 each against the membership of DSE. Out of the above DSE transferred 28,86,042 shares directly to the credit of the Beneficiary Owner's account of the company. The rest shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act. 2013. As there is no active market for shares DSE, we have shown the value at original cost of our investment.

<b>7 Deferred tax assets/liabilities</b>			
<b>Deferred tax on tangible assets</b>			
Tax written down value		6,802,524	5,904,749
Accounting written down value		6,643,742	5,130,518
<b>Temporary difference on written down value</b>		<b>(158,782)</b>	<b>(774,231)</b>
Closing deferred tax (assets)/liabilities		(51,604)	(270,981)
Opening deferred tax (assets)/liabilities		(270,981)	(205,523)
<b>Deferred tax (income)/expenses</b>		<b>219,377</b>	<b>(65,458)</b>
<b>Deferred tax- lease</b>			
Right to use assets, WDV		33,791,322	38,464,854
Lease liabilities		33,848,323	34,349,814
<b>Tax base</b>		<b>(57,001)</b>	<b>4,115,040</b>
Closing deferred tax @ 32.5%, (assets)/ liabilities		(18,525)	1,440,264
Opening deferred tax (assets)/ liabilities		1,440,264	-
<b>Deferred tax (income)/expenses from ROU</b>		<b>(1,458,789)</b>	<b>1,440,264</b>
<b>Gross deferred tax (income)/expenses from ROU</b>		<b>(1,239,413)</b>	<b>1,374,806</b>
<b>Net deferred tax liabilities/ (assets)</b>		<b>(70,130)</b>	<b>1,169,283</b>

	In taka	31 Dec 2020	31 Dec 2019
<b>8</b>	<b>Margin loan to clients</b>		
	Opening balance	3,934,940,830	4,002,656,024
	Interest charge during the Year	45,204,904	52,534,798
	Margin loan provided during the year	263,533,643	168,072,370
	Margin loan adjusted during the year	(336,277,996)	(288,322,362)
		<b>3,907,401,381</b>	<b>3,934,940,830</b>
<b>9</b>	<b>Account receivable (DSE)</b>		
	Receivable for broker	829,379,551	183,808
	Receivable for dealer	5,050,005	-
		<b>834,429,556</b>	<b>183,808</b>
<b>10</b>	<b>Advance, deposits and prepayment</b>		
	Advance income tax	333,881,710	311,003,519
	Advance for Nikunjo	850,000	850,000
	Stamp & cartridge	2,478	2,478
	IFICSL special fund	5,225	-
	Advance to employee	200,000	-
	Advance to IFIC Investment Ltd.	74,600	-
	Advance for car purchase	1,138,882	1,472,218
	Advance for land phone	3,450	3,450
	Advance payment to vendor	-	2,217,480
		<b>336,156,345</b>	<b>315,549,145</b>
<b>10.1</b>	<b>Advance income tax</b>		
	Opening balance	311,003,519	269,337,281
	Paid during the year	22,878,191	41,666,238
		<b>333,881,710</b>	<b>311,003,519</b>
<b>11</b>	<b>Investment</b>		
	Bangladesh Export Import Company Ltd.	16,576,085	10,744,785
	Esquire Knit Composite Ltd.	940,050	940,050
	Runner Automobile Ltd.	540,450	540,450
	Square Pharma Ltd.	4,891,524	-
	Beximco Pharma Ltd.	2,649,232,273	-
	ADN Telecom Ltd.	-	113,790
	Special Fund Investment	394,319,775	-
	Crystal Insurance Ltd.	108,780	-
	Robi Axiata Ltd.	2,711,210	-
	Silco Pharm Ltd.	-	36,480
	Sea Pearl Ltd	17,754	37,300
	Coppertech Industries Ltd	-	47,420
		<b>3,069,337,901</b>	<b>12,460,275</b>

Details please refer to annexure B- 1



In taka		31 Dec 2020	31 Dec 2019
<b>16</b>	<b>Loan from bank (Over Draft)</b>		
	IFIC Bank 1001-354511-001	2,460,900,516	-
	IFIC Bank 018003703600	399,362,917	-
		<b>2,860,263,433</b>	<b>-</b>
<b>17</b>	<b>Provision for income tax</b>		
	Opening balance	252,313,381	230,390,812
	Add: Provision for the year	Note 17.1 12,923,486	21,922,569
		<b>265,236,867</b>	<b>252,313,381</b>
<b>17.1</b>	<b>Provision for tax</b>		
	Year 2011	50,978,175	50,978,175
	Year 2012	43,646,872	43,646,872
	Year 2013	11,878,414	11,878,414
	Year 2014	12,423,893	12,423,893
	Year 2015	16,255,904	16,255,904
	Year 2016	17,569,284	17,569,284
	Year 2017	57,210,974	57,210,974
	Year 2018	20,427,296	20,427,296
	Year 2019	21,922,569	21,922,569
	Year 2020	12,923,486	-
		<b>265,236,867</b>	<b>252,313,381</b>
<b>18</b>	<b>Clients payables</b>		
	IFIC Bank Ltd	829,312,122	3,659
	Others client	55,005,331	19,430,135
		<b>884,317,453</b>	<b>19,433,794</b>
<b>19</b>	<b>General provision</b>		
	Investment	-	3,260,090
	Margin	231,296,839	231,296,839
		<b>231,296,839</b>	<b>234,556,929</b>
<b>20</b>	<b>Other liabilities</b>		
	Withholding liabilities	Note 20.1 277,685	596,275
	Liabilities for expenses	Note 20.2 5,303,231	2,031,806
	Unrealized interest income	Note 20.3 1,500,842,810	1,500,842,810
	Sundry creditor	264,304	264,304
	Unclaimed	30,280	10,996
		<b>1,506,718,310</b>	<b>1,503,746,191</b>
<b>20.1</b>	<b>Withholding liabilities</b>		
	VAT payables	131,984	422,292
	Tax payable	145,701	173,983
		<b>277,685</b>	<b>596,275</b>



In taka		31 Dec 2020	31 Dec 2019
<b>20.2</b>	<b>Liabilities for expenses</b>		
	Mobile/ telephone allowance	-	2,875
	Other's bill payable	26,150	23,000
	Electricity	53,459	40,238
	WASA	45,000	4,000
	CDBL	619,822	124,597
	Audit & professional fees	249,000	258,750
	Payable to issuer	2,647,800	-
	Printing & stationery	-	19,500
	Insurance	-	8,846
	Incentive bonus	1,662,000	1,550,000
		<b>5,303,231</b>	<b>2,031,806</b>
<b>20.3</b>	<b>Unrealized Interest Income</b>		
	Opening balance	1,500,842,810	1,500,842,810
		<b>1,500,842,810</b>	<b>1,500,842,810</b>
<b>21</b>	<b>Operating income</b>		
	Brokerage commission	32,271,877	20,352,880
	Interest on margin loan	45,204,904	52,534,798
		<b>77,476,780</b>	<b>72,887,678</b>
<b>22</b>	<b>Non-operating income</b>		
	Documentations charge	4,500	6,000
	Account opening fee	42,000	13,500
	BO maintenance	1,221,000	1,219,500
	Miscellaneous	1,508,096	18,823
	IPO income	11,185	8,870
	Interest on bank deposit	2,242,750	16,713
	Dividend income	38,128,899	3,025,918
	Capital gain (realized)	8,628,218	2,171,903
		<b>51,786,648</b>	<b>6,481,227</b>
<b>23</b>	<b>Operating expenses</b>		
	Laga	2,646,002	1,391,119
	CDBL	2,969,300	1,605,000
		<b>5,615,302</b>	<b>2,996,119</b>
<b>24</b>	<b>Office &amp; administrative expenses</b>		
	Salary and allowances	15,756,658	14,759,980
	AGM expenses	168,000	162,500
	Amortization	161,826	69,354
	Audit fee & professional fee	323,750	333,500
	Business development	-	3,500
	Cleaner's bill	71,600	54,200

In taka	31 Dec 2020	31 Dec 2019
Crockeries	16,930	1,495
Connectivity	421,508	411,358
Conveyance	98,630	88,530
Depreciation	6,036,747	3,447,671
Director's remuneration	220,000	294,500
DSE subscription	3,850	8,356
Satellite bill	2,400	12,500
Electricity	375,359	694,889
Entertainment	237,450	290,546
Gas & fuel	4,305	5,005
IPO bidding expenses	14,000	9,000
Legal and professional fee	18,917	242,525
Loss on sale of fixed asset	Note-24.2	-
Newspaper	5,860	9,510
Office rent	154,100	3,840,217
Office shifting charge	29,326	-
Postage & courier	8,658	9,425
Printing stationery	225,432	135,140
Regulatory	193,701	144,652
Repair and maintenance	137,751	129,733
Security guard	599,994	472,270
Software maintenance	262,500	262,500
Telephone bill	24,632	38,682
WASA	228,943	48,000
Washing expenses	20,130	22,390
Water bill	24,615	27,330
Bank charges	176,174	38,803
	<b>28,751,786</b>	<b>26,068,061</b>
<b>24.1 Salary and allowances</b>		
Basic salary	6,784,292	6,180,096
Conveyance allowance	390,000	382,320
Entertainment allowance	336,000	336,000
Bonus	1,247,150	1,213,812
Fuel allowance	202,920	202,920
House rent	2,988,888	2,805,468
Medical allowance	654,092	596,328
Car maintenance	333,336	333,336
Other salary benefit	336,000	336,000
Telephone and mobile bill	24,000	24,000
Leave fare assistance	682,800	682,800
Other salary benefit (office attendant)	5,380	7,400
Incentive bonus	1,662,000	1,550,000
Casual worker wages	109,800	109,500
	<b>15,756,658</b>	<b>14,759,980</b>

In taka		31 Dec 2020	31 Dec 2019
<b>24.2</b>	<b>Loss on sale of fixed asset</b>		
	Cost	10,612,346	-
	Accumulated depreciation	7,742,806	-
	<b>Written down value</b>	<b>2,869,540</b>	-
	Less: Sale Price	141,500	-
		<b>2,728,040</b>	-
<b>25</b>	<b>Financial expenses</b>		
	Interest on lease liabilities	2,710,524	1,056,166
	Interest on bank loan	34,008,601	-
		<b>36,719,125</b>	<b>1,056,166</b>
<b>26</b>	<b>Provisions</b>		
	Provision for investment	(3,260,090)	3,260,090
	Provision for margin loan to clients	-	-
		<b>(3,260,090)</b>	<b>3,260,090</b>
<b>27</b>	<b>Earning per share (EPS)</b>		
	Basic earnings per share		
	Net profit after tax	49,753,232	22,691,094
	No of shares	220,000,000	220,000,000
	<b>Earning per share (EPS)</b>	<b>0.23</b>	<b>0.10</b>

**IFIC Securities Limited**  
**Schedule of property, plant & equipment**

as at 31 December 2020

Amount in BDT

Particulars	Cost			Depreciation			Written down value	
	Opening balances	During the year	Closing balances	Opening balances	During the year	Disposal		Closing balances
Furniture and fixture	4,291,523	914,598	914,598	2,609,298	91,460	2,609,298	91,460	823,138
Electric equipment	3,948,044	1,789,387	2,576,600	2,941,420	287,908	2,697,084	532,244	2,044,356
Computer and equipment	5,132,560	20,300	5,152,860	4,274,062	172,699	-	4,446,761	706,099
Office renovation	3,696,027	3,183,523	4,055,741	2,280,213	811,148	2,105,769	985,592	3,070,149
Other assets	336,183	-	-	330,655	-	330,655	-	-
Right to use assets	40,748,388	-	40,748,388	2,283,534	4,673,532	-	6,957,066	33,791,322
<b>Total</b>	<b>58,152,725</b>	<b>5,907,808</b>	<b>53,448,187</b>	<b>14,719,182</b>	<b>6,036,747</b>	<b>7,742,806</b>	<b>13,013,123</b>	<b>40,435,064</b>

**Schedule of intangible assets**

Annexure-A -2

Particulars	Cost			Amortization			Written Down Value	
	Opening	Addition	Closing Balances	Opening Balances	For the Year	Disposal		Closing Balances
Windows license	108,090	-	108,090	98,788	9,302	-	108,090	-
Sign up DSE	87,000	-	87,000	81,759	5,241	-	87,000	-
Software	829,950	-	829,950	685,378	144,572	-	829,950	-
Escan entry virus	45,000	-	45,000	42,290	2,711	-	45,000	-
<b>Total</b>	<b>1,070,040</b>	<b>-</b>	<b>1,070,040</b>	<b>908,215</b>	<b>161,826</b>	<b>-</b>	<b>1,070,040</b>	<b>-</b>

## IFIC Securities Limited

### Statement of investment in shares

as at 31 December 2020

Amount in BDT

Sl. No.	Name of the company	Opening Balances			Buy during the Year			Sale during The Year			Closing Balance			Market Value	Unrealized gain/(loss)	
		No. of Shares	Unit Cost	Total Cost	No. of Shares	Unit Cost	Total Cost	No. of Shares	Unit Cost	Total Cost	No. of Shares	Unit Cost	Total Cost			
1	Bangladesh Export Import Com Ltd.	551,250	19.49	10,744,785	-	430,000	39.14	16,829,000	430,000	26	10,997,700	551,250	30.07	16,576,085	31,421,250	14,845,165
2	Runner Automobile Ltd	7,566	71.43	540,450								7,566	71.43	540,450	385,109	(155,341)
3	Esquire Knit Composite Ltd	20,890	45.00	940,050								20,890	45.00	940,050	549,407	(390,643)
4	ADN Telecom	3,793	30.00	113,790								3,793	30	113,790	-	-
5	BATBC					5,000	1,082.8	5,413,850	5,000	1,083	5,413,850					
6	BXPBARMA				1,980,000	19,800,000	133.80	2,649,232,273				21,780,000		2,649,232,273	4,149,090,000	1,499,857,727
7	DOMINAGE					24,813	10.00	248,130	24,813	10	248,130					
8	SQRPHARMA				500	25,000	195.66	4,891,524				25,500	191.82	4,891,524	5,597,250	705,726
9	UPGDCL					10,000	300.71	3,007,057	10,000	300.71	3,007,057					
10	Crystal Insurance					10,878	10.00	108,780	-			10,878	10.00	108,780	428,593	319,813
11	Robi Axiata Ltd.					271,121	10.00	2,711,210				271,121	10.00	2,711,210	8,079,406	5,368,196
12	Coppertech Industries Ltd.	4,979	9.52	47,420					4,979	9.52	47,420					
13	Sea Pearl Ltd.	3,916	9.53	37,300					2,051	9.53	19,546	1,865	9.52	17,754	147,522	129,768
14	Silco Pharma Ltd	4,377	8.33	36,480					4,377	8.33	36,480					
15	Genex Infosys Ltd	392	-	-					392	-	-					
	<b>Total</b>	<b>597,163</b>		<b>12,460,275</b>	<b>1,980,500</b>	<b>20,576,812</b>		<b>2,682,441,824</b>	<b>485,405</b>		<b>19,888,973</b>	<b>22,669,070</b>		<b>2,675,018,126</b>	<b>4,195,698,537</b>	<b>1,520,680,411</b>

**IFIC Securities Limited**  
**Statement of investment in shares for special fund**

as at 31 December 2020

SL. no.	Name of the company	Opening balances			Buy during the Year			Sale during The Year			Closing Balance				Market value	Unrealized gain/(loss)
		No. of shares	Unit cost	Total cost	Bonus	No. of shares	Unit cost	Total cost	No. of shares	Unit cost	Total cost	No. of shares	Unit cost	Total cost		
1	BXPHARMA	-	-	-	330,700	116.93	386,686,092	-	-	-	3,637,700	106.30	386,686,092	190.50	692,981,850	306,295,758
2	SQURPHARMA	-	-	-	500	199.28	2,192,132	-	-	-	11,500	190.62	2,192,132	219.50	2,524,250	-
3	BATBC	-	-	-	-	1,087.72	3,263,151	-	-	-	3,000	1,087.72	3,263,151	1,180.80	3,542,400	279,249
4	BEXIMCO	-	-	-	-	24.50	612,500	25,000	24.50	612,500	-	-	-	-	-	-
5	UPGDCL	-	-	-	700	311.20	2,178,400	-	-	-	7,700	-	2,178,400	263.50	2,028,950	(149,450)
	<b>Total</b>	-	-	-	<b>331,900</b>	<b>394,932,275</b>	<b>612,500</b>	<b>612,500</b>	<b>3,659,900</b>	<b>394,319,775</b>	<b>701,077,450</b>	<b>306,425,557</b>				

Amount in BDT

Annexure - C

**IFIC Securities Ltd.**  
**Required provision for margin loan to client**

as at and for the year ended 31 December 2020

		Amount in BDT					
Asset value	Margin loan	Negative equity	Suspense amount	Base for provision	Required provision (20%)	Opening Balance	Provision made during the year
1,438,850,001	3,295,605,786	1,856,755,785	1,500,842,810	355,912,975	71,182,595	231,296,839	-

Amount in BDT

## IFIC Securities Limited

As at and for the year ended 31 December 2020

### Leases

See accounting policy in Note 3.11

#### A. Leases as lessee (IFRS 16)

IFIC Securities Limited has leased two commercial office space in Motijheel and Uttara measuring 3,239 and 750 square feet from Central Insurance Company Limited and Macstet under operating lease respectively. Lease period covers 10 years for Motijheel and 5 years for Uttara, with an option to renew for further on expiry of present period.. The details of leased property is as follows:

Demised property	Address	Effective date of agreement	Expiry date of agreement	Area (Sq. F)
Commercial office space	CIC Tower, Plot # 7-8, Motijheel C/A, Dhaka - 1000.	22-Aug-2019	21-Aug-2029	3,239
Commercial office space	Uttara Tower, Plot # 1, Jasimuddin Avenue, Sector # 3, Uttara C/A, Dhaka - 1230.	1-Jul-2018	30-Jun-2023	750

The company provides advance to both lessors which are adjustable within 25 months and 60 months for CIC tower and Uttara Tower respectively. Advance has been adjusted using substance over form irrespective of the clause included in the lease agreement.

The Company is restricted from entering into any sublease arrangements. Previously this lease was classified as operating lease under IAS 17. Information about lease for which the entity is a lessee is presented below.

##### i. Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as Right-of-use assets.

In taka	Office space	Total
<b>2020</b>		
Balance at 1 January	38,464,854	38,464,854
Addition during the year	-	-
Depreciation charge for the years	(4,673,532)	(4,673,532)
<b>Balance at 31 December</b>	<b>33,791,322</b>	<b>33,791,322</b>

##### (ii) Amount recognised in profit and loss

2020-Leases under IFRS 16		
Interest on lease liabilities	2,710,524	2,710,524

##### (iii) Amount recognised in statement of cash flow

In Taka		2020
<b>Total cash outflow for leases</b>	<b>1,426,172</b>	<b>1,426,172</b>

#### B. Leases as lessor

IFIC Securities Limited did not provide any lease facility to other entity.

## IFIC Securities Limited

### List of related party

As at 31 December 2020

Name of party	Relationship	Nature of transaction	Opening balance	Debit	Credit	Closing balance
IFIC Bank Ltd.	Parent company	Current & SND account of IFIC Securities Ltd.	203,946,126	6,752,674,316	6,874,158,348	82,462,094
IFIC Bank Ltd.	Parent company	Overdraft facilities	3,210,532	2,936,569,893	5,800,043,857	(2,860,263,432)
IFIC Bank Ltd.	Parent company	BO account Code#1111, 2323 & 4848	3,659	2,708,817,935	3,538,126,398	829,312,122
Beximco Pharmaceuticals Ltd	Director	Investment in share	-	3,035,918,365	-	3,035,918,365
Beximco Ltd	Shareholder of parent company	Investment in share	10,744,785	16,829,000	10,997,700	16,576,085
Director	Director	Director remuneration	-	220,000	220,000	-



# IFIC Money Transfer (UK) Limited

## Report of the Directors

for the Year Ended 31 December 2020

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

### Directors

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Mr A R M Nazmus Sakib (Chairman)

Mr Anwaruzzaman Chowdhury

Mr Mohammad Shah Alam Sarwar

Ms Quamrun Naher Ahmed

Ms Rabeya Jamali

Other changes in directors holding office are as follows:

Mr Jalal Ahmed - resigned 31 March 2020

### Statement of Directors' Responsibilities

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

The auditors, Ahmed & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

### On behalf of the Board



A R M Nazmus Sakib

Chairman

30 March 2021

# Report of the Independent Auditors to the Members of IFIC Money Transfer (UK) Limited

## Opinion

We have audited the financial statements of IFIC MONEY TRANSFER (UK) LIMITED (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Tofail Ahmed M.Com , FCA , CTA (Senior Statutory Auditor)**

for and on behalf of Ahmed & Co  
284 Station Road  
Harrow  
Middlesex  
HA1 2EA

30 March 2021

# IFIC Money Transfer (UK) Limited

## Income Statement

for the Year Ended 31 December 2020

	Notes	2020	2019
		£	£
<b>TURNOVER</b>		244,462	364,594
Administrative expenses		229,564	320,960
		14,898	43,634
Other operating income		50,573	-
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		65,471	43,634
Tax on profit		-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		65,471	43,634

IFIC Money Transfer (UK) Limited  
(Registered Number: 07379137)

**Balance Sheet**

31 December 2020

	Notes	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	5		4,500		7,500
Tangible assets	6		8,753		16,254
			13,253		23,754
<b>CURRENT ASSETS</b>					
Debtors	7	19,528		15,987	
Cash at bank and in hand		120,003		197,179	
		139,531		213,166	
<b>CREDITORS</b>					
Amounts falling due within one year	8	7,097		156,704	
<b>NET CURRENT ASSETS</b>			132,434		56,462
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			145,687		80,216
<b>CAPITAL AND RESERVES</b>					
Called up share capital			300,000		300,000
Retained earnings			(154,313)		(219,784)
			145,687		80,216

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 30 March 2021 and were signed on its behalf by:



**A R M Nazmus Sakib**  
Chairman

# IFIC Money Transfer (UK) Limited

## Notes to the Financial Statements

for the Year Ended 31 December 2020

### 1. STATUTORY INFORMATION

IFIC MONEY TRANSFER (UK) LIMITED is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

### 2. ACCOUNTING POLICIES

#### Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

#### Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

#### Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of nil years.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings - 10% on cost

Plant and machinery etc - 33% on cost and 15% on cost

#### Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2019 - 5).

# IFIC Money Transfer (UK) Limited

## Notes to the Financial Statements - continued

for the Year Ended 31 December 2020

4.	<b>OPERATING PROFIT</b>			
	The operating profit is stated after charging:			
		<b>2020</b>	<b>2019</b>	
		<b>£</b>	<b>£</b>	
	Depreciation - owned assets	7,501	7,500	
	Computer software amortisation	3,000	3,000	
5.	<b>INTANGIBLE FIXED ASSETS</b>			
			Other intangible assets £	
	<b>COST</b>			
	At 1 January 2020 and 31 December 2020		15,000	
	<b>AMORTISATION</b>			
	At 1 January 2020		7,500	
	Charge for year		3,000	
	At 31 December 2020		10,500	
	<b>NET BOOK VALUE</b>			
	At 31 December 2020		4,500	
	At 31 December 2019		7,500	
6.	<b>TANGIBLE FIXED ASSETS</b>			
		<b>Land and buildings £</b>	<b>Plant and machinery £</b>	<b>Totals £</b>
	<b>COST</b>			
	At 1 January 2020 and 31 December 2020	75,006	64,279	139,285
	<b>DEPRECIATION</b>			
	At 1 January 2020	58,752	64,279	123,031
	Charge for year	7,501	-	7,501
	At 31 December 2020	66,253	64,279	130,532
	<b>NET BOOK VALUE</b>			
	At 31 December 2020	8,753	-	8,753
	At 31 December 2019	16,254	-	16,254

# IFIC Money Transfer (UK) Limited

## Notes to the Financial Statements - continued

for the Year Ended 31 December 2020

7.	<b>DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2020</b>	<b>2019</b>
		£	£
	Other debtors	19,528	15,987
8.	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2020</b>	<b>2019</b>
		£	£
	Trade creditors	6,661	142,468
	Taxation and social security	236	-
	Other creditors	200	14,236
		<b>7,097</b>	<b>156,704</b>



# IFIC Money Transfer (UK) Limited

## Detailed Profit and Loss Account

for the Year Ended 31 December 2020

	2020		2019	
	£	£	£	£
<b>Commission receivable</b>		244,462		364,594
<b>Establishment costs</b>				
Rent	23,000		58,873	
Rates and water	2,651		24,367	
Insurance	927		1,748	
Light and heat	1,875		1,754	
		28,453		86,742
		216,009		277,852
<b>Administrative expenses</b>				
Wages	77,080		85,870	
Social security	2,072		3,628	
Telephone	1,027		1,764	
Printing, postage & stationery	1,022		2,010	
Motor and travelling	3,794		2,295	
Subscription	2,154		802	
IT costs	10,440		12,102	
Repairs and renewals	1,254		1,442	
Cleaning	980		1,478	
Sundry expenses	1,301		1,711	
Legal fees	650		-	
Compliance costs	18,258		6,587	
Other professional fees	8,663		-	
Auditors' remuneration	2,760		2,400	
Auditors' remuneration for non audit work	7,056		4,800	
		138,511		126,889
		77,498		150,963
<b>Selling and marketing costs</b>				
Advertising		450		750
		77,048		150,213
<b>Finance costs</b>				
Bank charges	51,590		94,360	
	59		1,718	
		51,649		96,078

## IFIC Money Transfer (UK) Limited

### Detailed Profit and Loss Account

for the Year Ended 31 December 2020

	2020		2019	
	£	£	£	£
		25,399		54,135
<b>Depreciation</b>				
Computer software	3,000		3,000	
Short leasehold	7,501		7,501	
		10,501		10,501
Carried forward		14,898		43,634
Brought forward		14,898		43,634
<b>Other operating income</b>				
Government grants		50,573		-
<b>NET PROFIT</b>		65,471		43,634



Important Events



IFIC Bank Senior management conducted a daylong Business Review Meeting with the Branch Managers at IFIC Tower Hall Room in February 2020.



IFIC Bank inaugurated its 153<sup>rd</sup> and 154<sup>th</sup> Branch at Keranihat and Chakaria on 27 December 2020 to offer modern banking services at the doorsteps of respectable customers of the area.



IFIC Bank Limited and Bangladesh Shop Owners Association inked a Memorandum of Understanding (MoU) for facilitating sanction of loans to small traders under the Cottage, Micro, Small & Medium Enterprise (CMSME) bailout package announced by the government, as per Government Incentive Scheme to support the COVID-19 pandemic affected small businesses.



IFIC Bank and Real Estate & Infrastructure Development company Credence Housing Ltd. inked a Memorandum of Understanding (MoU). Under this MOU, the customers of Credence Housing Ltd. will be able to avail IFIC Aamar Bari - Home loan product of IFIC Bank Limited at an exclusive interest rate & processing fees along with other attractive features.



IFIC Bank and Real Estate & Infrastructure development company Amin Muhammad Group inked a Memorandum of Understanding (MoU). Under this MOU, the customers of Amin Muhammad Group will be able to avail IFIC Aamar Bari - Home loan product of IFIC Bank Limited at an exclusive interest rate & processing fees along with other attractive features.



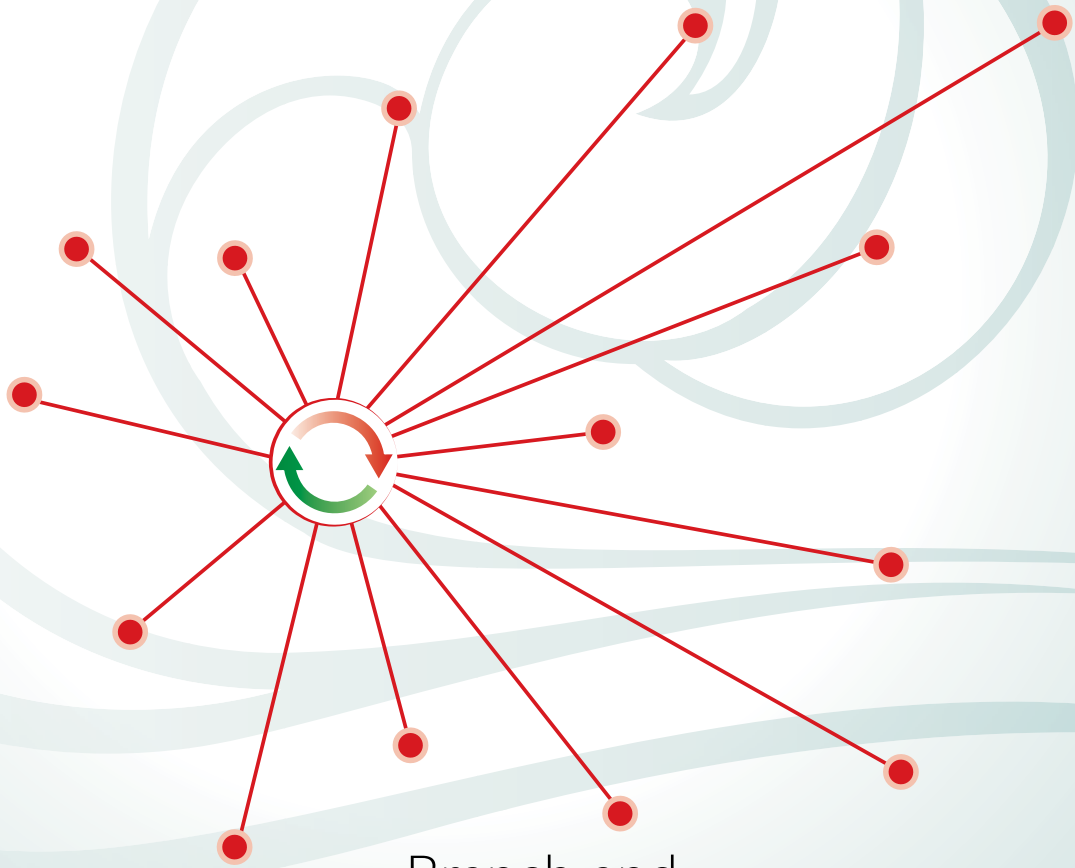
Management Trainee Development Program 2020 concluded with a certificate giving ceremony at IFIC Tower Hall room.



IFIC Bank observed New Year 2020 by organizing a simple ceremony at its Head Office at IFIC Tower in Purana Paltan on 01 January 2020.



IFIC Bank Limited celebrated International Women's Day on 08 March 2020.



Branch and  
Uposhakha Network

## Branch Network of IFIC Bank Limited

SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
1	Aganagar Branch	Dhaka	Dhaka	1219	"Babul Tower", Bridge Road, Kadamtali, Union Parishad- Aganagar, P.O- Keraniganj, P.S.- South Keraniganj, Dist. – Dhaka
2	Araihazar Branch	Dhaka	Narayanganj	1253	"Rezia Complex", Araihazar General Hospital Road, Ward No. 08, Poursava & PS: Araihazar, District: Narayanganj
3	Arshinagar Branch	Dhaka	Dhaka	1234	Arshinagar, Village – Modher Char, Union – Shakta Union Parishad, P.O. – Shamla, P.S. – Keraniganj, Dist. – Dhaka
4	Ashulia Branch	Dhaka	Dhaka	1197	"Rifat Square Plaza", Village – Jamgora, Union – Yarpur, P.O.- Gazir Chat, P.S. – Ashulia, Upazila – Savar, Dist. – Dhaka
5	Bajitpur Branch	Dhaka	Kishoreganj	1112	Holding No- 215, Bajitpur Bazar, Post Office: Bajitpur, Police Station: Bajitpur, Dist.: Kishoreganj
6	Banani Branch	Dhaka	Dhaka	1096	"Glowing Stone" House No. 54, Road No. 11, Block-C, Banani, Dist.- Dhaka
7	Banasree Branch	Dhaka	Dhaka	1245	Holding No. 36, Road No. 2, Block-C, P.S.- Rampura, Dhaka North City Corporation, Dist.-Dhaka
8	Bandar Branch	Dhaka	Narayanganj	1228	"Haji Motaleb Plaza", Holding No. 3, Ward No. 22, S.S. Shah Road, P.S. – Bandar, Dist. – Narayanganj
9	Bangshal Branch	Dhaka	Dhaka	1011	Holding No.29/1, Ward No.4, Nazira Bazar Lane (North South Road), P.S.- Kotwali, Dist.- Dhaka
10	Bashundhara Branch	Dhaka	Dhaka	1070	Ward No.17, Plot No. 160, Block- F, Road No. 8, P.S.- Bhatara, Bashundhara R/A, Dist.: Dhaka
11	Bhawal Mirzapur Branch	Dhaka	Gazipur	1239	"Mannan Plaza", Bhawal Mirzapur, Union : Mirzapur, P.O. : Mirzapur Bazar, Upazila : Gazipur Sadar, Dist. : Gazipur
12	Bhuigar Branch	Dhaka	Narayanganj	1235	"Maa Fatema Tower", Village: Bhuigar, Union: Kutubpur, P.O. – Bhuigar Bazar, P.S. – Fatullah, Dist. - Narayanganj
13	Board Bazar Branch	Dhaka	Gazipur	4067	"Jalal Shopping Complex" Holding No-1215/1, Kalmeshwar, Board Bazar, Ward No-35, Gazipur City Corporation, P.S- Gacha, Dist.- Gazipur
14	Chandra Sme/Krishi Branch	Dhaka	Gazipur	1205	"Subarna Ibrahim General Hospital", Ward No.- 8, Village – Bhataria (Chandra), P.S. Kaliakoir, P.O. – Boroipara, Union Parisad – Atabahar, Dist. – Gazipur
15	Cherag Ali Branch	Dhaka	Gazipur	1237	"Boksh Tower", Holding No.- 16, Ward No. 54, Cherag Ali, Nishat Nagar, Tongi, Dist.- Gazipur
16	Dania Branch	Dhaka	Dhaka	1193	N. M. Bhuiyan Tower, Gobindapur Bazar Road, Dania, Police Station: Jatrabari, District: Dhaka
17	Darus Salam Road Branch	Dhaka	Dhaka	1232	Holding No- 17, Ward No.- 12, Darus Salam Road (North-West, Darus Salam Road, ) (Plot No.17), Rehabilitation Zone No.1, P.S. – Mirpur, Mirpur-1, Dhaka



SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
18	Dhamrai Branch	Dhaka	Dhaka	1178	"Haji Monir Plaza", Ward No. 3, Holding no.- 24, Dhamrai Bazar, P.S. & Pouroshova - Dhamrai, Dist - Dhaka
19	Dhanmondi Branch	Dhaka	Dhaka	1006	"Royal Plaza", Holding No.8/A, Plot No.- 24(old), 8(new), Road No. 4, Dhanmondi, Dist: Dhaka
20	Elephant Road Branch	Dhaka	Dhaka	1014	"Rejent Plaza", Holding No- 73/1, Elephant Road, P.S. - Dhanmondi, Dist. - Dhaka
21	Faridpur Branch	Dhaka	Faridpur	1023	"Razzaque Plaza", Holding No. 118, Thana Road, P.S.- Kotwali, Dist. - Faridpur
22	Federation Branch	Dhaka	Dhaka	1008	"Federation Bhaban", Holding No- 60, Motijheel Commercial Area, P.S. Motijheel, Dist.- Dhaka
23	Gabtolli Bagbari Branch	Dhaka	Dhaka	1207	Holding No- 259, Ward No. 9, Bagbari, Mirpur (Gabtoli), P.S. - Darus Salam, Dist. - Dhaka
24	Garibe Newaz Avenue Branch	Dhaka	Dhaka	1217	Plot- 33, Garibe Newaz Avenue, Sector-13, P.S- Uttara (West), Dhaka
25	Gazipur Chowrasta Branch	Dhaka	Gazipur	1225	"Bagdad Tanzia Tower" Holding No. 01/1, Ward No.16, Block-B, Outpara, Gazipur Chowrasta, Gazipur Sadar, Dist.- Gazipur
26	Ghorasal Branch	Dhaka	Narsingdi	1109	Ward No. 7, Plot No. 394/2258, Ghorasal Bazar, P. S. - Palash, Pouroshova - Ghorasal, Dist. - Narsingdi
27	Goalanda Branch	Dhaka	Rajbari	1248	"Podder Market", Holding No. 320/1, Ward No. 04, Goalanda Bazar, P.S. & Upazila - Goalanda, Dist. - Rajbari
28	Gulshan Branch	Dhaka	Dhaka	1002	Holding No.- 109, Ward No.- 19, Gulshan Avenue, P.S.-Gulshan, Dist.: Dhaka
29	Gulshan-Tejgaon Link Road Branch	Dhaka	Dhaka	1203	"Impetus Center" Holding No.-242/B, Ward No. 24, Gulshan-Tejgaon Link Road, Tejgaon, Dist.- Dhaka
30	Hasnabad Branch	Dhaka	Narsingdi	1218	Hasnabad Bazar, Raipura, Narsingdi, Union Parishad- Amirganj, P.S. - Raipura, Dist. - Narsingdi
31	Isapura Bazar	Dhaka	Narayanganj	1230	Isapura Bazar, Mouza - Yousufganj Union - 1 No. Rugganj Union Parishad, P.O. - Pashi Bazar, P.S. - Rugganj Dist. - Narayanganj
32	Islampur Branch	Dhaka	Dhaka	1005	"Paradise Bhaban", Holding No.- 104, Ward No.- 36, Islampur Road, Kotwali, Dist.- Dhaka
33	Kapashia Branch	Dhaka	Gazipur	1240	"Sarkar Plaza", Village: Pabur, Union: Kapasia, P.O: Pabur, Upazila: Kapasia, Dist: Gazipur
34	Karatia Branch	Dhaka	Tangail	1231	Holding No.- 586, Ward No.- 1, Karatia Bazar, 4 No. Karatia Union, P.O. : Karatia, P.S & Upazila: Tangail Sadar, Dist : Tangail
35	Kawran Bazar Branch	Dhaka	Dhaka	1017	Holding No.- 3, Kawran Bazar C/A, Dist.: Dhaka
36	Keranigonj Branch	Dhaka	Dhaka	1195	"Bikrampur Plaza", Shahid Delwar Hossain Road, P.O. & Union Parishad - Purba Aganagar, P.S. & Upazilla - Keraniganj, Dist. - Dhaka
37	Khilgaon Branch	Dhaka	Dhaka	1249	Holding No. 290/7/A, Ward No.1, P.S.- Khilgaon, Dhaka South City Corporation, Khilgaon, Dist.- Dhaka
38	Kishoreganj Branch	Dhaka	Kishoreganj	1251	"M. M. Plaza", Holding no: 98, Isha Khan Road, Ward no.: 06, Kishoreganj Pouroshova ,P.O.: Kishoreganj, P.S.: Kishoreganj Sadar, Dist: Kishoreganj

SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
39	Konabari Branch	Dhaka	Gazipur	1121	"Konabari Plaza", Konabari P.O. – Nilnagar/Neelnagar, Gazipur Sadar, Dist. – Gazipur
40	Konapara Branch	Dhaka	Dhaka	1208	Ward No. 6, Konapara, Matuail, Demra, Dhaka, Union Parishad – Matuail, P.S. – Demra, Dist. – Dhaka
41	Lalmatia Branch	Dhaka	Dhaka	1025	House # 405E, Road # 27 (Old) 16 (New), Dhanmondi R/A, Dist.: Dhaka
42	Local Office	Dhaka	Dhaka	1238	"Islam Chamber" (Old) 125/A, Motijheel C/A, (New) 4, Bir Uttam Shahid Ashfaqus Samad Sarak, P.S.- Motijheel, Dist.- Dhaka
43	Madhabdi Branch	Dhaka	Narsingdi	1118	"Mitali Building", Holding No- 35, Madhabdi Bazar, Dist.- Narsingdi
44	Malibagh Branch	Dhaka	Dhaka	1019	Ward No. 23, Holding No- 1, Malibagh Chowdhurypara, DIT Road, Ramna, Dhaka
45	Manikgonj Branch	Dhaka	Manikganj	1206	"Rudranill Plaza", Holding No- 134, Ward No. 6, Shahid Rafique Sarak, Manikganj, Pourshava – Manikganj, P.S. – Manikganj, Dist. – Manikganj
46	Mawna Branch	Dhaka	Gazipur	1226	"Kitab Ali Plaza", Mawna Chowrasta, 4 No. Telihati Union Parishad, Village – Mulaid, P.O. – Tengra, Upazila – Sreepur, Dist. – Gazipur
47	Meghola Branch	Dhaka	Dhaka	1213	"Afsar Plaza" Meghola Bazar, P.O. Meghola, Union Parishad – Narisha, P.S. - Dohar, Dist.- Dhaka
48	Mirpur Branch	Dhaka	Dhaka	1013	"Azaz Tower", Holding No- 145, Ward No.14, Begum Rokeya Sarani, Senpara Parbata, P.S. – Mirpur, Dist.- Dhaka
49	Mohakhali Branch	Dhaka	Dhaka	1094	"Siddique Tower" Holding No.49, Ward No.20, A.K. Khandaker Sarak, P.S.-Gulshan, Dist.- Dhaka
50	Mohammadpur Branch	Dhaka	Dhaka	1201	"Ring Tower", Plot No.32-35, Probal Housing, Ring Road, P.S. - Adabor, Dist. Dhaka
51	Moulvi Bazar Branch (Dhaka)	Dhaka	Dhaka	1004	"Haji Jane Alam Market", Holding No- 6/1, Mokim Katra Road, Lalbagh, Dist.- Dhaka
52	Muktarpur Branch	Dhaka	Munshiganj	1115	Muktarpur, Union - Panchasar, P.S. - Munshiganj, Dist. - Munshiganj
53	Narayanganj Branch	Dhaka	Narayanganj	1003	"Jahan Super Market", Holding No-66/1, Bangabandhu Road, Dist.- Narayanganj
54	Narsingdi Branch	Dhaka	Narsingdi	1110	"Nayantara Plaza", Holding No-137/1, C&B Road, P.S./Upazila & District- Narsingdi
55	Nawabgonj Branch	Dhaka	Dhaka	1175	"Nawabgonj Adhunik Banijjik Biponi", Union Parisad – Kolakopa, Police Station – Nawabgonj, Upa-Zilla – Nawabgonj, Dist. – Dhaka
56	Nawabpur Road Branch	Dhaka	Dhaka	1029	"Barek Plaza", Holding No- 63, Ward No.38 (Old-3), Nawabpur Road, P.S. – Sutrapur, Dist.- Dhaka
57	Naya Paltan Branch	Dhaka	Dhaka	1020	Holding No- 40/1-D, Inner Circular (VIP) Road, Dist.: Dhaka
58	Netaiganj Branch	Dhaka	Narayanganj	1016	Holding No- 28, R.K. Das Road, Netaiganj, Dist.- Narayanganj

SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
59	Nikunja Branch	Dhaka	Dhaka	1252	DSE Tower, Plot no.- 46, Road no.- 21, Nikunja-2, P.S.- Khilkhet, Dist.- Dhaka.
60	North B. Hall Road Branch	Dhaka	Dhaka	1028	"Shamsur Rahman Plaza", Holding No: 58-60, Ward No.43, North Brook Hall Road, Banglabazar, Sutrapur, Dist.: Dhaka
61	Pallabi Branch	Dhaka	Dhaka	1027	Kashem Chamber, Plot # 11, Main Road # 3, Section # 7, Pallabi, Mirpur, Dist.: Dhaka
62	Panchaboti Branch	Dhaka	Narayanganj	1173	"Gafur Super Complex", Panchaboti Moor, Village-Hariharpara, Union Parisad- Enayetnagar, Post Office- Enayetnagar, Police Station- Fatulalh, Dist. – Narayanganj
63	Panchdona Branch	Dhaka	Narsingdi	1233	"Mozammel Haque Super Market", Ward No.9, Panchdona Bazar, Union – Meherpara Union Parishad, P.S. – Narsingdi Sadar, Dist. – Narsingdi
64	Pragati Sarani Branch	Dhaka	Dhaka	1072	"AJ Height's Building", Holding No: Cha-72/1/D, Ward No. 21, Pragati Sarani, Uttar Badda, North City Corporation, P.S. – Badda, Dist.: Dhaka
65	Principal Branch	Dhaka	Dhaka	1001	IFIC TOWER, Holding No- 61, Purana Paltan, Dist.- Dhaka
66	Rupganj Branch	Dhaka	Narayanganj	1198	"Manik Villa" Village- Tarabo, P.O.- Tarabo Bazar, P.S.- Rupganj, Dist.- Narayanganj
67	Savar Bazar Branch	Dhaka	Dhaka	1171	Holding No. D-74, Ward No.4, Savar Bazar, Savar, Dist.- Dhaka
68	Shafipur Branch	Dhaka	Gazipur	1244	"Jahanara Aziz Tower", Vill : Shafipur, 4 No. Mouchak Union, P.O. Shafipur, P.S. - Kaliakoir, Dist- Gazipur
69	Shahjalal Avenue Branch	Dhaka	Dhaka	1211	"RB Tower", Shahjalal Avenue, Holding no- 22, Ward No.- 01, Sector- 04, Uttara Model Town, Dhaka North City Corporation, P.S.- Uttara (north), Dist.- Dhaka
70	Shantinagar Branch	Dhaka	Dhaka	1007	"Ahmed Mansion", Holding No.24, Ward No.13, Shantinagar (Chamelibag), P.S. – Paltan, Dist.: Dhaka
71	Shariatpur Branch	Dhaka	Shariatpur	1092	"Rishpa Plaza" Holding No- 883/1, Palong Bazar Road, Shariatpur Pourashava, P.S.: Shariatpur Sadar, P.O: Shariatpur, District: Shariatpur.
72	Shibu Market Branch	Dhaka	Narayanganj	1224	'Hazi Nurun Nesa Plaza', Katherpul Chowrasta, Vill – Kutubail, Union Parisad- Fatulla, P.O. – Fatulla, P.S. – Fatulla, Dist. - Narayanganj
73	Stock Exchange Branch	Dhaka	Dhaka	1090	Ward No. 9, Motijheel Commercial Area, Plot No.16, South City Corporation, P.S.- Motijheel, Dist.-Dhaka
74	Takerhat Branch	Dhaka	Madaripur	1126	Sufi Janab Ali Road (Lasker Market), Takerhat, Union & P.O.- Khalia, P.S.- Rajoir, Dist.- Madaripur
75	Tan Bazar Branch	Dhaka	Narayanganj	1091	"Amin Market", Holding No- 7, S.M. Maleh Road, Tanbazar, P.S. – Narayanganj, District & Pouroshova – Narayanganj
76	Tangail Branch	Dhaka	Tangail	1076	"Laso Plaza", Holding No.59, 59/1, 59/2 & 59/3, Ward No.13, Khalpar Road, Dist.- Tangail
77	Tongi SME/Krishi Branch	Dhaka	Gazipur	1174	Holding No- 29, Ward No.57, Tongi Bazar Road, P.S.- Tongi, Dist. – Gazipur
78	Uttara Branch	Dhaka	Dhaka	1024	"ABC Heritage", 02 & 04, Jasimuddin Avenue, Sector – 03, Urrata, Dist.- Dhaka

SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
79	Zirani Bazar Branch	Dhaka	Dhaka	1250	"Taher Plaza", College Road, Vill: Tenguri, Union: Shimulia, P.O.: BKSP- 1349, P.S.: Ashulia, Dist: Dhaka
80	Agrabad Branch	Chattogram	Chattogram	2030	"Suraiya Mansion", Holding No- 30, Agrabad C/A, Dist.: Chattogram
81	Akhaura Branch	Chattogram	Brahmanbaria	2250	"Shahjadi Complex" Holding No.- 68, Ward No.- 5, P.S. & Pouroshava-Akhaura, Dist.- Brahmanbaria
82	Alankar More Branch	Chattogram	Chattogram	2056	Aulankar More, Ward No.10, Chittagong City Corporation,P.S. Pahartoli, Dist.- Chattogram
83	Anwara Branch	Chattogram	Chattogram	2236	"Haque Tower", PAB Sarak, Chatori, Chowmuhani Bazar, Anwara, Chattogram.
84	Ashugonj Branch	Chattogram	Brahmanbaria	2155	"Sheria Sayed Tower", Holding No.336/1, Post office Road, Ashuganj Bazar, P.S. – Ashuganj, Upazilla - Ashuganj, Dist. – Brahmanbaria
85	Bandartila Branch	Chattogram	Chattogram	2220	"Noor Shopping Complex" Holding No.564/802, Ward No.39, M.A. Aziz Road, South Haliashahar, P.S. CEPZ, Dist. – Chattogram
86	Brahmanbaria Branch	Chattogram	Brahmanbaria	2034	Municipal Holding No.- 475/476, Court Road, Dist – Brahmanbaria
87	CDA Avenue Branch	Chattogram	Chattogram	2054	1005/2/1872 CDA Avenue, East Nasirabad, Chattogram, P.S. – Panchlaish, District & Pouroshova – Chattogram
88	Chakaria Branch	Chattogram	Cox's Bazar	2252	"System Chakaria Complex", Holding No. 1293/1, Arakan Road, Ward No. 08, Thana: Rasthar Matha, Post: Chiringa, Dist. Cox's Bazar
89	Chandina Branch	Chattogram	Cumilla	5157	"Aziz Plaza", Ward No.5, Chandina Bazar, village – Nabiabad,P.O. – Chandina, P.S. – Chandina, Pouroshova – Chandina, Dist. – Cumilla
90	Chandraganj Branch	Chattogram	Lakshmipur	2222	"Noor Shopping Complex", Village- Dehopara, Union Parishad- 10 No. Chandraganj, P.O.- Chandraganj, P.S.- Lakshmipur, Upazila- Lakshmipur Sadar, District- Lakshmipur
91	Chawk Bazar Branch	Chattogram	Chattogram	2040	Shahzada Market, Holding No- 68, College Road, Chawk Bazar, Dist.- Chattogram
92	Choumuhani Branch	Chattogram	Noakhali	2050	"Poura Super Market ", Ward No.4, Nurul Haque Sarak (D.B. Road), Choumuhani Pourashava, P.S. Begumganj, Dist. – Noakhali
93	Comilla Branch	Chattogram	Cumilla	2035	Holding No- 190/193, Ward No. 6, Chatipatty, Rajgonj Crossing, Sadar Kotwali, Dist.- Cumilla
94	Companiganj Branch	Chattogram	Cumilla	2148	"Brothers Plaza" Village: Uttar Trisha, P.O.- Companiganj Union: 15 No. West Nabipur, P.S.- Murad Nagar, Dist. Cumilla
95	Cox's Bazar Branch	Chattogram	Cox's Bazar	2044	"Ali Arcade", Municipal Holding No.158, Ward No. 3, Main Road, P.S. – Cox's Bazar, Dist. – Cox's Bazar
96	Fatikchari Branch	Chattogram	Chattogram	2152	"T.K. Market", Bibirhat, Thana Gate, Fatikchari Pourashava, P.S.- Fatikchari, Dist.- Chattogram
97	Feni Branch	Chattogram	Feni	2041	"Sultan Orchid", Holding No- 99, Ward No.17, Islampur Road, Dist.-Feni
98	Gouripur Bazar Branch	Chattogram	Cumilla	2210	"Suruzzaman Tower", Ward No. 2, Gouripur Bazar, Upazilla – Daudkandi, Union Parishad – Gouripur, P.O. – Gouripur, P.S. – Daudkandi, District – Cumilla

SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
99	Hathazari Branch	Chattogram	Chattogram	2137	Siddik Market, Bus Stand, Hathazari, P.S. Hathazari, District: Chittagong.
100	Kachua Branch	Chattogram	Chandpur	2246	"Mesbahuddin Khan Sadan", Ward No.- 5, Hospital Road, Palashpur, Kachua, Dist.- Chandpur
101	Keranihat Branch	Chattogram	Chattogram	2251	"Three Star Market" Vill: Janar Keuchiya (Ukil Bari), Ward N. 7, Union: North Demsha, P.S. Satkania, Dist. Chattogram
102	Khatunganj Branch	Chattogram	Chattogram	2031	Holding No.249/250, Khatunganj Road, P.S. - Kotwali, Dist.- Chattogram
103	Khulshi Branch	Chattogram	Chattogram	2241	Rubiya Heights; 7/A/1, Road No.-03, South Khulshi, Ward No.-13, Chattogram City Corporation, P.S.- Khulshi, Dist.- Chattogram
104	Laldighi Branch	Chattogram	Chattogram	2036	"Jamal Complex", Holding No- 8, Ward No. 32, Laldighirpar, (East) Andorkilla ward, Chattogram City Corporation, P.O: GPO, P.S: Kotwali, Dist: Chattogram
105	Madam Bibir Hat Branch	Chattogram	Chattogram	2153	Lokman Tower, Madam Bibir Hat, Bhatary, Shitakundu, Chattogram, P.S.- Sitakundu, District & Pouroshova - Chattogram
106	Miah Bazar Branch	Chattogram	Cumilla	2214	"Wahab Market", Vill - Jogomohonpur, Union - Ujirpur, P.O.- Miah Bazar, P.S.- Chowddagram, Dist.- Cumilla
107	Moynamoti Branch	Chattogram	Cumilla	2247	"Moynamoti Sena Kalyan Market", Cumilla Cantonment, 2 No. Uttar Durgapur Union, P.O. - Cantonment, Cumilla Model Thana, Cumilla
108	Noju Miah Hat Branch	Chattogram	Chattogram	2132	"Sheikh Market", Holding No. 5/1, Village - Moddah Burischar, Union - 15 No. Burischar, P.O.- Nur Ali Bari, P.S & U.Z- Hathazari, Dist.- Chattogram
109	Rangamati Branch	Chattogram	Rangamati	2204	Kotowali Bazar Fund Plot No.-122 (Mutated Plot No.122/2) Rangamati Pourashava, P.S. Kotowali, Dist. Rangamati Hill Tract
110	Shah Amanat Mkt. Branch	Chattogram	Chattogram	2042	Holding No- 624/A, Shah Amanat City Corporation Super Market, Jubilee Road, P.S.- Kotwali, Dist.- Chattogram
111	Sk. Mujib Road Branch	Chattogram	Chattogram	2045	"Ajmal Arcade", Holding No- 1806, Ward No. 24, Sk. Mujib Road, Uttar Agrabad, Dist.- Chattogram
112	Amberkhana Branch	Sylhet	Sylhet	3139	"Point View Shopping Center", Holding No. 0841-00, Sunamganj Road, Amberkhana, Dist.- Sylhet
113	Beani Bazar Branch	Sylhet	Sylhet	3138	"Zaman Square", Main Road, Beani Bazar, P.S. - Beani Bazar, Dist.-Sylhet
114	Goala Bazar Branch	Sylhet	Sylhet	3151	"Hajee Nasibullah Market", Vill. & P.O.- Goala Bazar, Union - Goala Bazar, P.S.- Osmaninagar, Upazilla - Balaganj, Dist. - Sylhet
115	Habiganj Branch	Sylhet	Habiganj	3216	"Sankar City", Holding No.- 3430, Ward No. 5, R.K. Mission Road, P.O. - Habiganj, Habiganj Sadar, Dist.- Habiganj
116	Juri Branch	Sylhet	Moulvi Bazar	3251	"Kiran Square", Kaminiganj Bazar, 5 No. Jayfarnagar Union Parishad, P.O. & Upazila - Juri, Dist. - Moulvi Bazar
117	Madhabpur Branch	Sylhet	Habiganj	3242	"City Center", Holding No. 113, Ward No.- 7, Madhabpur Bazar, Madhabpur, Dist.- Habiganj

SI No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
118	Moulvi Bazar(Dist.) Branch	Sylhet	Moulvi Bazar	3046	"Shera Town Plaza", Municipality Holding No.69/1, Ward No. 5, M. Saifur Rahman Road, Paschim Bazar, Dist. - Moulvi Bazar
119	Sreemongal Branch	Sylhet	Moulvi Bazar	3047	Holding No.0183 (New), 0177 (Old), Ward No. 9, Moulvi Bazar Road, Sreemongal, Dist.- Moulvi Bazar
120	Subid Bazar Branch	Sylhet	Sylhet	3043	"Hannan Shopping Center", Holding No.0956-00, Ward No. 03, Subid Bazar, Kotwali, Dist.- Sylhet
121	Sylhet Branch	Sylhet	Sylhet	3033	Municipal Holding No. 963, Laldighirpar, Sylhet. P.O., P.S. & District - Sylhet
122	Uposhohor Branch	Sylhet	Sylhet	3049	"Nosir Mansion", Ward No.- 23, Mendibagh C/A, P.S.- Sylhet Sadar, Dist. Sylhet
123	Bagerhat Branch	Khulna	Bagerhat	4212	Holding No.- 56, Ward No. 5, Sadonar More, Kazi Nazrul Islam Road, P.S. - Bagerhat, District - Bagerhat
124	Benapole Branch	khulna	Jashore	4166	"Bandar Complex" Holding No. 369, Ward No. 7, C&F Association Lane, P.S. - Benapole Port Thana, Upazilla - Sharsha, Dist. - Jashore
125	Boro Bazar Branch	khulna	Khulna	4067	"Khalil Mansion", Holding No- 42, 43 & 44 Vairab Stand Road, Dist.- Khulna
126	Jessore Branch	khulna	Jashore	4061	Holding No. 17, (New 398) Netaji Subash Chandra (N.S.C.) Road, Kotwali, Dist.- Jashore
127	Kaligonj Branch	khulna	Jhenaidah	4168	"Shahjahan Plaza", Holding No.49-01, Ward No. 5, Kaligonj Pouroshava, P.S. - Kaligonj, Pouroshava - Kaligonj, Dist. - Jhenaidah
128	Khulna Branch	khulna	Khulna	4060	"Build Tech Fatema Garden", Holding No. Old-35, New- 37, Ward- 23, Sir Iqbal Road, P.S.- Khulna Sadar, Dist.- Khulna
129	Kushtia Branch	khulna	Kushtia	4062	"Abdul Hamid Market", Holding No-1, Arua Para by Lane, N. S. Road, Kushtia Town, P.O. , P.S. & Dist.- Kushtia
130	Noapara Branch	khulna	Jashore	4163	Holding No. 647, Ward No. 6, Dhaka- Khulna Highway, Noapara Bazar, P.S. & Upazilla- Abhoynagar, Dist.- Jashore
131	Poradah Branch	khulna	Kushtia	4169	"Khan Super Market" Vill - Khatada, P.O. Poradah, P.S. Mirpur, Upazilla - Mirpur, Dist. Kushtia
132	Satkhira Branch	Khulna	Satkhira	4065	Shahid Kazal Sarani, Kaligonj Sarak, Palashpole, P.O.- Satkhira, P.S.- Satkhira, Dist.- Satkhira
133	Sonadanga Branch	khulna	Khulna	4223	"Kohinoor Tower" Holding No. A-12, Ward No. 18, KDA Majid Sarani, P.S. - Sonadanga, Dist. - Khulna
134	Baneshwar Branch	Rajshahi	Rajshahi	6187	Baneshwar Islamia High School Market, Baneshwar Union Parishad P.S.- Puthia, Dist. Rajshahi
135	Belkuchi Branch	Rajshahi	Sirajganj	6188	"Bhuiyan Plaza", Village - Shernagar, Post Office - Shernagar, Police Station - Belkuchi, Pouroshova - Belkuchi, Dist. - Sirajganj
136	Bogra Branch	Rajshahi	Bogura	6082	"Madhu Metro Tower", Municipal Holding No.56/64, Satmatha, Kazi Nazrul Islam Sarak, P.S. - Bogura Sadar, Dist.- Bogura
137	Chapai Nawabganj Branch	Rajshahi	Chapai Nawabganj	6086	Holding No- 21, Daudpur Madrasha Road, Puratan Bazar, Dist.- Chapai Nawabganj

Sl No	Name of Branch/ Office	Name of Division	Name of District	Branch Code	Address of the Branch premises
138	Joypurhat Branch	Rajshahi	Joypurhat	6058	Joypurhat Sadar Road, Ward no.-08, P.S.- Joypurhat, Pouroshova – Joypurhat, Dist. – Joypurhat
139	Kashinathpur Sme/Krishi Br.	Rajshahi	Pabna	6189	“Hazi N. Zaman Shopping Complex”, Horidebpur, P.O.-Kashinathpur, P.S.- Aminpur, Union Parishad- Jatshakini, Dist.- Pabna
140	Naogaon Branch	Rajshahi	Naogaon	6085	Thakur Mansion, Holding No- 263, Main Road, P.S. – Kotwali, Dist.- Naogaon
141	Pabna Branch	Rajshahi	Pabna	6084	“Chamber Bhaban”, Municipal Holding No.845, Benia Potty (Sona Patty), Pabna, P.S. & Dist. – Pabna
142	Rajshahi Branch	Rajshahi	Rajshahi	6080	Municipality Holding No.- 105 & 106, present Holding No.-96, Shaheb Bazar, Ghoramara, P.S. Boalia, Dist. Rajshahi
143	Taherpur Branch	Rajshahi	Rajshahi	6215	“Mridha Plaza”, Holding No.-1653, Ward No. 3, Main Road, Taherpur, P.S. - Bagmara, Dist. – Rajshahi
144	Birol Bazar Branch	Rangpur	Dinajpur	6209	Ward No.- 7, Birol Bazar, Dinajpur, Upazilla – Birol, Union Parishad – Birol, P.O. – Birol, P.S. – Birol, Dist.- Dinajpur
145	Dinajpur Branch	Rangpur	Dinajpur	6083	Municipal Holding Nos.- 534/506, Ward No.- 3, Maldhapatty, P.S. – Sadar, Dinajpur, District – Dinajpur
146	Rangpur Branch	Rangpur	Rangpur	6081	“Ittefaq Tower”, Holding No.-0012-00, G.L. Roy Road, Ward- 24, Rangpur City Corporation, P.S- Rangpur Sadar, Rangpur
147	Shetabganj Branch	Rangpur	Dinajpur	6179	Holding No. 521, Ward No.-3, School Road, P.S. – Bochagonj, Shetabganj ,Dist.- Dinajpur
148	Jamalpur Branch	Mymensingh	Jamalpur	1229	“Nahar Gold Plaza” Holding No. 1024, Ward No. 5, Medical Road, Pouroshova & P.S.- Jamalpur, Dist.- Jamalpur
149	Mymensingh Branch	Mymensingh	Mymensingh	1022	Holding No- 52, Choto Bazar Dist.- Mymensingh
150	Seed Store Bazar Branch	Mymensingh	Mymensingh	1221	“Mahesa Plaza”, Ward No. 7, Seed Store Bazar, P.O.- Habirbari, Union Parisad- 10 No. Habirbari Union, P.S.- Bhaluka, Dist. – Mymensingh
151	Sherpur Branch	Mymensingh	Sherpur	1227	“Ameen Plaza” Holding No. 18, Ward No. 5, Kharampur Road, P.S. – Sherpur Sadar, Dist. - Sherpur
152	Barisal Branch	Barishal	Barishal	5064	“Ali Archade” Hotel Ali International, 95, Municipal Holding No. 0071-000, Ward No. 17, Sadar Road, Dist.- Barishal
153	Bhola Branch	Barishal	Bhola	5202	“M.R.Plaza”, Holding No. 0386-02, 0400-08, Ward No.- 6, Sadar Road, Bhola, P.S.- Bhola Sadar, Pouroshova – Bhola, Dist. – Bhola
154	Jhalakathi Branch	Barishal	Jhalakathi	5243	“Sayed Tower”, Holding No. 57, Ward No.4, Doctor Patty Road, Jhalakathi, Pouroshova, P.S.- Jhalakathi Sadar, Dist.- Jhalakathi

## Uposhakha Network of IFIC Bank Limited

Sl No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
1	Panthapath	Kawran Bazar Branch	Dhaka	Dhaka	7156	Ena Shakur Emarat, Holding No#19/1, 19/3, Space # 001, Panthapath Road, Tejgaon, Dhaka
2	Tushardhara	Dania Branch	Dhaka	Dhaka	7415	Bishal Center, Tushardhara Zero Point, Tushardhara R/A, Matuail, Kadamtoli, Dhaka-1362
3	Wari	Dholaikhal Branch	Dhaka	Dhaka	7505	18/C Rankin Street, Wari, PS: Wari, Ward#41, DSCC, Dhaka-1203
4	Madhya Pিরerbag	Darus Salam Branch	Dhaka	Dhaka	7530	267/1-A, Madhya Pিরerbag, Mirpur-02 (60 feet road), Dhaka
5	Abdullahpur	Aganagar Branch	Dhaka	Dhaka	8090	Abdullahpur Bus Stand, Union: Teghoria, Thana: South Keranigonj, Dhaka
6	Mazar Road	Darus Salam Branch	Dhaka	Dhaka	7531	1/A/1, 2nd colony, Mazar Road, Ward No # 10, Mirpur-1, Dhaka-1216
7	Amulia Staff Quarter	Rupgonj Branch	Dhaka	Dhaka	8045	Hazi M. A. Gafur Square Shopping Mall, Demra Rampura Road, Demra, Dhaka
8	Zigatola	Dhanmondi Branch	Dhaka	Dhaka	7045	Holding No#21/4/A, Zigatola Main road, Ward No# 14, DSCC, Dhanmondi, Dhaka-1000
9	Mouchak	Shantinagar Branch	Dhaka	Dhaka	7065	Mohsin Khan Tower, Holding No#98, Ward No# 19, DSCC, Siddheswari, Dhaka-1217
10	Dilu Road	Kawran Bazar Branch	Dhaka	Dhaka	7155	29, Dilu Road, Moghbazar, Dhaka
11	Hatirpool	Elephant Road Branch	Dhaka	Dhaka	7840	Atlantic Wazuddin Tower, Holdin NO-168, Kudrat e Khuda Road, Ward no.18, PS. New Market, Dhaka South City Corporation, Dhaka
12	Rayerbagh	Dania Branch	Dhaka	Dhaka	7135	Nurjahan Tower, House -33, Plot-1728, Kadamtola , Meraj Nagar, Kadamtoli, Dhaka Dhaka
13	Kuril Chowrasta	Bashundhara Branch	Dhaka	Dhaka	7416	Noor Manson, House No-Ka 57/3, Pragati Sarani Road, Ward no-17, PS-Vatara, Dhaka North City Corporation, Dhaka
14	Baroipara	Chandra SME/ Krishi Branch	Dhaka	Dhaka	7315	A. H. Tower, Holding No: 1721, Road Name: Baroipara Jalsuka Road, Ward No: 09, Upazilla: Ashulia, District: Dhaka.
15	Gawsul Azam Road	Uttara Branch	Dhaka	Dhaka	870	Ismail Mansion, Holding No:76, Road Name: Gausul Azam Avenue, Ward No: 51, Sector: Uttara-13, City Corporation: DNCC, District: Dhaka
16	Sarulia	Konapara Branch	Dhaka	Dhaka	7490	Shamsul Huq Super Market, Holding No: 498, Road Name: Sarulia Bazar Road, Road No. 1145, Ward No: 68, City Corporation: DSCC, Thana: Demra, District: Dhaka
17	Matuail	Dania Branch	Dhaka	Dhaka	7417	Abdul Aziz Plaza, Holding No-78, Road No-01, Haji Badsha Mia Road, Ward No- 65, Dhaka South City Corporation, Thana-Demra, Dhaka
18	Taltola	Khilgaon Branch	Dhaka	Dhaka	7580	Holding No: 730/12 (Block-C), Road Name: Shaheed Baki Road, Ward No: 01, Dhaka South City Corporation, Thana: Khilgaon, District: Dhaka
19	Bamuil	Konapara Branch	Dhaka	Dhaka	7491	Basir Plaza, (1st floor), House No. 29, Road: Bamuil Bazar Road, Wrad: 66, Demra, DSCC, Dhaka



SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
20	Mirpur DOHS	Pallabi Branch	Dhaka	Dhaka	7265	Mirpur DOSH Shopping Complex, Shop No-32, Road Name: Mirpur DOSH link Road, Road No. 09, Ward No: 02, City Corporation: Dhaka Cantonment Board DSCC, Upazilla/ Thana: Pallabi, District: Dhaka
21	Kamrangir Char	Islampur Branch	Dhaka	Dhaka	7030	Shah Alam Super Market, Holding No: 131, Takerhatti Main Road, Ward No: 55, Dhaka South City Corporation, Thana: Kamrangirchar, District: Dhaka.
22	Satarkul	Pragati Sarani Branch	Dhaka	Dhaka	7335	A.R. Villa, Holding No: 14, Road Name: Satarkul Road, Ward No: 42, City Corp.: DNCC, Thana: Badda, Dhaka
23	Bijoyagar	Naya Paltan Branch	Dhaka	Dhaka	7200	Holding No: 205/1, Road Name: Shaheed Syed Nazrul Islam Sarani, Road No: N/A, Ward No: 20, DNCC, Thana: Shahbagh, District: Dhaka.
24	Paltan	Naya Paltan Branch	Dhaka	Dhaka	7201	Z.S Tower, Holding No. 15/1 Bijoyagar, Ward No. 13, Box Culvert Road, Dhaka South City Corporation, Thana- Paltan, Dhaka
25	Baipail	Ashulia Branch	Dhaka	Dhaka	8035	Bismillah Ajmery Plaza, Village-Baipail, Dag No- S.A-191, Khatian No- S.A-12974, Mouza Name- Baipail, Union-Dhamsona, Savar, Dhaka
26	Bhatara	Basundhara Branch	Dhaka	Dhaka	7316	Hazi Abdur Rashid, Road Name: Apollo Ring Road, Ward No: 40, City Corp./ Pourashava: DNCC, Thana: Bhatara, District: Dhaka.
27	Mirpur Sher-E-Bangla Stadium	Mirpur Branch	Dhaka	Dhaka	7110	Holding No: 39, Road No: 07, Ward No: 07, Dhaka North City Corporation, Thana: Mirpur, District: Dhaka.
28	Zirabo	Ashulia Branch	Dhaka	Dhaka	8036	Razzak Commercial Complex , Village-Zirabo, Dag No- C.S-72, S.A-73, R.S- 127,128, Khatian No- S.A- 66,42, R.S- 92,125, Mouza Name- Zirabo, Union-Yearpur, Thana- Ashulia, Dhaka
29	WAPDA Road	Malibagh Branch	Dhaka	Dhaka	7180	Ara Complex, Holding No: 56, Road Name: Wapda Road, Road No: N/A, Ward No: 22, City Corp./ Pourashava: Dhokkhin City Cor., Upazilla: Hatirjheel (Old Thana- Rampura), District: Dhaka
30	Badamtoli	Islampur Branch	Dhaka	Dhaka	7031	Holding No. 3/5, Ishwar Chandra Ghosh Road, Ward-32, P.S. Kotwali, DSCC, Dhaka-1100
31	Ittefaq More	Stock Exchange Branch	Dhaka	Dhaka	7355	Motaleb Mansion, Holding No: 02, Road Name: RK Mission road, Road No: N/A, Ward No: 39, Dhaka South City Corporation, Thana/ Upazilla: Wari, District: Dhaka.
32	Nayarhat Bazar	Dhamrai SME/ Krishi Branch	Dhaka	Dhaka	8015	Farhad Market, Dag No- SA-114,116, Khatian No-RS-45,Village- Nayarhat, Mouza- Bagdhanian, Union- Pathalia, Thana-Ashulia, Dhaka
33	South Banasree	Banasree Branch	Dhaka	Dhaka	7560	House # 18, Block # K, Main Road, South Banasree, Dhaka 1219 (Johir Bhaban, Holding No.- K/18, Main Road (South Banasree) Ward No.- 26, Dhaka South City Corporation, Thana: Khilgaon, Dhaka)
34	Asad Gate	Lalmatia Branch	Dhaka	Dhaka	7245	Building Name-N/A, Hoding No-01, Road No-N/A, Road Name- Mirpur Road, Ward No-32, Dhaka South City Corporation, Dhaka.

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
35	Dhaka Uddan	Mohammadpur Branch	Dhaka	Dhaka	7435	Holding No: 54 Road Name: Hazi Dil Mohammad Avenue, Road No: N/A, Ward No: 33, DNCC, Thana: Mohammadpur, District: Dhaka
36	Khejurbag	Keraniganj Branch	Dhaka	Dhaka	8025	Nur Hosen Market, Village # Khejurbag Satpakhi, Dag No # R.S. 302, Khatian No # R.S. 411, Mouza: Mirerbagh, Union : Shuvaddy, P.S.: Keraniganj, District : Dhaka
37	Sat Masjid Road	Mohammadpur Branch	Dhaka	Dhaka	7436	Plot No-Gha, Block- E, Sat Masjid Road, Ward No-31, Dhaka North City Corporation, Union-Mohammadpur, District- Dhaka
38	Genda	Savar Bazar Branch	Dhaka	Dhaka	7955	Khan Villa, Holding No: 09, Tara Miah Road, Ward No-09, Pourashava- Savar, Thana- Savar, District: Dhaka
39	Maddho Paikpara	Gabtolli Bagabari Branch	Dhaka	Dhaka	7476	Holding No. 81, Kalyanpur - Paikpara Main Road, Ward No. 11, Dhaka South City Corporation, Thana: Mirpur Model Thana, District: Dhaka
40	Moghbazari	Shantinagar Branch	Dhaka	Dhaka	7066	Noor Vandari Benvinato, Holding No: 217, Outer Circular Road, Ward No: 35, Dhaka North City Corporation, Thana: Hatirjheel, District: Dhaka
41	Abdullahpur Bus Stand	Garib-e-Newaj Branch	Dhaka	Dhaka	7515	Prottasha, Holding No: 8/A, Road No: 7/D Dhaka-Mymensingh Highway, Ward No: 01, Sector-9, Dhaka North City Corporation, Thana- Uttara West, District- Dhaka
42	Rony Market	Islampur Branch	Dhaka	Dhaka	7032	Aysha Shopping Mall Holding No: 1200, Rasulpur Main Road, Ward No: 56 Dhaka South City Corporation, Thana: Kamrangirchar District: Dhaka
43	Gendaria	Nawabpur Road Branch	Dhaka	Dhaka	7300	Rahmatullah Monjil, Holding No: 18/1/ Ka, Narinda New Road, Ward No: 44, City Corp.: DSCC, Thana: Gendaria, District: Dhaka
44	Abul Hasnat Road	Bangshal Branch	Dhaka	Dhaka	7095	47/1, Abul Hasnat Road, Ward No: 28, City Corporation: DSCC, Thana: Bangshal, District: Dhaka.
45	Borobagh	Mirpur Branch	Dhaka	Dhaka	7112	Holding No: 15/5 & 15/7, 60 Feet Road, Ward No: 13, Dhaka North City Corporation, Thana: Mirpur, District: Dhaka
46	Kachukhet	Mirpur Branch	Dhaka	Dhaka	7111	S.M. Nazrul Islam Tower, Holding No: 199/3/A, Kachukhet Main Road, Thana: Dhaka Cantonment, District: Dhaka
47	Madartek	Khilgaon Branch	Dhaka	Dhaka	7581	Bandhon Tower, Holding No: 97/A/1, Basabo Madartek Road, Ward No: 27, Dhaka South City Corporation, Thana: Sabujbag, District: Dhaka
48	Monipuripara	Lalmatia Branch	Dhaka	Dhaka	7246	Afza Tower, Holding No: 27/F, Sangsad Bhaban Avenue, Ward No: 27, Dhaka South City Corporation, Thana: Tejgaon District: Dhaka
49	Azimpur	Elephant Road Branch	Dhaka	Dhaka	7136	Salma Tower, House # 30,30/1, Lolit Mohon Das Lane, BDR Gate- 01, Ward No-23, Dhaka South City Corporation, Azimpur, Dhaka
50	Pallabi Phase - II	Pallabi Branch	Dhaka	Dhaka	7266	Holding No: 02, Eastern Housing Main Road, Ward No: 06, Dhaka North City Corporation, Thana: Rupnagar District: Dhaka

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
51	Kalma	Savar Bazar Branch	Dhaka	Dhaka	7956	Jahangir Super Market, Village/Area: Kalma-2, Dag No: C.S. & S.A.-19, R.S.-328 Khatian No: C.S.-10, S.A.-11, R.S.-87, Mouza: Akupara, Union: Ashulia, District- Dhaka
52	Midford Road	Islampur Branch	Dhaka	Dhaka	7033	Holding No: 10, Road Name: Biren Bose Street, Ward No: 30, Dhaka South City Corporation, Thana: Chawkbazar, District: Dhaka.
53	Middle Badda Post Office Road	Pragati Sarani Branch	Dhaka	Dhaka	7336	Holding No: La/53/1, Road Name: Post Office Road, Ward No: 21 City Corp.: DNCC, Thana: Badda, District: Dhaka
54	Banani Bazar	Banani Branch	Dhaka	Dhaka	7395	Hotel Sweet Dream, Holding No: 60, Road Name: Kemal Atatürk Avenue, Road No: N/A, Ward No: 19, City Corp.: DNCC, Thana: Banani, District: Dhaka
55	Kalampur	Dhamrai SME/ Krishi Branch	Dhaka	Dhaka	8016	Alhaj Kamrul Hasan Super Market, Vill: Kalampur, Dag No- RS-2062, Khatian No- RS: 161, Mouza- Choto Kalampur, Union-Sutipara, Thana-Dhamrai, Dist-Dhaka
56	Shyamoli Bus Stand	Gabtolli Bagbari Branch	dhaka	Dhaka	7477	Al Amin Apon Heights, Holding No: 27/1/B, Road Name: Mirpur Road, Road No: 3, Ward No: 41, City Corp.: DNCC, Thana: Sher-e-Bangla Nagar, District: Dhaka
57	VIP Road	Naya Paltan Branch	dhaka	Dhaka	7202	SEL Trident Tower Holding No: 57 Road Name: VIP Road, Road No: 57, Ward No: 13 City Corp.: DSCC Thana: Paltan District: Dhaka
58	Distillery Road	Nawabpur Road Branch	Dhaka	Dhaka	7301	Khan Villa, Holding No: 12, Road Name: Distillery Road, Road No: 12, Ward No: 15, City Corp.: DSCC, Thana: Gendaria, District: Dhaka
59	Banglamotor	Kawran Bazar Branch	Dhaka	Dhaka	7157	Navana Zohura Square, Holding No-28, Bangla Motor Main Road, Ward-21, Dhaka South City Corporation, PS- Shahbag, Dhaka
60	Joypara	Meghula Bazar Branch	Dhaka	Dhaka	8081	LA Complex, Road Name: Zila Parishad Dak Banglow, Ward No: 01, Pourashava: Dohar, Thana: Dohar, District: Dhaka
61	Nandipara	Khilgaon Branch	Dhaka	Dhaka	7582	Bhuiyan Plaza Holding No: 15803, Road Name: Nandipara-Dakshingaoon Main Road, Road No: N/A Ward No: 74 City Corp.: DSCC, Thana: Khilgaon, District: Dhaka
62	Bashabo	Khilgaon Branch	Dhaka	Dhaka	7583	House No-454/455, Road Name- Bashabo Madartek main Road, Ward No-4, Dhaka South City Corporation- Thana-Sabujbag, Dist.-Dhaka-1214
63	Fulbaria Bazar	Garibe Newaj Avenue Branch	Dhaka	Dhaka	7516	Fulbaria Bazar Road, Road No: 01 Ward No: 53 City Corp.- DNCC, Thana: Turag, District: Dhaka
64	Khilkhet	Isapura Branch	Dhaka	Dhaka	8175	Janani House, Holding No: Ka-165/2/A, Road Name: Khilkhet Bottala Road, Ward No: 17, City Corp: DNCC, Thana: Khilkhet, District: Dhaka)
65	Senpara Parbata	Mirpur Branch	Dhaka	Dhaka	7113	Commercial Plot, Holding No: 30, Road Name: Mirpur Road, Ward No: 14, Coty Corp.: DNCC, Thana: Kafrul, District: Dhaka

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
66	Sayadabad	Konapara Branch	Dhaka	Dhaka	7356	Holding No: 16/1, Road Name: Khalpar Road, Road No: N/A, Ward No: 48, City Corp: DSCC, Thana: Jatrabari, Dhaka
67	Uttara Sector 6	Uttara Branch	Dhaka	Dhaka	7221	The N Building, Holding No: 01, Road Name: N/A, Road No: 16, Ward No: 01, City Corp: DNCC, Thana: Uttara East, District: Dhaka
68	Kamarpara	Garib-e-Newaj Branch	Dhaka	Dhaka	7517	A Rahman Mansion, Holding, No: 78, Road Name: Kamarpara Bazar Road, Road No: 21, Ward No: 54, City Corp: DNCC, Thana: Turag, District: Dhaka)
69	Nazimuddin Road	Moulvi Bazar Branch	Dhaka	Dhaka	7020	S.H Plaza, 90/91 Nazimuddin Road, City Corporation: DSCC, Thana: Chawkbazar, District: Dhaka
70	Taltola Bazar Road	Mirpur Branch	Dhaka	Dhaka	7114	Haque Mansion, Holding No: 121 Road Name: Taltola Bazar Road, Road No: N/A, Ward No: 16, City Corp.: DNCC, Thana: Sher-e-Bangla Nagar, District: Dhaka
71	Kazla	Konapara Branch	Dhaka	Dhaka	7493	Bibi Mini Market Holding No: 6 Road Name: Uttar Kutubkhali Link Road, Road No: N/A, Ward No: 62, City Corp: DSCC, Thana: Jatrabari District: Dhaka
72	Noyatola Road	Malibagh Branch	Dhaka	Dhaka	7181	Holding No: 550, Road Name: Noyatola Main Road, Road No: N/A, Ward No: 36, City Corp: DNCC, Thana: Hatirjheel, District: Dhaka
73	Joar Shahara Bazar	Bashundhara Branch	Dhaka	Dhaka	7317	Holding No: KA-78, Road Name: Joar Shahara Bazar Road Road No: N/A Ward No: 17 City Corp: DNCC, Thana: Vatara, District: Dhaka
74	Pallabi Extension	Pallabi Branch	Dhaka	Dhaka	7267	Holding No: J-62, Road Name: Pallabi Extension , Road No: N/A, Ward No: 06, City Corp: DNCC, Thana: Rupnagar District: Dhaka
75	Babor Road	Mohammadpur Branch	Dhaka	Dhaka	7437	Holding No: 16/14, Road Name: Babor Road, Road No: N/A, Ward No: 32, City Corp: DNCC, Thana: Mohammadpur District: Dhaka
76	North Mugda	Naya Paltan Branch	Dhaka	Dhaka	7584	Arab Center, Holding No: 126/2/Ka, Road Name: North Mugda Main Road Road No: N/A Ward No: 06 City Corp: DSCC Thana: Mugda, District: Dhaka
77	Galimpur	Nawabganj Branch	Dhaka	Dhaka	7990	Siddique Sir Super Complex Village/ Area: Galimpur, Dag # R.S 3279 & 3284, Khatian: R.S 2268, Mouza: Galimpur, Union: Galimpur Upozila: Nawabganj District: Dhaka
78	TV Center	Malibagh Branch	Dhaka	Dhaka	7182	Islam tower, Holding No: 464/H, Road Name: DIT Road, Road No: N/A, Ward No: 22, City Corp: DNCC Thana: Hatirjheel District: Dhaka
79	South Goran	Khilgaon Branch	Dhaka	Dhaka	7585	Monowara Begum Villa, Holding No: 233/2, South Goran Road, Ward No: 02, Dhaka South City Corporation, Thana: Khilgaon, District: Dhaka
80	West Nakhhalpara	Gulshan-Tejgaon Link Rd Branch	Dhaka	Dhaka	7455	Khan Manzil, Holding No: 592, Nakhhalpara Main Road, Ward No: 25, Dhaka North City Corporation, Thana: Tejgaon, District: Dhaka
81	Bochila	Arshinagar Branch	Dhaka	Dhaka	8205	Holding No: 50/5, Basila Road, Ward No: 33, Dhaka North City Corporation, Thana: Mohammadpur, District: Dhaka

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
82	Banarasi Palli	Pallabi Branch	Dhaka	Dhaka	7268	Holding No: 02, Road Name: Lane-7, Ward No: 03, Dhaka North City Corporation, Thana: Pallabi, District: Dhaka
83	Shankar	Lalmatia Branch	Dhaka	Dhaka	7247	Holding No: 69/1, Shankar Road, Ward No: 34, Dhaka North City Corporation, Thana: Mohammadpur, District: Dhaka
84	Becharam Dewri	Moulvibazar Branch	Dhaka	Dhaka	7021	Holding No:37, Becharam Dewri Road, Road No: N/A, Ward No: 31, Dhaka South City Corporation, Thana: Bangshal, District: Dhaka
85	Uttarkhan Mazar Road	Uttara Branch	Dhaka	Dhaka	7222	Shah Tower, Holding No: 2294/A, Shah Kabir Mazar Road, Ward No: 45, Dhaka North City Corporation, Thana: Uttarkhan, District: Dhaka
86	Rupnagar	Pallabi Branch	Dhaka	Dhaka	7269	Md. Ali Dream, Holding No: 27, Rupnagar R/A Road, Road No: 12, Ward No: 07, Dhaka North City Corporation, Thana: Rupnagar, District: Dhaka
87	Moinertek	Uttara Branch	Dhaka	Dhaka	7223	Chairman Market, Holding No: 47/B, Moinertek Bazar Road, Ward No: 46, Dhaka North City Corporation, Thana: Uttarkhan, District: Dhaka
88	Tejturi Bazar Road	Kawran Bazar Branch	Dhaka	Dhaka	7158	Holding No: 178 & 179, Farmgate-Tejturi Bazar Road, Road No: 23, Ward No: 39, Dhaka North City Corporation, Thana: Tejgaon, District: Dhaka
89	Merul Badda	Pragati Sarani Branch	Dhaka	Dhaka	7337	Holding No: 02, Merul Badda Main Road, Road No: 13, Ward No: 37, Dhaka North City Corporation, Thana: Badda, District: Dhaka
90	Lalbagh	Moulvi Bazar Branch	Dhaka	Dhaka	7022	Affan Tower, Holding No: 70, Haranath Ghosh Road, Ward No: 28, Dhaka South City Corporation, Thana: Chawkbazar, District: Dhaka
91	Rainkhola Bazar	Darus Salam Branch	Dhaka	Dhaka	7532	Golden View, Holding No: 09, Zoo Road, Road No: 02, Ward No: 07, Dhaka North City Corporation, Thana: Mirpur, District: Dhaka
92	Banasree A Block	Banasree Branch	Dhaka	Dhaka	7561	Banasree Tower, Holding No.: 57911, A Block Road, Road No.: 05, Ward No.: 22, Dhaka North City Corporation, Thana: Rampura, District: Dhaka
93	Singair Road	Savar Bazar Branch	Dhaka	Dhaka	7957	Raj Palace, Village: Rishipara, Mouza: Jamur Mucipara, Union: Tetuljhora, District: Dhaka
94	Segunbagicha	Naya Paltan Branch	Dhaka	Dhaka	7203	Prestige Hons, Holding No: 23, Segunbagicha Road, Ward No: 20, Dhaka North City Corporation, Thana: Ramna, District: Dhaka
95	Ashkona Bazar	Uttara Branch	Dhaka	Dhaka	7224	Sky Heights, Holding No: 848, Ashkona Main Road, Ward No: 49, Dhaka North City Corporation, Thana: Dakshinkhan, District: Dhaka
96	Town Hall	Lalmatia Branch	Dhaka	Dhaka	7248	Shahid (JCO) Yeasin Manjil, Holding No: 16/30, Azam Road, Block D, Ward No: 31, Dhaka North City Corporation, Thana: Mohammadpur, District: Dhaka
97	Komorganj	Nawabganj Branch	Dhaka	Dhaka	7991	Chand Super Market, Village: Komorganj, Mouza: Komorganj, Union: Boxnagar, Upozila: Nawabganj, District: Dhaka

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
98	Armanitola	Islampur Branch	Dhaka	Dhaka	7034	Holding No: 2/2/A, K P Ghosh Street, Ward No: 32, Dhaka South City Corporation, Thana: Bangshal, Dhaka
99	Kanchkura	Uttara Branch	Dhaka	Dhaka	7225	Holding No: 156/A, College Road, Ward No: 44, Dhaka North City Corporation, Uttarkhan, Dhaka
100	Lalmati	Pallabi Branch	Dhaka	Dhaka	7270	Holding No: 99/1, Avenue 4 Road, Road No: 06, Ward No: 05, Dhaka North City Corporation, Thana: Pallabi, District: Dhaka
101	Golapbagh	Stock Exchange Branch	Dhaka	Dhaka	7357	Holding No: 35/9, Atish Dipankar Road, Ward No: 49, Dhaka South City Corporation, Thana: Jatrabari, Dhaka
102	Karimullahbagh	Dholaikhal Branch	Dhaka	Dhaka	7506	Joynal Bhaban, Holding No: 22, Haricharan Roy Road, Ward No: 54, Dhaka South City Corporation, Thana: Shayampur, District: Dhaka
103	Dattapara	Cherag Ali Branch	Dhaka	Dhaka	8225	Hasi Complex, Holding No: 559, Sayed Mridha Road, Ward No: 48, Gazipur City Corporation, Thana: Tongi West, District: Gazipur
104	Salna Bazar	Gazipur Chowrasta Branch	Dhaka	Dhaka	8116	Imam Tower, Holding No: 1480, Salna-Shimultoli Road, Ward No: 19, Gazipur City Corporation, Thana: Sadar Metro, District: Gazipur
105	Green Road	Dhanmondi Branch	Dhaka	Dhaka	7046	Good luck Center, Holding No: 151/7, Green Road, Ward No: 17, Dhaka South City Corporation, Thana: Kolabagan, District: Dhaka
106	Dogair Bazar	Konapara Branch	Dhaka	Dhaka	7494	Abdul Mannan Bhuiyan Plaza, Holding No: 40, Road Name: Dogair Road, Ward No: 66, City Corp.: DSCC, Thana: Demra, District: Dhaka
107	Nurpur	Dhonia Branch	Dhaka	Dhaka	7418	Al Modina Shopping Center Holding No: 430 (old) 63 (new) Road Name: Barnamala School Road, Road No: N/A, Ward No: 60, City Corp: DSCC Thana: Kadamtoli, District: Dhaka
108	Rasulbagh	Mohakhali Branch	Dhaka	Dhaka	7375	Mohakhali Plaza, Holding No: 56, Road Name: Shohid taj Uddin Ahmed Sarani, Road No: N/A, Ward No: 20, City Corporation: DNCC, Upazilla/Thana: Gulshan, District: Dhaka
109	Nikunja-2	Uttara Branch	Dhaka	Dhaka	7226	Holding No: 24, Road Name: Nikunjo-2, Road No: 01, Ward No: 17, City Corp: DNCC, Thana: Khilkhet, District: Dhaka
110	Matuail School Road	Konapara Branch	Dhaka	Dhaka	7495	Sifat Villa, Holding No: 22, Road Name: Matuail School Road, Road No: N/A, Ward No: 65, City Corp.: DSCC, Thana: Jatrabari District: Dhaka
111	Manda	Khilgaon Branch	Dhaka	Dhaka	7586	Holding No.: 22, Road Name: College Road, Ward No.: 72, City Corp: DNCC, Thana: Mugda, District: Dhaka.
112	Banani Chairmanbari	Banani Branch	Dhaka	Dhaka	7396	Sikder Plaza, Holding No.: 79, Block-M, Road Name: Airport Road, Road No.: N/A, Ward No.: 19, City Corp: DNCC Thana: Banani, District: Dhaka.
113	Chunkutia	Keraniganj Branch	Dhaka	Dhaka	8026	Sufia Mansion, Village/ Area: Begunbari, Daag No: C.S & S.A. 1775/2427, R.S. 3554, Khatian No: C.S. 746, S.A. 599, R.S. 117, Mouza Name: Suvadda, Union: Suvadda, P/S: South Keraniganj, District: Dhaka

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
114	Kuturia	Savar Bazar Branch	Dhaka	Dhaka	7958	Hazi Shamsul Plaza, Village/Area: Kuturia Dag No: C.S. & S.A.- 86, R.S.-144, B.S (DP)-2514 2289, 2288. Khatian No: C.S.-20/1,S.A.-25,B.S(DP)-690,692,R.S-22, Mouza No: Kuturia, Union: Savar, District: Dhaka
115	East Kafrul	Mirpur Branch	Dhaka	Dhaka	7115	Holding No.: 200, Road Name: East Kafrul Road, Road No.: N/a, Ward No.: 15, City Corp: DNCC, Thana: Kafrul, District: Dhaka
116	South Jatrabari	Konapara Branch	Dhaka	Dhaka	7496	Rohama Complex, Holding No: 314/A/6, Road Name: Bir Uttam Haider Road, Road No: N/A, Ward No: 50, City Corp.: DSCC, Thana: Jatrabari, District: Dhaka
117	Pakuria Bazar	Uttara Branch	Dhaka	Dhaka	7227	Holding No: N/A, Road Name: Pakuria Bazar Road, Road No.: N/A, Ward No.: 52, City Corp: DNCC, Thana: Turag, District: Dhaka
118	Mirhazirbagh	Dholaikhal Branch	Dhaka	Dhaka	7507	Jahanara Manzil, Holding No: 457/1, Road Name: Madrasha Road Road No: N/A Ward No: 51 City Corp: DSCC, Thana: Jatrabari District: Dhaka
119	Hemayetpur	Gabtolli Bagbari Branch	Savar	Dhaka	7475	Madani Super Market, Hemayetpur Bus Stand Road, Tetuljhora Union, Savar, Dhaka
120	Shahibag Chowrasta	Savar Bazar Branch	Dhaka	Dhaka	7959	Sobed Ali Plaza, Holding No: C-65, Road Name: Birulia Road, Road No: N/A, Ward No: 07, Pourashava: Savar, Thana: Savar, District: Dhaka.
121	Goalchamot	Faridpur Branch	Faridpur	Dhaka	7855	R.P Tower, Holding No-17/93, Hazratola Road, Ward No-2, Thana-Kotowali, Faridpur Pourosova, Faridpur
122	Charbhadrasan Bazar	Faridpur Branch	Faridpur	Dhaka	7842	Vai Vai Market, Village/Area: Charbhadrasan, Daag # R.S 9888/14853, Khatian # R.S.553 Mouza: 11 No. Charbhadrasan, Union: 3 No. Charbhadrasan, Thana: Charbhadrasan, District: Faridpur
123	Tepakhola Bazar	Faridpur Branch	Faridpur	Dhaka	7841	Jalaluddin Tower, Holding : 21-06, Tepakhola Lakepar Bazar Road, Ward No: 23, Pourashava: Faridpur, Kotwali, Faridpur
124	Shimultoli	Gazipur Chowrasta Branch	Gazipur	Dhaka	8115	437/4 "Razu Complex", Shimultoli, Joydebpur, Gazipur Sadar, Gazipur
125	Chandra	Chandra SME/ Krishi Branch	Gazipur	Dhaka	8060	Momota Super Market, Holding No. 86/2, Block-H, Ward-7, Kaliakoir Pourshava, Chandra Palli Bidyut, Sattar Road, Thana: Kaliakoir, District: Gazipur
126	Chakrabarti Bazar (R)	Chandra SME/ Krishi Branch	Gazipur	Dhaka	8062	Dewan Complex, Holding No: 304, Road Name: BEXIMCO Road (Chakroborti), Ward No: 02, City Corp. / Pourashava: Gazipur City Corporation, Upazilla: Kashimpur Metro, District: Gazipur.
127	Sataish	Board Bazar Branch	Gazipur	Dhaka	8000	Bahar Plaza, Holding No: 52, Road Name: Sataish Road, Ward No: 51, Gazipur City corporation, Thana: Tongi Poschim, District: Gazipur
128	Banglabazar	Bhawal Mirzapur Branch	Gazipur	Dhaka	8235	Mosharaf Tower, Holding No: 979, Road Name: Rajendrapur-Mirzapur Road, Ward No: 22, Gazipur City Corporation, Thana: Gazipur Sadar, District: Gazipur

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
129	Kashimpur	Konabari Branch	Gazipur	Dhaka	7935	Ruhul Amin Plaza, Holding No: N/A, Road Name: Konabari-Kashimpur Road Road No: N/A, Ward No: 06 City Corp.: Gazipur,Thana: Kashimpur, District: Gazipur
130	Amraid Bazar	Kapasias Branch	Gazipur	Dhaka	8245	Kajol Plaza, Village/ Area: Amraid, J.L.: No.: C.S.: 10,R.S.: 40, Khatian Nos. C.S.: 10, S.A.: 18, R.S.: 81, Dag Nos.: C.S.: 140, S.A.: 140, R.S.: 324, Mouza: Amraid, P.S.: Kapasia, District: Gazipur
131	BSCIC Fakir Market	Tongi SME/Krishi Branch	Gazipur	Dhaka	7980	Building Name (if any): Noor Plaza, Holding No: 46, Road Name: Dhaka Dying Road Road No: N/A Ward No: 43 City Corp: GCC Thana: Tongi District: Dhaka (Gazipur)
132	Mirer Bazar	Tongi SME/Krishi Branch	Gazipur	Dhaka	7981	Building Name (if any): Mollah Plaza, Holding No: 46, Road Name: Tongi-Kaliganj Road Road No: N/A Ward No: 42 City Corp: GCC Thana: Pubail District: Gazipur
133	Kaliganj Bazar	Ghorasal Branch	Gazipur	Dhaka	7885	Mahiuddin Mansion, Holding No: 02 Road Name: Shahid Moizuddin Road, Ward No: 04, Pourashava: Kaliganj, Thana: Kaliganj, District: Gazipur
134	Raniganj Bazar	Kapasias Branch	Gazipur	Dhaka	8246	Abdur Rahman Shuvo Market, Village: Goshargaon, Dag No: R.S.: 229, Khatian No: S.A.: 109, Mouza: Goshargaon,Union: Durgapur, District: Gazipur
135	Vannara Bazar	Shafipur Branch	Gazipur	Dhaka	8255	Mollah Super Market, Village: Vannara, Dag No: S.A./C.S.: 170, R.S.: No.: 858, Khatian No: C.S.: 66, S.A.: 158, & R.S.: 190, Mouza : Vannara, Union: Mouchak, Thana: Kaliakoir, Gazipur
136	Boro Bari	Board Bazar Branch	Gazipur	Dhaka	8001	Shahid Johirul Islam Super Market, Holding No.: 1930/3, Dhaka Mymensingh Highway, Ward No.: 37, Gazipur City Corporation, Thana: Gacha, District: Gazipur
137	Maleker Bari	Board Bazar Branch	Gazipur	Dhaka	8002	Motin Plaza, Holding No.: 25/7, Dhaka Mymensingh Highway, Ward No.: 31, Gazipur City Coporation, Thana: Bason, Disctrict: Gazipur
138	Gorgoria Master Bari	Mawna Branch	Gazipur	Dhaka	8135	Haji Baten Super Market, Dhaka-Mymensingh Highway Road, Ward No: 05, Pourashava: Sreepur, Thana: Sreepur, District: Gazipur
139	Beximco Industrial Park	Chandra Branch	Gazipur	Dhaka	8063	Beximco Industrial Park, Holding No: 315, Beximco Road, Ward No: 02, Gazipur City Corporation, Thana: Kashimpur Metro, District: Gazipur
140	Kaliakoir	Chandra Branch	Gazipur	Dhaka	8064	Hazi Manjil, Dhaka Tangail Highway, Ward No: 01, Pourashava: Kaliakoir, Upazilla: Kaliakoir, District: Gazipur
141	Monipur Bazar	Bhawal Mirzapur Branch	Gazipur	Dhaka	8236	Barek Super Market, Village/Area: Bokrn Monipur, Dag No: CS-698, SA-698, RS-805, Khatian No: CS-24, SA-160, RS-246, Mouza Name: Monipur, Union: Bhawal Gowr, Upazilla: Joydebpur, District: Gazipur.
142	Bhadam Bazar	Cherag Ali Branch	Gazipur	Dhaka	8226	Afaz Uddin Business Complex, Holding No: 08, Road Name: Bhadam Galaxy Road, Road No: N/A, Ward No: 52, City Corp.: Gazipur, Thana: Tongi, District: Gazipur



SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
143	Ansar Academy	Shafipur Branch	Gazipur	Dhaka	8256	Seven Star Plaza, Holding No: C-1/14, Road Name: Gazipur Tangail Highway Road, Road No: N/A, Ward No: 07, Pourosova: Kaliyakoir, Thana: Kaliyakoir, District: Gazipur.
144	Bashair Bazar	Ghorasal Branch	Gazipur	Dhaka	7887	Ali Akbar Market, Village/Area: Bashair Bazar, Dag # S.A 278/354, Khatian # S.A 37/34, Mouza : Bashair, Union: Bahadursadhi, Thana: Kaliganj, District: Gazipur
145	Jalirpar Bazar	Takerhat Branch	Gopalganj	Dhaka	7945	Jalirpar Bazar, Dag # R.S 651/665, Hal 746, Khatian: S.A 296/1 Hal 614,, Mouza: Bangram Union: Nanikhir, Thana: Muksudpur District: Gopalganj
146	Sokal Bazar	Jamalpur Branch	Jamalpur	Dhaka	7945	Sajid Super Market, Holding No: 82, Jame Masjid Road, Ward No: 04, Pourashava: Jamalpur, Thana: Jamalpur Sadar, District: Jamalpur
147	Sararchar	Bajitpur Branch	Kishoreganj	Dhaka	7905	Building Name # HDM Plaza, Village/ Area # Sararchar Bazar Dag No # R.S. 202, Khatian No R.S.165, Mouza : Mirapur, Union: Sararchar, District : Kishoreganj
148	Bhairab Bazar	Ashuganj Branch	Kishoreganj	Dhaka	0085	Holding No: 373 (Bhairab Bazar West), Road Name: Tin Patti Road, Road No: N/A, Ward No: 01, Pourashava.: Bhairab Upozila/Thana: Bhairab, District: Kishoreganj
149	Kabirajpur Bazar	Takerhat Branch	Madaripur	Dhaka	7946	Village/Area: Kabirajpur, Dag # Hal 374 , Khatian: 458, Mouza: 20 no Kabirajpur, Union: Kabirajpur, Thana: Rajoir District: Madaripur
150	Khoajpur	Shariatpur Branch	Madaripur	Dhaka	7876	Village/Area: Khoajpur, Daag # BRS-96, 97, Khatian # 196, 197 JL No- 97, Mouza: Khoajpur, Union: Khoajpur, Thana: Madaripur, District: Madaripur
151	Ghior Bazar	Manikganj Branch	Manikganj	Dhaka	8070	Zilla Parishad Commercial Complex, Village: Ghior, R.S Khatina No. 05, Khatian No.: R.S.Plot No- 718, 719 & 723, Mouza Name: Ghior, Union: Ghior, Thana: Ghior, District: Manikganj
152	Shreenagar	Meghola Bazar Branch	Munshiganj	Dhaka	8080	Mridha Super Market, Daag No. 892, Khatian No. 2511, Road Name: Bhagyakul Road, Mouza- Srenagar, Ward: 04, Union: Shreenagar, District: Munshiganj
153	Tongibari	Mukterpur Branch	Munshiganj	Dhaka	7915	Chand City Center, Village/Area: Tongibari, Dag # RS 378 & 379 Khatian.: RS 192, Mouza: Amtoli, Union: Sonarong, Thana:Tongibari District: Munshiganj
154	Hatimara	Mukterpur Branch	Munshiganj	Dhaka	7916	Mocca Modina Super Market, Village/ Area: Hatimara Bazar Dag # SA, RS & CS: 1, Khatian: RS: 701 & 1014 Mouza: Khanka Union: Rampal Thana: Munshiganj District: Munshiganj
155	Munshiganj Sadar	Mukterpur Branch	Munshiganj	Dhaka	7917	Euro Plaza, Holding No: 813, Hospital Road, Ward No: 2, Pourashava: Munshiganj, Thana: Munshiganj, District: Munshiganj
156	Nimtola	Aganagar Branch	Munshiganj	Dhaka	8091	Vandari Super Market Village/Area: Nimtola, Dag # S.A/R.S:640/346, 824/901, Khatian: R.S: 1699 Mouza: Khanka, Union: Keain, Thana: Sirajdikhan District: Munshiganj

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
157	Trishal	Mymensingh Branch	Mymensingh	Dhaka	8091	House Name- Bir Muktiyoddha Abul Hossain Plaza (Mayor Market), House No- 74-75, Road No- N/A, Road Name-Abdul Rashid Road, Ward No-02 Trishal Pourashava, Mymensingh
158	Shombhuganj	Mymensingh Branch	Mymensingh	Dhaka	7821	Harun Mondal Plaza, Holding No: 600, Purba Bazar Road, Ward No: 33, Pourashava: Shombhuganj, Thana: Kotwali, District: Mymensingh
159	Natun Bazar	Mymensingh Branch	Mymensingh	Dhaka	7822	Farhan Plaza, Holding No: 14, Shaheb Ali Road, Ward No: 10, Mymensingh City Corporation, Thana: Kotwali , District: Mymensingh
160	Nandail	Kishoreganj Branch	Mymensingh	Dhaka	8275	Holding No: 763, Road Name: Puratan Bus Stand Road, Road No: N/A, Ward No: 05, Pourashava: Nandail, Thana: Nandail, District: Mymensingh
161	Nabiganj	Bandar Branch	Narayanganj	Dhaka	8155	Mohiuddin Villa, Holding No: 2, Road Name: T. Hossain Road, Ward No: 24, Coty Corp.: Narayanganj City Corporation, Thana: Bandar, District: Narayanganj
162	Jhalkuri	Bhuighar Branch	Narayanganj	Dhaka	8215	Moon Super Market, Road Name: Jhalkuri Dualpar Road, Ward No: 09, Narayanganj City Corporation, Thana: Siddhirganj, District: Narayanganj
163	Sanarpar	Konapara Branch	Narayanganj	Dhaka	7492	Mim Tower, Holding No- 206, Road No- 03, Maddhya Sanarpar, Ward- 03, PS- Siddhirganj, PO- Sanarpar,Narayanganj City Corporation, Narayanganj
164	Delpara Bazar	Tanbazar (Bhuigar) Branch	Narayanganj	Dhaka	8216	Modina Mension, Village: Delpara, Dag No: RS- 3980, Khatian No: RS-906, Mouza: Delpara, Union: Kutubpur, District: Narayanganj
165	Banti Bazar	Madhabdi Branch	Narayanganj	Dhaka	7925	Aysha Samad Shopping Complex, Dag No- S.A-420, R.S- 566, Khatian- S.A-204, Hal- 61, Mouza- Keshrabo, Ward-04, Union- Dhuptara, Upazilla/Thana- Araihasar, Dist.-Narayanganj
166	Hirajheel	Bhuighar Branch	Narayanganj	Dhaka	8217	Haji Abdul Latif Tower, Holding No: A221/1 Road Name: Hirajheel Main Road, Road No: 10, Ward No: 01, City Corp.: Narayanganj, Thana: Shiddhirganj, District: Narayanganj
167	Kashipur	Netaiganj Branch	Narayanganj	Dhaka	7810	Mostak Villa, Village/Area: Kashipur, Dag # SA & CS 189 Khatian.: RS 2246, Mouza: Goalband, Union:Kashipur, Thana: Fatullah, District: Narayanganj
168	Modonpur	Rupganj Branch	Narayanganj	Dhaka	8046	Building Name (If any): Hazi Abdul Haque Super Market Village/Area: Modonpur, Dag # R.S 146 149, 153 & 154, Khatian: R.S 30 & 84, Mouza: Uttar Chanpur, Union: Modonpur District: Narayanganj
169	Bhulta	Rupganj Branch	Narayanganj	Dhaka	8047	Building Name (If any): Nurjahan Complex Village/Area: Golakandail Dag # C.S & S.A 99, R.S 41 Khatian: R.S 351, Mouza: Golakandail Union: Golakandail, Rupganj, Narayanganj
170	Shiddhirganj	Rupganj Branch	Narayanganj	Dhaka	8048	S.M Tower, Holding No: H11/1, Road Name: AEPZ Road Road No: N/A Ward No: 04 City Corp.: Narayanganj Thana: Shiddhirganj District: Narayanganj

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
171	Kanchpur	Rupganj Branch	Narayanganj	Dhaka	8049	Hazi A. Rahman Tower, Village: Sonapur, Mouza: Behakoir, Union: Kanchpur, Thana: Sonargaon, District: Narayanganj
172	Khanpur Bazar	Tan Bazar Branch	Narayanganj	Dhaka	7865	F. Rahman Tower, Holding No: 73/3, Khanpur Bazar Road, Ward No: 12, Narayanganj City Corporation, Thana: Narayanganj Sadar, District: Narayanganj.
173	Monohordi	Narsingdi Branch	Narsingdi	Dhaka	7895	House Name: R.M. Plaza, Holding No: 96, Bypass Road: Ward No: 07, Pourosova: Monohordi, Thana: Monohordi, Narsingdi
174	Radhaganj	Hasnabad Branch	Narsingdi	Dhaka	8085	Khaleque Market, Daag No. C.S. & S.A. -1174 & 1569, R.S-11403 & 5756, Khatian No. 86 & 88, S.A. 187 & 192, R.S. 59&96, Mouza- 379, Village Radhaganj Bazar, Union- Adiabab, Narsingdi
175	Karimpur	Narsingdi Branch	Narsingdi	Dhaka	7896	Mono & Sons; Tower Village/Area: Karimpur, Dag #: R.S. 60, 61,62 & 63, Khatian No: R.S.1607, Mouza: Karimpur Union: Karimpur, Thana: Narsingdi SadarDistrict: Narsingdi
176	Shibpur Bazar	Narsingdi Branch	Narsingdi	Dhaka	7897	London Tower, Holding No: 48, Road Name: Dak Bangla Road, Road No: N/A, Ward No: 05, Pourashava.: Shibpur, Thana: Shibpur, District: Narsingdi
177	Atosh Ali Bazar	Hasnabad Branch	Narsingdi	Dhaka	8086	Village: Birgaon (Kandapara), Dag No: R.S.-5031, Khatian No: R.S. 543, Mouza: Nilokkha, Union: Nilokkha, District- Narsingdi
178	Palash	Ghorashal Branch	Narsingdi	Dhaka	7886	Building Name: Satter Khandaker Complex, Holding No: 260, Road Name: Upozila Road, Road No: N/A, Ward No: 02, Pourashava: Ghorashal, Thana: Palash District: Narsingdi
179	Baroicha	Narsingdi Branch	Narsingdi	Dhaka	7898	Village: Baroicha, Mouza: Ujilabo, Union: Char Ujilabo, Thana: Belabo, District: Narsingdi
180	Saheprotap Bazar	Panchdona Branch	Narsingdi	Dhaka	8195	Riaz Plaza, Village: Saheprotap, Daag No: SA-371 & 370, RS-548 & 545, Khatian No: SA-135 & 147, RS- 438 & 1030, Mutation : 7828 & 9039, Mouza: Baghata Union : Shilmandi, Upozila: Narsingdi Sadar, District: Narsingdi
181	Goalanda Moor	Goalanda Branch	Rajbari	Dhaka	8265	Aziz Khan Super Market, Village: Aladipur, Mouza: Aladipur, Union: Sohidohabpur, Thana: Aladipur, District: Rajbari
182	Damudya	Shariatpur Branch	Shariatpur	Dhaka	7875	S.S Plaza, Holding No: 236/01, Road Name: High School Road, Road No: N/A, Ward No: 08, City Corp/ Pourashava: Damudya Pourashava, Thana: Damudya, District: Shariatpur
183	Nakla Uttar Bazar	Sherpur Branch	Sherpur	Dhaka	8145	Hakim Market, Holding No: 892/02, Road Name: Nalitabari Road, Road No: N/A, Ward No: 05, Pourashava: Nakla, Thana: Nakla, District: Sherpur
184	Pathrail	Tangail Branch	Tangail	Dhaka	7220	Alim Plaza (1st floor), Holding No-158, ward No- 02, Delduar Main Road, Dag No- BS-19, SA-14, Khatian- 939, Mouza- Pathrail, Union- Pathrail, PS- Delduar, Dist.-Tangail

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
185	Bottola	Tangail Branch	Tangail	Dhaka	7856	Jahanara Villa, Holding No: 719, Zilla Sadar Road, Ward No: 16, Pourashava: Tangail, Thana: Tangail, District: Tangail
186	Gorai	Chandra Branch	Tangail	Dhaka	8065	Siddique Plaza, Village: Gorai, Mouza: Gorai, Union: Gorai, Thana: Mirzapur, District: Tangail
187	Elega	Tangail Branch	Tangail	Dhaka	7857	Elega Plaza, Holding No.: 1346, Road Name: College Moor Road, Ward No.: 06, Pourashava : Elega, Thana: Kalihati , District: Tangail
188	Ghatail	Tangail Branch	Tangail	Dhaka	7858	Bayzid Khan Plaza, Holding No.: 551, Road Name: Ghatail Main Road, Road No: N/A, Ward No.: 07 Pourashava: Ghatail, Thana: Ghatail, District: Tangail
189	Gollamari	Sonadanga Branch	Khulna	Khulna	0650	Building Name: A.K. Plaza Holding No: N/A, Road Name: Sher-e-Bangla Road Road No: N/A Ward No: 26, City Corp.: Khulna, Thana: Khulna Sadar District: Khulna
190	Nirala	Khulna Branch	Khulna	Khulna	0550	Wazed Tower, Holding No: C-6 & C-7, Sher-e-Bangla Road, Ward No: 24, Khulna City Corporation, Thana: Khulna Sadar, District: Khulna
191	Badhal Bazar	Bagerhat Branch	Bagerhat	Khulna	0640	Village/Area: Badhal Bazar, Dag No.: DP-1376, 1382, 1383, 1385, 1405, 1406, 1408, 1409, 1536, 1537, 1548, Khatian No.: DP-146, BRS-665 (old), BRS-971 (New), Mouza: Badhal, Union: 7 No Badhal, Upazilla: Badhal, District: Bagerhat.
192	Pulerhat	Jessore Branch	Jashore	Khulna	0560	Sayed Super Market, Village: Pulerhat Bazar, Mouza: Krisnabati, Union: Arabpur, Thana: Jashore Sadar, District: Jashore
193	Palbari Moor	Jessore Branch	Jashore	Khulna	0561	Shahid Mosiur Rahman Road, Road No: 01, Ward No: 05, Pourashava: Jashore, Thana: Jashore Sadar, District: Jashore
194	Nurbag Main Road	Noapara Branch	Jashore	Khulna	0600	Dipro Super Market, Holding No: 0739, Nurbag Road, Ward No: 05, Pourashava: Noapara, Thana: Abhaynagar, District: Jashore
195	Baganchra	Benapole Branch	Jashore	Khulna	0610	Chand Super Market Village/Area: Baguri, Dag # R.S 2329, Khatian: R.S 1475, Mouza: Raripukuria Union: Kaiba Thana: Sharsha District: Jashore
196	Amla Bazar	Poradah Branch	Kushtia	Khulna	0630	F Karim Super Market, Village: Amla Bazar, Mouza: Amla, Mirpur, Kushtia
197	Chourhash	Kushtia Branch	Kushtia	Khulna	0570	Holding No: 2400, Kushtia-Jhenaidah Road, Ward No: 05, Pourashava: Kushtia, Thana: Kushtia Sadar, Kushtia
198	Trimohoni Bazar	Poradah Branch	Kushtia	Khulna	0631	Parul Tower, Holding No: 0011-00, Anwar Yusuf Road, Ward No: 13, Pourashava: Kushtia, Thana: Kushtia Sadar, District: Kushtia
199	Bhawaniganj	Taherpur Branch	Rajshahi	Rajshahi	0940	Bhawaniganj New Market, Bhawaniganj, Taherpur, Rajshahi
200	Shibganj	Chapai Nawabganj Branch	Chapai Nawabganj	Rajshahi	0900	Ali Villa Holding No: N/A, Road Name: Sonali Bank Road Road No: N/A Ward No: 04 Pourashava: Shibganj, Thana: Shibganj District: Chapai Nawabganj.
201	Charghat	Baneswar Branch	Rajshahi	Rajshahi	0910	Charghat Bazar, Daag No. R.S- 506, Khatian No. R.S- 74, Mouza- Charghat, Union/Upizalla: Charghat, District: Rajshahi

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
202	Sherpur Colony	Bogra Branch	Bogura	Rajshahi	8061	Yeasin Tower, Holding No-1529, Sherpur Road, Ward No-12, Pourashava- Bogura Sadar, Bogura.
203	Sherpur Upozilla	Bogura Branch	Bogura	Rajshahi	0871	Mizan Tower, Holding No: 2376(1) Road Name: Hatkhola Road Road No: N/A Ward No: 08 Pourashava: Sherpur, Thana: Sherpur District: Bogura
204	Dhupchachia	Bogura Branch	Bogura	Rajshahi	0872	Haque Complex, Holding No: 631 Road Name: Shantahar-Bogura Road Road No: N/A Ward No: 02 Pourashava: Dupchanchia, Dupchanchia, Bogura
205	Shantahar	Naogaon Branch	Bogura	Rajshahi	0890	Cox's Bazar Market, Shantahar Main Road, Ward No: 06, Pourashava: Shantahar, Thana: Adamdighi, Bogura
206	Gabtolli Upozila	Bogura Branch	Bogura	Rajshahi	0873	Holding No: 750, Road Name: N/A, Road No: 02, Ward No: 02, Pourashava: Gabtoli, Thana: Gabtoli District: Bogura.
207	Chelopara	Bogra Branch	Bogura	Rajshahi	0874	Holding No: 626, Road Name: Chelopara Road, Road No: N/A, Ward No: 6, Pourashava: Bogura, Thana: Bogura Sadar, District: Bogura
208	Panchbibi	Joypurhat Branch	Joypurhat	Rajshahi	0850	Domdoma Super Market, Holding No: 27-30, Road Name: Joypurhat-Hilli Road, Ward No: 5, Pourashava: Panchbibi, Thana: Panchbibi District: Joypurhat
209	Tamai	Belkuchi Branch	Sirajganj	Rajshahi	0920	Haji Haider Ali Complex, Village/Area: Tamai, Dag # S.A 2760, R.S 3300, Khatian # S.A 778, R.S 1758, Mouza: Tamai, Union: 3 no Vangabari, Thana: Belkuchi, District: Sirajganj
210	Mahiganj	Rangpur Branch	Rangpur	Rangpur	0700	Babul Plaza, Holding No: 1, Road Name: Gaibandha Road, Road N/A, Ward No: 29, City Corp: Rangpur City Corp. Thana: Mahiganj Model Thana, District: Rangpur
211	Medical East Gate	Rangpur Branch	Rangpur	Rangpur	0701	Shirin Plaza, Holding No: 200/1, Road Name: Burirhat Road, Road No: 10, Ward No: 19, City Corp.: Rangpur City Corp., Thana: Rangpur Sadar, District: Rangpur
212	Bahadur Bazar	Dinajpur Branch	Dinajpur	Rangpur	0725	Holding No: 6739, T&T Road, Ward No: 3, Pourashava: Dinajpur, Thana: Dinajpur Sadar, District: Dinajpur
213	Chirirbondor	Dinajpur Branch	Dinajpur	Rangpur	0726	Village/ Area: Abdulpur, Dag No: CS & SA 493, Khatian No: CS 348, SA 495, Mouza: Chirirbondor, Union: 05 no. Abdulpur, District: Dinajpur.
214	Nimnagar-Balubari Uposhakha	Dinajpur Branch	Dinajpur	Rangpur	0727	Holding No: 922, Road Name: Fulbari Bus Stand Road, Road No: N/A, Ward No: 8, Pouroshava: Dinajpur, Thana: Dinajpur Sadar, District: Dinajpur
215	Pirganj	Setabganj Branch	Thakurgaon	Rangpur	0750	Holding No: N/A, Road Name: College Bazar Road, Road No: N/A, Ward No: 4, Pourashava: Pirganj, Thana: Pirganj, District: Thakurgaon
216	Kadamtoli	Sylhet Branch	Sylhet	Sylhet	0250	Ekanto Neketon, Shornoshika - 156/157, Kadamtali, Sylhet Sadar, Sylhet
217	Jitu Miah's Point	Sylhet Branch	Sylhet	Sylhet	0251	Baksh Tower Holding No: N/A Road Name: V.I.P Road, Road No: N/A, Ward No: 13, City Corp.: Sylhet Thana: Sylhet District: Sylhet

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
218	Shahestaganj Bazar	Habiganj Branch	Habiganj	Sylhet	0325	Holding No-0324-00, Daudnagar Bazar, Shahestaganj Pourashava, Habiganj Sadar, Habiganj
219	Chunarughat	Habiganj Branch	Habiganj	Sylhet	327	Nironjon City Market, Holding No: 095/00, Road Name: Moddho Bazar Road, Ward No: 05, Pourashava: Chunarughat, Upazilla: Chunarughat, District: Habiganj
220	Court Station Road	Habiganj Branch	Habiganj	Sylhet	328	Alif Atraf Center, Holding No: 6463-6464, Court Station Road, Ward No: 09, Habiganj Pourashava, Upazilla: Habiganj Sadar, District: Habiganj
221	Olipur Highway	Habiganj Branch	Hobiganj	Sylhet	0326	Sardar Complex, Village-Olipur, Dag No-163, Khatian No- 133, Mouja-Olipur, Union- 11 No- Brahamandura, Shaestaganj, Hobiganj
222	Nabiganj Upozilla	Habiganj Branch	Habiganj	Sylhet	0329	Sherpur Road, Ward No: 8, Pourashava: Nabiganj, Thana: Nabiganj, District: Habiganj
223	Barlekha	Juri Branch	MoulviBazar	Sylhet	0345	Hazi Memorial Market, Barlekha Road, Ward No: 04, Pourashava: Barlekha, Upozilla: Baralekha, Thana: Baralekha, District: Moulvibazar
224	Rupatali	Barishal Branch	Barisal	Barisal	0401	Haider Mansion, Holding No.: 437/1, Barisal Jhalakathi Road, Ward No.: 25, Barisal City Corporation, Thana: Barisal Sadar, District: Barisal.
225	Nathullahbad	Barishal Branch	Barisal	Barisal	0400	Holding No: 2936, Khalpar Road, Ward No: 29, Barisal City Corporation, Thana: Biman Bandar, District: Barisal
226	Halishahor	Alankar Moor Branch	Chattogram	Chattogram	8835	House#5/A, Lane-2, Rd No.-2, Block-G, Halishahor Housing Estate, Chattogram
227	Lal Khan Bazar	CDA Avenue Branch	Chattogram	Chattogram	8820	Sani Tower, 24 M M Ali Road, Lal Khan Bazar, Chattogram.
228	Airport Road	Bandartila Branch	Chattogram	Chattogram	8845	Haji Jafar Center, Holding No: 62 Road Name: Bijoy Nagar Road, Road No: 02, Ward No: 41, City Corp.: CCC, Thana: Patenga, District: Chattogram
229	Naya Bazar	Alankar Moor Branch	Chattogram	Chattogram	8836	Taher Mansion, Holding No: 4507, Road Name: Port Connecting Road, Road No: N/A, Ward No: 12, Coty Corp.: CCC, Thana: Pahartoli, District: Chattogram
230	Shah Amanat Link Road	CDA Avenue Branch	Chattogram	Chattogram	8821	AJ Tower, Holding No: 3617/5179 Road Name: Shah Amanat Link Road, Road No: N/A Ward No: 18, City Corp.: CCC, Thana: Bakolia District: Chattogram
231	Temohoni Bazar	Fatikchari Branch	Chattogram	Chattogram	0055	Solaiman Company Market, Village: Kanchannagar, Plot: Nos.: R.S.: 4393, B.S.: 5529, 5530, 5531, Khatian Nos.: 844, B.S.: 103, Mouza: Manikpur, Union: Kanchannagar, P.S.: Fatikchari, District: Chattogram
232	Rahattar Pool	Khatunganj Branch	Chattogram	Chattogram	8765	Azim Tower, Holding No: 3091/4533 (Old: 16/94, 30/91), Road Name: KB Aman Ali Road Road No: N/A, Ward No: 17 City Corp.: CCC, Thana : Bakolia District : Chattogram
233	Dewan Bazar	Laldighi Branch	Chattogram	Chattogram	8780	JS Tower, Holding No: 89, Road Name: Nawab Sirajuddaula Road, Road No: N/A, Ward No: 20, City Corp.: CCC, Thana: Kotwali, District: Chattogram

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
234	Sarkerhat	Hathazari Branch	Chattogram	Chattogram	0040	Hasan Center Sarkerhat, Haji Safar Ali Sark (Station Road), Ward No: 01, Upozilla: Mirzapur, Thana: Hathazari, District: Chattogram
235	Aman Bazar	Hathazari Branch	Chattogram	Chattogram	0041	N S Tower, Village: Chikon Dandi, Dag No: R.S.: 12832, B.S.: 17934, Khatian No: 720, Mouza No: Chikon Dandi, Union: Chikon Dandi, Chattogram
236	Sadarghat Road	Shah Amanat Market Branch	Chattogram	Chattogram	8800	Four Star Tower, Holding No: 141/153, Sadarghat Road, Ward No: 31, Chattogram City Corporation, Thana: Sadarghat, District: Chattogram
237	Aturar Depot	Panchlaish Branch	Chattogram	Chattogram	8860	Aziz Tower, Holding No: 2119/3982, Hathazari Road, Ward No: 07, Chattogram City Corporation, Thana: Panchlaish, District: Chattogram
238	Mohammadpur Ismail Colony	Chawk Bazar Branch	Chattogram	Chattogram	8790	Mostak Mansion, Holding No: 423/830, Mohammadpur Road, Ward No:7, Chattogram City Corporation, Thana: Panchlaish, District: Chattogram
239	Raozan	Hathazari Branch	Chattogram	Chattogram	0042	Alam Plaza, Holding No.: 785, Pourashava Road, Ward No. 08, Pourashava: Raozan, Thana: Raozan, District: Chattogram
240	Oxygen Moor	Noju Miah Hat Branch	Chattogram	Chattogram	0030	Jahan Center, Holding No.: 3669/C, Bangabandhu Avenue, Ward No.: 03, Panchlaish, Chattogram City Corporation, Thana: Baizid Bostami, District: Chattogram
241	Kadamtoli	Sheikh Mujib Road Branch	Chattogram	Chattogram	8810	Khalek Mansion, Holding No: 1167, Dhaka Trunk Road, Ward No: 23, Chattogram City Corporation, Thana: Double Mooring, District: Chattogram
242	Khaja Road	Panchlaish Branch	Chattogram	Chattogram	8861	Probashi Tower, Khaja Road, Ward No: 04, Chattogram City Corporation, Thana: Chandgaon, Chattogram
243	Gohira	Hathazari Branch	Chattogram	Chattogram	0043	Rangamati Road, Ward No: 03, Pourashava: Raozan, Thana: Raozan, District: Chattogram
244	Puratan Chandgaon	Chawk Bazar Branch	Chattogram	Chattogram	8791	Awolia Market, Holding No: 3698/A/5774, Arakan Road, Ward No: 04, Chattogram City Corporation, Thana: Chandgaon, Chattogram
245	B.Ed College Gate	Chawk Bazar Branch	Chattogram	Chattogram	8792	Emdad Mansion, Holding No.: N/A, K.B. Aman Ali Road, Road No: N/A, Ward No.: 17, City Corp: Chattogram, Thana: Bakulia, District: Chattogram
246	Teri Bazar	Laldighi Branch	Chattogram	Chattogram	8781	S.K. Tower, Holding No: N/A, Road Name: Afimer Goli, Road No: N/A, Ward No: 20, City Corp.: Chattogram Thana: Kotwali District: Chattogram
247	P. C. Road	Sheikh Mujib Road Branch	Chattogram	Chattogram	8811	Siddique Square, Holding No.: N/A. Road Name: P.C. Road, Ward No.: 36, City corp.: Chattogram, Thana: Bandor, District: Chattogram
248	Kaptai Rastar Matha	Noju Miah Hat Branch	Chattogram	Chattogram	0031	Ezahar Chowdhury Centre, Holding No: 3654, Road Name: Kaptai Rastar Matha, Ward No: 05, City Corp: Chattogram, District: Chattogram
249	Kunjachaya	CDA Avenue Branch	Chattogram	Chattogram	8822	Prattasha Tower, Holding No: 631/1238, Road Name: Baizid Than Road, Road No: N/A, Ward No: 08, City Corp.: Chattogram, Thana: Baizid, District: Chattogram

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
250	Madanhat	Hathazari Branch	Chattogram	Chattogram	0044	Abdul Haque Market, Village/Area: Madanhat, Daag # 5467, Khatian # 1230, 5328, Mouza: Pachimpatty, Upazilla: Fathepur, Thana: Fathepur, District: Chattogram.
251	Chandgaon R/A	Panchlaish Branch	Chattogram	Chattogram	8862	Holding No: 252, Road Name: Block B, Road No: 11, Ward No: 17, Thana: Chandgaon, District: Chattogram.
252	Sorail Upzilla	Brahmanbaria Branch	Brahmanbaria	Chattogram	0001	Sorail Tower, P.O -Sorail, P.S-Sorail, Brahmanbaria
253	Kawtali	Brahmanbaria Branch	Brahmanbaria	Chattogram	0002	Abdul Hai Mansion, Holding No: 1329, Road Name: Kawtoli Main Road, Road No.: N/A, Ward No: 10, Pourashava: Brahmanbaria, Thana: Brahmanbaria Sadar, District: Brahmanbaria
254	Tantar Bazar	Akhaura Branch	Brahmanbaria	Chattogram	0125	Mosiduzzaman Bhaban Village/Area: Tantar, Dag # B.S 483, Khatian: B.S 262, Mouza: Tantar Union: Tantar, District: Brahmanbaria (Mosiduzzaman Bhaban Village: Tantar, Ward No: 08, P.S.: Akhaura, District: Brahmanbaria)
255	Kasba	Akhaura Branch	Brahmanbaria	Chattogram	0126	Fazlul Haque Tower, Holding No.: 99, Zila Praisad Road, Ward: 08, Pourashava: Kasba, Thana: Kasba, District: Brahmanbaria.
256	Champaknagar	Akhaura Branch	Brahmanbaria	Chattogram	0127	Five Star Plaza Village/Area: Champaknagar Dag # B.S 148, 179 & 180, S.A 105 Khatian: B.S 30 & 33, S.A 14, Mouza: Fatehpur Union: Bijoynagar, District: Brahmanbaria
257	Sarak Bazar	Brahmanbaria Branch	Brahmanbaria	Chattogram	0003	Holding No: Dag-1589 & 1590, Road Name: Sarak Bazar Road, Road No: N/a, Ward No: 04, Pourashava: Brahmanbaria Upazilla/Thana: Brahmanbaria Sadar, Brahmanbaria
258	Kachua Bazar	Kachua Branch	Chandpur	Chattogram	8610	Janata Super Market, Holding No: 317, Road Name: Kachua Bazar Main Road, Ward No: 08, Pourashava: Kachua, Upozila: Kachua, District: Chandpur
259	Hajiganj Bazar	Kachua Branch	Chandpur	Chattogram	8611	Haji Mansion, Holding No: 389, Road Name: Kapuria Patti Road, Ward No: 06, Pourashava: Hajiganj, Thana: Hajiganj District: Chandpur
260	Sachar Bazar	Kachua Branch	Chandpur	Chattogram	8612	Maa Tower Village/Area: Sachar Bazar, Khatian Nos. R.S.: 670, B.S.: 187, Plot Nos: R.S.: 670/672, B.S.: 1178, Mouza: Sachar, Union: 1 No. Sachar, Thana: Kachua, District: Chandpur
261	Shahrasti	Kachua Branch	Chandpur	Chattogram	8613	Shahrasti Landmark Super Market, Holding No: 58/2, Road Name: Shahrasti Upozila Road, Road No.: 02 Ward No: 02 Pourashava: Shahrasti, Thana: Shahrasti, Chandpur
262	Racecourse	Cumilla Branch	Cumilla	Chattogram	8500	Rokeya Tower, Holding No-459/395, Shasongacha Road, Ward No-9, Thana- Adarsa Sadar, Cumilla
263	Paaduar Bazar	Cumilla Branch	Cumilla	Chattogram	8501	Kamal Mansion, Holding No- 0034, Paaduar Bazar, Laksam Road, Ward - 22, Cumilla City Corporation, Cumilla
264	Suagonj Bazar	Miah Bazar Branch	Cumilla	Chattogram	8585	Abdul Bari Shopping Comple, Village: Purba Battagram. Daag No. 369, Khatian No. 56, Mouza- Purba Battagram, Union: 5, Paschim Jorkanon, District: Cumilla



Sl No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
265	Kashinagar	Miah Bazar Branch	Cumilla	Chattogram	8586	Hazi Siddik Rahman Shopping Comple, Village: Ramchandrapur, Daag No. 485, Khatian No. 291, Mouza- Jatrapur, Union: 1, Kashinagar Union Parishad, District: Cumilla
266	Debidwar	Companiganj Branch	Cumilla	Chattogram	8550	Shopnil Tower, Holding no. 253, New Market Road, Ward no. 05, Devidwar Municipality, Devidwar, Cumilla
267	Homna Bazar	Gouripur Branch	Cumilla	Chattogram	8570	Building Name (If any): Shila Moni Shopping Mall, Holding No: 742, Road Name: Thana Road, Road No: N/A, Ward No: 04, Pourashava.: Homna, Upozila: Homna, District: Cumilla
268	Burichang	Cumilla Branch	Cumilla	Chattogram	8502	Burichang Tower, Vill/Area: Burichang, Mouza: Uttar Bijoypur, Union: Burichang, Upazilla: Burichang , District: Cumilla
269	Baghmara Bazar	Cumilla Branch	Cumilla	Chattogram	8503	Global Tower, Village/Area: Baghmara Bazar, Lalmai, Mouza: Uttar Oshanthala, Union: 7 No. Lalmai, District: Cumilla
270	Bakhrabad	Companyganj Branch	Cumilla	Chattogram	8551	Madina Super Market, Village/Area: Gangatia, Dag # RS 225 , Khatian.: RS 209, Mouza: Soifullahkandi, Union: Muradnagar, Thana: Muradnagar, District: Cumilla
271	Daudkandi	Gouripur Bazar	Cumilla	Chattogram	8571	Khondoker Tower, Holding No: 576, Bazar Road , Ward No: 04, Pourashava: Daudkandi, Thana: Daudkandi, District: Cumilla
272	Kotbari	Cumilla Branch	Cumilla	Chattogram	8504	Kashem Manjil, Holding No: 28, Kotbari Road, Ward No: 24, Cumilla City Corporation, Thana: Sadar South, District: Cumilla
273	Mohonpur Bazar	Chandina Branch	Cumilla	Chattogram	8560	Aziz Plaza, Village: Mohonpur Bazar, Mouza: Mohonpur, Union: 16 no. Mohonpur, Thana: Debidwar, Cumilla
274	Cumilla EPZ	Cumilla Branch	Cumilla	Chattogram	8505	Holding No: 57, EPZ Road, Ward No: 21, Cumilla City Corporation, Thana: Sadar South, District: Cumilla
275	Nimsar Bazar	Moynamoti Branch	Cumilla	Chattogram	8620	A K Gafur Sarkar Plaza, Village: Nimsar, Dag # B.S.: 1565, Khatian # B.S.: 81, Mouza: Nimsar, Union: 7 NO. Mokam, District: Cumilla
276	Ram Mohan	Chandina Branch	Cumilla	Chattogram	8561	Alamin Market, Village/Area: Ram Mohan Bazar, Daag No: CS/RS 55,56, CS&RS 54, BS-76, Khatian No: RS-27&39 BS-07, Moujar Name: Ram Mohan, Union: 03 no. Uttar Khoshbash, Thana: Borura, Cumilla.
277	Nalghar	Miah Bazar Branch	Chouddagram	Chattogram	8587	Abdul Berek Shopping Complex, Village: Purba Battagram. Khatian No: R.S.: 411, B.S.: 128, Dag No: B.S.: 1578, R.S.: 970, Mouza: Nalghor, Union: Nalghor,Thana: Chouddagram, District: Cumilla
278	Batakandi Bazar	Gouripur Branch	Cumilla	Chattogram	8572	SS Tower, Village/Area: Batakandi, Dag No: C.S/S.A. # 5682, Khatian No: S.A#209 & B.S#1508, Mouza Name: Jagatpur, Union: Jagatpur, Upazilla: Titas, District: Cumilla.
279	Academy Road	Feni Branch	Feni	Chattogram	8520	Bondhon Rajprasad, Holding No: 51, Road Name: Academy Road, Ward No: 03, Pourashava.: Feni, Thana: Feni Sadar, District: Feni

SI No	Uposhakha Name	Branch	District	Division	Uposhakha Code	Address
280	Chagalnaiya	Feni Branch	Feni	Chattogram	8521	Khaja City Garden, Holding No: N/A, Road Name: Dak Bangla Road, Road No: N/A, Ward No: 5, Pourashava: Chhagalnaiya, Thana: Chhagalnaiya, District: Feni
281	Maijdee	Choumuhani Branch	Noakhali	Chattogram	8535	Pouro Super Market, Noakhali Pourshava, Noakhali Sadar, Noakhali (Noakhali Pouro Super Market, Maijdee Main Road, Ward No. - 05, Maijdee Pouroshova, Thana: Sudharam, Noakhali)
282	Basurhat	Choumuhani Branch	Noakhali	Chattogram	8536	Building Name (If any): R.D. Shopping Mall, Holding No: 111, Road Name: Basurhat,Kabirhat Road, Road No: N/A, Ward No: 03 Pourashava.: Basurhat, Upozila:Basurhat, District:Noakhali
283	Amishapara	Choumuhani Branch	Noakhali	Chattogram	8537	Sumaya Plaza, Village/Area: Amishapara, Mouza:Amishapara, Union/Upzilla: 10 No. Amishapara, District:Noakhali
284	Sonaimuri Bazar	Choumuhani Branch	Noakhali	Chattogram	8538	Ema Plaza, Esak Miah Road, Ward No-05, Sonaimuri Bazar, Sonaimuri Pourashava, Noakhali
285	Chhayani Bazar	Chandraganj Branch	Noakhali	Chattogram	8600	Sobhan Market, Vill/Area: Lakkhanpur, Daag: 1519, Khatian: 362/1, Mouza: Lakkhanpur, Union: No Chhayani, Thana: Begumganj, District: Noakhali

## Particulars of Head Office and Branches of Nepal Bangladesh Bank Limited

Head Office : Kamaldi, Kathmandu, Nepal

SWIFT: NPBBNPKA

### Branches Inside Valley

- 1. Corporate Branch**  
District: Kathmandu  
Municipality: Kathmandu  
Ph # 01-4233780/81/82/83/84/85
- 2. Newroad Branch**  
District: Kathmandu  
Municipality: Kathmandu  
Ph # 01-4241368/4224477
- 3. Bhaishpati Branch**  
District: Lalitpur  
Municipality: Lalitpur  
Phone # 01-5590028
- 4. Main Branch**  
District: Kathmandu  
Municipality: Kathmandu  
Phone # 01-4780770/4781195
- 5. Kalimati Branch**  
District: Kathmandu  
Municipality: Kathmandu  
Phone # 01-4277298
- 6. Kapan Branch**  
District: Kathmandu  
Municipality: Budanilkantha  
Phone # 01-4823335
- 7. Lalitpur Branch**  
District: Lalitpur  
Municipality: Lalitpur  
Phone # 01-5008721/5554011
- 8. Bhaktapur Branch**  
District: Bhaktapur  
Municipality: Suryabinayak  
Phone # 01-6613170
- 9. Balaju Branch**  
District: Kathmandu  
Municipality: Kathmandu  
Phone # 01-4383768/4384170
- 10. Jorpati Branch**  
District: Kathmandu  
Municipality: Gokarneshwor  
Phone # 01-4910997/4910828
- 11. Sanepa Branch**  
District: Lalitpur  
Metropolitian: Lalitpur  
Phone: 01-5546010/11
- 12. Kirtipur Branch**  
District: Kathmandu  
Municipality: Kirtipur  
Phone # 01-5195123/5195348
- 13. Imadole Branch**  
District: Lalitpur  
Municipality: Lalitpur  
Phone # 01-5204202
- 14. Maharajgunj Branch**  
District: Kathmandu  
Municipality: Kathmandu Metro  
Phone # 01-4376565
- 15. Chabahil Branch**  
District: Kathmandu  
Municipality: Kathmandu Metro  
Phone # 01-4482692
- 16. Koteswor Branch**  
District: Kathmandu, Bagmati  
Kathmandu Metroplitian City  
Phone # 01-4600219
- 17. Maitidevi Branch**  
District: Kathmandu, Bagmati  
Kathmandu Metroplitian City  
Phone: 01-4440335/ 01-4440336
- 18. Tokha Branch**  
District: Kathmandu  
Metroplitian: Tokha  
Phone: 01-4355345/01-4381150
- 19. Chyamasing Branch**  
District: Bhaktapur  
Municipality : Bhaktapur  
Phone: 01-6620425/01-6620426
- 20. Tilganga Branch**  
District: Kathmandu  
Metropolitan: Kathmandu  
Phone : 9852062919
- 21. Khokhana Branch**  
District: Lalitpur  
Metropolita: Lalitpur  
Phone: 9841519850
- 22. Kandaghari Branch**  
District: Kathmandu  
Municipality: Kageshwori Manohara  
Phone: 01-4992093
- 23. Mandikhatar Branch**  
District: Kathmandu  
Municipality: Budhalinkantha  
Phone: 01-5907094/01
- 24. Sirutar Branch**  
District: Bhaktapur  
Municipality : Suryabinayak  
Phone: 01-5908903/04

### Branches Outside Valley

- 1. Battar Branch**  
District: Nuwakot  
Municipality: Bidur  
Ph # 010-560256
- 2. Janakpur Branch**  
District: Dhanusha  
Municipality: JANAKPUR  
Phone # 041-521548
- 3. Butwal Branch**  
District: Rupamdehi  
Municipality: Butwal  
Phone # 071-544845
- 4. Hetauda Branch**  
District: Makwanpur  
Municipality: Hetauda  
Phone # 057-523034
- 5. Birgunj Branch**  
District: Parsa  
Municipality: Birgunj  
Phone # 051-523689
- 6. Nepalgunj Branch**  
District: Banke  
Municipality: Nepalgunj  
Phone # 081-415135
- 7. Biratnagar Branch**  
District: Morang  
Municipality: Biratnagar  
Phone # 021-530523
- 8. Barahbise Branch**  
District: Sindhupalchowk  
Municipality: Barahbise  
Phone : 011-489022
- 9. Dhangadhi Branch**  
District: Kailali  
Sub Metropolitan: Dhangadhi  
Phone: 091-521785
- 10. Pokhara Branch**  
District: Kaski  
Municipality: Pokhara  
Phone # 061-533134
- 11. Dharan Branch**  
District: Sunsari  
Municipality: Dharan  
Phone # 025-530166
- 12. Dhunche Branch**  
District: Rasuwa  
Municipality: Dhunche  
Phone # 010-540015
- 13. Narayangadh Branch**  
District: Chitwan  
Municipality: Bharatpur  
Phone # 056-570962
- 14. Bhojpur Branch**  
District: Bhojpur  
Municipality: Bhojpur  
Phone # 029-420713
- 15. Birtamod Branch**  
District: Jhapa  
Municipality: Birtamod  
Phone # 023-545724

- 16. Bhairahawa Branch**  
District: Rupandehi  
Municipality: Siddharthnagar  
Phone # 071-521659
- 17. Salayan Branch**  
District: Salyan  
Municipality: Sarada  
Phone # 088-400182
- 18. Surkhet Branch**  
District: Surkhet  
Municipality: Birendranagar  
Phone # 083-520220/521481
- 19. Darchula Branch**  
District: Darchula  
Municipality: Mahakali  
Phone # 093-420242
- 20. Sankranti Branch**  
District: Terahatum  
Municipality: Aatharai Rural  
Phone: 026-680966/ 680967
- 21. Dang Branch**  
District: Dang Deokhuri  
Municipality: Ghorahi  
Phone # 082-563796
- 22. Biratchowk Branch**  
District: Morang  
Municipality: Sundar Haraicha  
Phone # 021-545789
- 23. Karsia Branch**  
District: Morang  
Municipality: Dhanpalthan  
Phone # 021-565038
- 24. Galchhi Branch**  
District: Dhading  
Municipality: Galchhi  
Phone # 010-403127
- 25. Jhalari Branch**  
District: Kanchanpur  
Municipality: Suklaphata  
Phone # 099-540067 099-540067
- 26. Musikot Branch**  
District: Rukum  
Municipality: Musikot  
Phone # 088-530364
- 27. Phidim Branch**  
District: Panchthar  
Municipality: Phidim  
Ph # 024-521081
- 28. Khaireni Branch**  
District: Chitawan  
Municipality: Khairehani  
Ph # 056-583097
- 29. Chainpur Branch**  
District: Bajhang  
Municipality: Jaya Prithvi  
Phone # 091-4211431
- 30. Kushma Bazar Branch**  
District: Parbat  
Municipality: Kushma  
Phone # 067-421327
- 31. Khajura Branch**  
District: Banke  
Municipality: Bageswori  
Phone # 081-560428/ 560429
- 32. Lekhnath Branch**  
District: Kaski  
Municipality: Pokhara lekhnath  
Phone # 061-411445
- 33. Baglung Branch**  
District: Baglung  
Municipality: Baglung  
Phone: 068-520310/ 522872
- 34. Daldale Branch**  
District: Nawalpur  
Municipality: Devchuli  
Phone # 078-575570
- 35. Itahari Branch**  
District: Sunsari  
Municipality: itahari  
Phone # 025-582411
- 36. Sindhuwa Branch**  
District: Dhankuta  
Municipality: Chhathar Jorpati Rural  
Phone # 026-404169
- 37. Sinza Branch**  
District: Jumla  
Municipality: Sinja Rural  
Phone: 9758004548
- 38. Sangurigadi Branch**  
District: Dhankuta  
Municipality: Sangurigadhi Rural  
Phone # 026-400078
- 39. Chhathae Branch**  
District: Terhathum  
Municipality: Chhather Rural  
Phone # 9851142173
- 40. Panchkhapan Branch**  
District: Sankhuwashava  
Municipality: Panchkhapan  
Phone # 029-411084
- 41. Chhatargunj Branch**  
District: Argakhanchi, Lumbini  
Municipality: Chhatradev  
Phone # 077-690436
- 42. Bhumlu Branch**  
District: Kavre, Bagmati  
Municipality: Bhumlu  
Phone # 9741473634
- 43. Salpasilicho Branch**  
District: Bhojpur  
Municipality: Salpasilicho  
Phone # 9842306473
- 44. Bardibas Branch**  
District: Mahottari  
Municipality: Bardibas  
Phone # 044-550154
- 45. Brahmapuri Branch**  
District: Sarlahi  
Municipality: Brahmapur  
Phone # 985-1067147
- 46. Koudena Branch**  
District: Sarlahi, Janakpur  
Municipality: Koudena  
Phone # 9854035716
- 47. Chandranigahapur Branch**  
District: Routahat, Narayani  
Municipality: Chandrapur  
Phone # 055-540670/72
- 48. Simara Branch**  
District: Bara  
Sub Metropolitan: Jitput Simara  
Phone # 053-520627/053-520628
- 49. Parwanipur Branch**  
District: Bara, Narayani  
Municipality: Parwanipur  
Phone # 9855069020
- 50. Hapure Branch**  
District: Dang, Rapti  
Municipality: Babai  
Phone # 051-410069/051-410069
- 51. Makwanpurgadhi Branch**  
District: Makwanpur, Narayani  
Municipality: Makwanpurgadhi  
Phone # 082-403056/082-403057
- 52. Chandrauta Branch**  
District: Kapilbastu, Lumbini  
Municipality: Shivaraj  
Phone # 076-540526
- 53. Bishnu Branch**  
District: Sarlahi  
Municipality: Bishnu  
Phone # 9844037325
- 54. Dhanauji Branch**  
District: Dhanusha, Janakpur  
Municipality: Dhanauji  
Phone # 9813094594
- 55. Arnama Branch**  
District: Siraha, Sagarmatha  
Municipality: Amama Rural  
Ph # 9842130460/9852020660
- 56. Rajarani Branch**  
District: Dhankuta, Koshi  
Municipality: Chaubise Rural  
Phone 026-411062
- 57. Fikkal Branch**  
District: Ilam, Mechi  
Municipality: Suryodaya  
Phone # 027-540595
- 58. Chandranagar Branch**  
District: Siraha  
Municipality: Chandranagar  
Phone # 9854020034
- 59. Dewahi Gonahi Branch**  
District: Rautahat, Sagarmatha  
Municipality: Dehawi Gonahi rural  
Phone: 9845428941
- 60. Damouli Branch**  
District: Tanahun, Gandaki  
Municipality: Byas  
Phone: 9851183371/065-560881
- 61. Sandhikharka Branch**  
District: Argakhanchi  
Municipality: Sandhikharka  
Phone # 077-420965
- 62. Chandev Branch**  
District: Kanchanpur  
Municipality: Laljhadi  
Phone: 9848751003
- 63. Fedap Branch**  
District: Terahthum  
Municipality: Fedap  
Phone # 026-681031/026-681032

- 64. Bulingtar Branch**  
District: Nawalpur, Lumbini  
Municipality: Bulingtar  
Phone: 9851170643
- 65. Kalimati (Rampur) Branch**  
District: Salyan  
Municipality: Kalimati  
Phone: 9849180380
- 66. Timure Branch**  
District: Rasuwa  
Municipality: Gosaikunda Rural  
Phone: 010-543022
- 67. Mahendranagar Branch**  
District: Kanchanpur  
Municipality: Bhimdutta  
Phone: 099-522112/099-522168
- 68. Tikapur Branch**  
District: Kailali  
Municipality: Tikapur  
Phone: 091-560752/ 091-560362
- 69. Kohalpur Branch**  
District: Banke  
Municipality: Kohalpur  
Phone: 081-540256 /081-540258
- 70. Damak Branch**  
District: Jhapa  
Municipality : Damak  
Phone: 023-580163/023-580164
- 71. Mirchaiya Branch**  
District: Siraha  
Municipality: Mirchaiya  
Phone: 9854035716
- 72. Malangwa Branch**  
District: Sarlahi  
Municipality: Malangwa  
Phone: 046-521705/06
- 73. Tatopani Branch**  
District: Sindhupalchowk  
Municipality: Bhotekoshi Rural  
Phone: 9841670354
- 74. Tulsipur Branch**  
District: Dang  
Sub-Metropolitan City: Tulsipur  
Phone: 9857847787
- 75. Rajbiraj Branch**  
District: Saptari  
Municipality: Rajbiraj  
Phone: 031-520045/9854035716

## Particulars of Head Office and Branches of Oman Exchange LLC

Post Box No. 994 Hay Al Mina  
Postal Code No.114, Muscat (opposite to Muscat Pharmacy) Sultanate of Oman  
Phone # (968) 24832197, 24830893, Fax # (968) 24835036, 24835141, e-mail: custsupport@oiexc.com

<b>1. Hamriya Main Branch</b> Post Box No.994, Hay Al Mina Postal Code No.114 Ruwi Souk Street Hamriya, (beside Muscat Pharmacy ) Muscat, Sultanate of Oman Phone # (968) 24833591 Fax # (968) 24833593	<b>5. Ghubra Branch</b> Post Box No.897, Postal Code No.133 Ghubra Roundabout (inside) Ghubra, Sultanate of Oman Phone # (968) 24490360 Fax # (968) 24490987	<b>9. Saham Branch</b> Post Box No.878, Postal Code No.319 Saham Beside Omantel Office Sultanate of Oman Phone # (968) 268 55442 Fax # (968) 268 55446
<b>2. Sohar Branch</b> Post Box No. 862, Postal Code No. 311 Sohar, Old Hospital Road Sultanate of Oman Phone # (968) 26846339 Fax # (968) 26841519	<b>6. Mabelah Branch</b> Post Box No. 994, Postal Code No. 114, Near Oman Oil Petrol Station Muscat – Sohar Highway,North Mabelah, Sultanate of Oman Phone # (968) 24450613 Fax # (968) 24450612	<b>10. Shinas Branch</b> Post Box No.402, Postal Code No.324 Shinas roundabout Sultanate of Oman Phone # (968) 26748315 Fax # (968) 26748316
<b>3. Nizwa Branch</b> Post Box No.718, Postal Code No.611, Nizwa Souk, Nizwa Sultanate of Oman Phone # (968) 25413084 Fax # (968) 25411741	<b>7. Barka Branch</b> Post Box No.696, Postal Code No.320, Barka – Muscat Highway Barka, Sultanate of Oman Phone # (968) 2688 5142 Fax No-(968) 2688 5143	<b>11. Rustaq Branch</b> Post Box No: 167, Postal Code No.: 329 Burgh Al Radda, Rustaq, Sultanate of Oman Phone # (968) 26 87 79 12 Fax # (968) 26 87 79 13
<b>4. Suwaiq Branch</b> Post Box No.497, Postal Code No.315, Suwaiq, Suwaiq Sohar Highway, beside Bank Muscat Sultanate of Oman Phone # (968) 26861893 Fax # (968) 26860793	<b>8. Falaj Branch</b> Post Box No.70, Postal Code No.327 Sohar Industrial Estate Sultanate of Oman Phone # (968) 2675 3036 Fax # (968) 2675 1420	

## Particulars of Branch and Booth of IFIC Money Transfer (UK) Limited

**Head Office :** 18 Brick Lane, London E1 6RF, UK  
Phone # 0042072479670, Fax # 00442072479670, Email: monwar@ificuk.co.uk

Branch	Booth
<b>1. IFIC Money Transfer (UK) Limited</b>	<b>1. IFIC Money Transfer (UK) Limited</b>
18 Brick Lane, London E1 6RF, UK	Turnpike Lane Booth
Phone: 00447951786188 (Cell), 00442070609142 (Land Line)	97 Turnpike Lane, London N8 ODY, UK
Fax: 00442072479670, Email: monwar@ificuk.com	Phone : 00442083411644



Global Network of  
Correspondent Banks



- NIGERIA**  
Guaranty Trust Bank Plc
- NORWAY**  
DNB Bank ASA  
Danske Bank A/S  
Nordea Bank Norge ASA  
Sparebank 1 SR-Bank ASA
- OMAN**  
Bank Dhofar (S.A.O.G)  
Bank Muscat (S.A.O.G)
- PAKISTAN**  
Bank Al Habib Limited  
Habib Metropolitan Bank Limited  
Meezan Bank Limited  
MCB Bank Ltd.  
National Bank of Pakistan  
Summit Bank Limited
- PANAMA**  
KEB Hana Bank
- PHILIPPINES**  
Asian Development Bank  
Hongkong and Shanghai Banking Corp. Ltd.  
KEB Hana Bank
- POLAND**  
Bank Handlowy W Warszawie SA  
Bank Polska Kasa Opieki SA  
Danske Bank A/S  
Deutsche Bank Polska SA  
MBANK SA ( Formerly BRE Bank)
- QATAR**  
Doha Bank  
Masreq Bank  
Standard Chartered Bank
- SINGAPORE**  
Axis Bank Limited  
Citibank N.A.  
Commerzbank AG  
Deutsche Bank AG  
Emirates NBD Bank PJSC  
Habib Bank Limited  
Hongkong and Shanghai Banking Corp.  
ICICI Bank Limited  
INDIAN BANK SINGAPORE  
JPMorgan Chase Bank NA  
KEB Hana Bank  
Mizuho Bank Limited  
Nordea Bank Finland PLC  
Skandinaviska Enskilda Banken AB (Publ)  
Standard Chartered Bank  
Sumitomo Mitsui Banking Corporation  
Unicredit Bank AG (Hypobayerische)  
United Overseas Bank Ltd.  
Wells Fargo Bank NA  
Bank of America
- SLOVENIA**  
Dezelna Bank Slovenije D.D.  
Nova Kreditna Banka Maribor D.D.  
Unicredit Banka Slovenija D.D.
- SOUTH AFRICA**  
Citibank South Africa  
NEDBank Limited
- SPAIN**  
Banca De Sabadell S.A  
MUJF Bank Limited  
Bankia S.A.  
CAIXABANK SA  
Commerzbank AG  
Laboral Kutxa  
ABANCA CORPORACION BANCARIA, S.A.  
Uni Caja Banco S.A.
- SRI LANKA**  
ICICI Bank Limited  
Nations Trust Bank Ltd.  
Seylan Bank Limited  
Standard Chartered Bank  
AMANA BANK PLC  
Hatton National Bank PLC  
People's Bank
- SWEDEN**  
DNB Bank ASA  
Danske Bank  
Nordea Bank AB (PUBL)  
Skandinaviska Enskilda Banken  
Svenska Handelsbanken
- SWITZERLAND**  
Banque Cantonale De Geneve  
Habib Bank AG Zurich  
UBL (Switzerland) AG  
Valiant Bank
- TAIWAN**  
Bank of New York Mellon, The Chang Hwa Commercial Bank Ltd  
Citibank Taiwan Limited  
HSBC Bank (Taiwan) Limited  
MEGA International Comm. Bank Co. Ltd.  
Standard Chartered Bank  
E-Sun Commercial Bank Ltd.  
Standard Chartered Bank (Taiwan) Ltd.  
Sumitomo Mitsui Banking Corporation  
Taishin International Bank  
Wells Fargo Bank NA
- THAILAND**  
Bangkok Bank Public Company Ltd.  
Bank of Ayudhya Public Company Limited  
MUJF Bank Limited  
Citibank N.A.  
Export-Import Bank of Thailand  
Hongkong & Shanghai Banking Corp. Ltd  
Bank for Agriculture and Agricultural Cooperative  
Krung Thai Bank Public Company Ltd.  
Mizuho Bank Limited  
Standard Chartered Bank  
Sumitomo Mitsui Banking Corporation  
JPMorgan Chase Bank NA
- TURKEY**  
Albaraka Turk Katilim Bankasi AS  
Fibabanka AS
- AKBANK T.A.S.  
Alternatifbank AS  
QNB FinansBank A.S.  
HSBC Bank A.S.  
Odea Bank AS
- U.A.E.**  
Abu Dhabi Commercial Bank PJSC  
Axis Bank Limited  
Citibank N.A.  
Habib Bank AG Zurich  
Habib Bank Limited  
Mashreqbank PSC  
Noor Islamic Bank PJSC  
Standard Chartered Bank  
United Bank Limited  
The National Bank RAS AL Khaimah
- U.S.A**  
Bank of America, N.A.  
Bank of New York Mellon, The MUFG Bank Limited  
Cathay Bank  
Citibank NA  
City National Bank  
Deutsche Bank Trust Company Americas  
First Citizens Bank  
Habib American Bank  
Habib Bank Limited  
HSBC Bank USA  
ICICI Bank Limited  
JPMorgan Chase Bank NA  
Masreqbank PSC  
Mizuho Bank Ltd.  
Regions Bank  
Citizens Bank NA  
Standard Chartered Bank  
Sterling National Bank  
Sumitomo Mitsui Banking Corporation  
UMB Bank N.A.  
US Bank  
Wells Fargo Advisors, LLC  
Woori Bank  
Woori America Bank  
MUFG Union Bank NA  
BNP Paribas USA
- UKRAINE**  
PJSC Bank Credit Dnepr
- UNITED KINGDOM**  
Bank of America N.A.  
Citibank N.A.  
Commerzbank AG  
Danske Bank  
Habib Bank AG Zurich  
Habib-UK Plc  
HSBC Bank Plc  
Intesa Sanpaolo SPA  
JPMorgan Chase Bank NA  
KEB Hana Bank  
Mashreqbank PSC  
Northern Bank  
Sonal Bank (UK) Ltd.  
Standard Chartered Bank  
Wells Fargo Bank NA  
Wells Fargo Securities International Ltd
- UZBEKISTAN**  
Central Bank of the Republic Uzbeki  
National Bank for Foreign Economic
- VIETNAM**  
Asia Commercial Bank  
HSBC Bank (Vietnam) Limited  
JPMorgan Chase Bank, N.A.  
Joint Stock Commercial Bank for Inv. & De  
KEB Hana Bank  
Woori Bank  
Standard Chartered Bank
- BANGLADESH**  
AB Bank Limited  
Agrani Bank Limited  
Al-Arafah Islami Bank Limited  
Bank Asia Limited  
BRAC Bank Limited  
Bangladesh Commerce Bank Limited  
Bangladesh Krishi Bank  
Bangladesh Development Bank Limited  
Bank Alfalah Limited  
Basic Bank Limited  
Citibank N.A.  
City Bank Limited  
Commercial Bank of Ceylon Plc  
Dhaka Bank Limited  
Dutch-Bangla Bank Limited  
Eastern Bank Limited  
Export Import Bank Limited  
Farmers Bank Limited, The  
First Security Islami Bank Limited  
Habib Bank Limited  
Hong Kong and Shanghai Banking Corp. Ltd.  
ICB Islamic Bank Limited  
Islami Bank Bangladesh Limited  
Jamuna Bank Limited  
Janata Bank Limited  
Meghna Bank Limited  
Mercantile Bank Limited  
Midland Bank Limited  
Modhumoti Bank Limited  
Mutual Trust Bank Limited  
National Bank Limited  
National Bank of Pakistan  
National Credit and Commerce Bank Limited  
NRB Bank Limited  
NRB Commercial Bank Limited  
NRB Global Bank Limited  
One Bank Limited  
Premier Bank Limited  
Prime Bank Limited  
Pubali Bank Limited  
Rupali Bank Limited  
Shahjalal Islami Bank Limited  
Social Islami Bank Limited  
Sonal Bank Limited  
Southeast Bank Limited  
South Bangla Agriculture & Commerce Bank Ltd.  
Standard Bank Limited  
Standard Chartered Bank  
Trust Bank Limited  
Union Bank Limited  
United Commercial Bank Limited  
Uttara Bank Limited  
Shimantoo Bank Limited  
Community Bank Bangladesh Limited  
Woori Bank





Notice of the 44<sup>th</sup> AGM

International  
Finance Investment and  
Commerce Bank Limited



Head Office : IFIC Tower, 61 Purana Paltan, GPO Box: 2229, Dhaka-1000, Bangladesh  
Tel: 9563020, I-Phone PABX: 09666716250, Fax: 880-2-9554102, Swift: IFIC BD DH  
E-mail: info@ificbankbd.com www.ificbank.com.bd

## Notice of the 44<sup>th</sup> Annual General Meeting

Notice is hereby given to the Members of International Finance Investment and Commerce Bank Limited (IFIC Bank Limited) that the 44<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on **Thursday, 27 May 2021 at 11:00 a.m. (GMT+6) through Digital Platform at <https://ificbank.bdvirtualagm.com>** to transact the following businesses:

### Agenda

(a) **Ordinary Business:**

- 1) To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended on 31 December 2020 together with the Reports of the Auditors and Directors thereon.
- 2) To declare dividend for the year ended on 31 December 2020 as recommended by the Board of Directors.
- 3) To elect/re-elect Director(s) of the Bank.
- 4) To appoint the External Auditors of the Bank for the year 2021 and to fix their remuneration.
- 5) To confirm the re-appointment of Independent Director.
- 6) To appoint the Compliance Auditor for the year 2021 as per Corporate Governance Code of the BSEC and to fix their remuneration.
- 7) To transact any other business/issue with the permission of the Chair.

(b) **Special Business:**

To change the registered name of the Bank to 'IFIC Bank PLC' from 'International Finance Investment and Commerce Bank Limited' and to amend in the relevant clauses of the Memorandum and Articles of Association of the Bank by adopting the following **special resolution**:

**RESOLVED**

"that the proposal for changing the registered name of the Bank to 'IFIC Bank PLC' from 'International Finance Investment and Commerce Bank Limited', is hereby approved subject to the approval of regulatory authorities."

**AND ALSO RESOLVED**

"that to effect the change in the registered name of the Bank as 'IFIC Bank PLC', the proposal for alteration in the clauses of the Memorandum and Articles of Association of the Bank, as appended hereunder, are also approved:

- (i) In the title and in serial number 1 of Memorandum of Association, the words 'International Finance Investment and Commerce Bank Limited' be substituted by 'IFIC Bank PLC'.
- (ii) In the title, Interpretation of The Company, Article No. 23 and 87 of the Articles of Association, the words 'International Finance Investment and Commerce Bank Limited' be substituted by 'IFIC Bank PLC'."

By order of the Board of Directors

Dated: Dhaka  
29 April 2021

  
Md. Mokammel Hoque, FCS  
Company Secretary

**Notes:**

- 1) The 'Record Date' was fixed on **25 April 2021 (Sunday)**.
- 2) The Members whose names appeared on the Share Register of the Bank and/or in the Depository (CDBL) Register on the 'Record Date' i.e. **25 April 2021** shall be eligible to attend the Annual General Meeting and will be entitled to the Dividend.
- 3) Pursuant to BSEC's Order Nos. SEC/SRMIC/94-231/25, BSEC/CMRRCD/2009-193/08 and SEC/SRMIC/94-231/91 dated 08 July 2020, 10 March 2021 and 31 March 2021 respectively, the Annual General Meeting will be conducted virtually using Digital Platform;
- 4) A Member eligible to attend and vote at the AGM may appoint a Proxy to attend and vote on his/her behalf. Proxy Form duly filled in, signed and stamped for BDT 20.00 by the Member and Power of Attorney/Letter of Authorization from a Company/Corporation must be submitted to the Registered Office of the Company not later than 72 (seventy-two) hours before the time fixed for holding of the Annual General Meeting.
- 5) The Board of Directors has recommended Stock Dividend @ 5% for the year ended on 31 December 2020 for approval of the Shareholders in the 44<sup>th</sup> Annual General Meeting of the Bank.
- 6) The retiring Directors shall be eligible for election/re-election as per provision laid down in the Articles of Association of the Bank.
- 7) Pursuant to BSEC's Order Nos. BSEC/CMRRCD/2009-193/08 and SEC/SRMIC/94-231/91 dated 10 March 2021 and 31 March 2021 respectively, M/s. UHY Syful Shamsul Alam & Co., Chartered Accountants have been appointed by the Bank as the Independent Scrutinizer to scrutinize the election/re-election process as well as to provide detailed information about the voting results followed by an Authentication Report.
- 8) Pursuant to the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 (Published in the Bangladesh Gazette on 08 August 2018), Annual Report 2020 will be sent in soft form to the respective email addresses of the Members available in their Beneficiary Owners (BO) Accounts maintained with the Depository Participants. The soft copy of the Annual Report 2020 will also be available on the Investor Relations page of the website of the Bank at [www.ifcbank.com.bd](http://www.ifcbank.com.bd)
- 9) Notice of the 44<sup>th</sup> AGM and other relevant information of the meeting will be communicated to the Members in due course through the email addresses available in their Beneficiary Owners (BO) Accounts maintained with the Depository Participants and the same will also be available on the Investor Relations page of the website of the Bank at [www.ifcbank.com.bd](http://www.ifcbank.com.bd)



Proxy Form

International  
Finance Investment and  
Commerce Bank Limited



Head Office : IFIC Tower, 61 Purana Paltan, GPO Box: 2229, Dhaka-1000, Bangladesh  
Tel: 9563020, I-Phone PABX: 09666716250, Fax: 880-2-9554102, Swift: IFIC BD DH  
E-mail: info@ificbankbd.com www.ificbank.com.bd

## Proxy Form

Affix  
Revenue  
Stamp of  
BDT 20.00

I/We .....

Folio/BO ID No.

Address : .....

being a Shareholder of International Finance Investment and Commerce Bank Limited, do hereby appoint

Mr./Ms .....

of .....

Cell/Land Phone No. ....

Email ID .....

as my/our Proxy in my/our absence to attend and vote for me/us on my/our behalf at the 44<sup>th</sup> Annual General Meeting of the Company scheduled to be held on **Thursday, 27 May 2021 at 11:00 a.m. (GMT+6) through Digital Platform at <https://ificbank.bdvirtualagm.com>** and at any adjournment thereof.

In witness whereof I/We set my/our hand(s) on this the.....day of..... 2021.

Signature of the Proxy.....

Signature of the Shareholder(s).....

No. of shares held..... Cell/Land Phone No.....

Email ID:.....

**Note :** The Proxy Form duly stamped and completed in all respect must be deposited to the Share Department of the Company at least 72 (seventy two) hours before the time fixed for holding of the Meeting for attestation. Signature of the Shareholder(s) must tally with the signature recorded with the Company (**In case of folio, signature recorded with the Share Department and for BO holders, signature received from the CDBL**).



আইএফআইসি  
**আমার একাউন্ট**  
সুবিধা যেমনই চাই, হিসাব একটাই

**সুবিধাসমূহ**

- সব পেশার, সব বয়সের, সবার জন্য
- কারেন্ট একাউন্টের মতো লেনদেনের সুবিধা-সহ দৈনিক মুনাফাভিত্তিক সেভিংস একাউন্ট
- এফডিআর-এর মতো আকর্ষণীয় মুনাফা
- মেয়াদের অপেক্ষা না করে প্রতি মাসে মুনাফা উত্তোলন সুবিধা
- তাৎক্ষণিক সশ্রয়ী ঋণ সুবিধা
- ক্রেডিট কার্ডের উত্তম বিকল্প

☎ ১৬২৫৫ ☎ ০৯৬৬৬৭ ১৬২৫৫  
f IFICBankLimited www.ificbank.com.bd



## **IFIC Bank Limited**

Head Office : IFIC Tower, 61 Purana Paltan  
GPO Box: 2229, Dhaka-1000, Bangladesh  
Tel: 9563020, IP Phone No. : 09666716250 (Hunting)  
Fax: 880-2-9554102, Swift: IFIC BD DH  
E-mail: [info@ificbankbd.com](mailto:info@ificbankbd.com)  
Website: [www.ificbank.com.bd](http://www.ificbank.com.bd)



Scan the QR code for accessing the  
digital version of our Annual Report 2020