

**INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED**

Audited Financial Statements

as at and for the year ended 31 December 2017

এম,জে, আবেদীন এন্ড কোং  
চার্টার্ড একাউন্টেন্টস্  
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**AUDITORS' REPORT**  
**TO**  
**THE SHAREHOLDERS OF**  
**IFIC BANK LIMITED**

*Report on the Financial Statements*

We have audited the accompanying consolidated financial statements of 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 balance sheet and the separate balance sheet as at 31 December 2017 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the period then ended and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements and Internal Controls*

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1 and for such internal control as management determines necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 as amended and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

*Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank.

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

### **Opinion**

In our opinion, the consolidated financial statements of the Group and also 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 2017, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards as explained in **note 2.1**.

### **Report on Other Legal and Regulatory Requirements**

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

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof.
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:

- i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in note 2.2.6.10 of the financial statements appeared to be materially adequate;
- ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities during the year ended 31 December 2017.
- (c) financial statements of subsidiary companies of the Bank namely IFIC Securities Limited and IFIC Money Transfer (UK) Limited have been audited and properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory;
- (k) Capital to Risk-weighted Asset Ratio (CRAR) as required by the Bangladesh Bank has been maintained adequately during the year and
- (l) we have reviewed over 80% of the risk weighted assets of the bank and we have spent around 4,225 person hours for the audit of the books and accounts of the bank.

Dated: 10 April 2018  
Dhaka



**M. J. ABEDIN & CO**  
Chartered Accountants

**INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED**

Consolidated Balance Sheet  
as at 31 December 2017

Amount in BDT

Particulars	Note	31 December 2017	31 December 2016
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>		<b>15,487,553,511</b>	<b>14,079,419,866</b>
Cash in hand (including foreign currency)	3.a	2,251,768,572	2,018,405,559
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.b	13,235,784,939	12,061,014,307
<b>Balance with other banks and financial institutions</b>	<b>4.a</b>	<b>10,623,519,846</b>	<b>9,008,977,771</b>
In Bangladesh	4.a(i)	8,068,534,922	7,592,399,021
Outside Bangladesh	4.a(ii)	2,554,984,924	1,416,578,750
<b>Money at call and on short notice</b>	<b>5</b>	<b>3,830,000,000</b>	<b>-</b>
<b>Investments</b>		<b>29,290,877,363</b>	<b>26,279,460,893</b>
Government securities	6.a	23,943,582,942	20,754,752,878
Other investments	6.b	5,347,294,421	5,524,708,015
<b>Loans and advances</b>		<b>183,296,111,106</b>	<b>141,258,758,320</b>
Loans, cash credit, overdrafts etc.	7.a	171,593,194,706	132,138,872,955
Bills purchased and discounted	8.a	11,702,916,400	9,119,885,365
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9.a</b>	<b>3,539,338,093</b>	<b>3,498,780,629</b>
<b>Other assets</b>	<b>10.a</b>	<b>10,277,591,453</b>	<b>5,752,191,395</b>
<b>Non-banking assets</b>	<b>11</b>	<b>373,474,800</b>	<b>373,474,800</b>
<b>Total assets</b>		<b>256,718,466,172</b>	<b>200,251,063,674</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other banks, financial institutions and agents</b>	<b>12.a</b>	<b>8,473,580,748</b>	<b>6,161,734,496</b>
<b>Subordinated debt</b>	<b>13</b>	<b>3,500,000,000</b>	<b>3,500,000,000</b>
<b>Deposits and other accounts</b>	<b>14.a</b>	<b>200,148,679,835</b>	<b>160,132,621,436</b>
Current deposit and other accounts		30,611,131,194	20,040,265,832
Bills payable		2,238,152,090	2,075,645,107
Savings bank deposits		27,058,321,723	27,886,177,596
Fixed deposits		140,241,074,828	110,130,532,901
<b>Other liabilities</b>	<b>15.a</b>	<b>22,492,022,640</b>	<b>16,534,308,924</b>
<b>Total liabilities</b>		<b>234,614,283,223</b>	<b>186,328,664,856</b>
<b>Capital/Shareholders' equity</b>			
Paid up capital	<b>16.2</b>	11,953,024,420	5,638,219,070
Statutory reserve	<b>17</b>	5,124,540,729	4,649,226,843
General reserve	<b>18</b>	155,071,397	155,071,397
Revaluation reserve against securities	<b>19.a</b>	6,229,549	13,387,424
Revaluation reserve against fixed assets	<b>20</b>	115,314,704	115,314,704
Foreign currency translation reserve	<b>20.a</b>	126,200,022	(27,858,562)
Surplus in profit and loss account	<b>22</b>	4,623,795,459	3,379,031,381
<b>Attributable to equity holders</b>		<b>22,104,176,280</b>	<b>13,922,392,257</b>
Non-controlling interest	<b>23</b>	6,669	6,561
<b>Total shareholders' equity</b>		<b>22,104,182,949</b>	<b>13,922,398,818</b>
<b>Total liabilities and shareholders' equity</b>		<b>256,718,466,172</b>	<b>200,251,063,674</b>

**OFF-BALANCE SHEET ITEMS**

<b>Contingent liabilities</b>	<b>24</b>	<b>58,620,180,261</b>	<b>52,602,485,841</b>
Acceptances and endorsements	24.1	19,010,992,711	15,524,365,117
Letters of guarantee	24.2	10,475,384,676	9,742,638,146
Irrevocable letters of credit	24.3	19,364,242,284	17,535,059,809
Bills for collection	24.4	9,769,560,590	9,800,422,769
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>58,620,180,261</b>	<b>52,602,485,841</b>

*These financial reports should be read in conjunction with the annexed notes.*

<b>S/d</b>	<b>S/d</b>	<b>S/d</b>	<b>S/d</b>
<b>Managing Director &amp; CEO</b>	<b>Director</b>	<b>Director</b>	<b>Director</b>

Signed as per our annexed report of same date

10 April 2018  
Dhaka

**M. J. Abedin & Co.**  
Chartered Accountants

Consolidated Profit and Loss Account  
for the year ended 31 December 2017

Particulars	Note	Amount in BDT	
		2017	2016
Interest income	26.a	15,039,273,910	12,626,234,009
Interest paid on deposits, borrowings etc.	27.a	9,439,023,057	8,221,339,559
<b>Net interest income</b>		<b>5,600,250,853</b>	<b>4,404,894,450</b>
Investment income	28.a	2,105,410,059	2,081,237,711
Commission, exchange and brokerage	29.a	1,717,435,369	1,552,391,886
Other operating income	30.a	535,737,818	557,424,783
		<b>4,358,583,246</b>	<b>4,191,054,380</b>
<b>Total operating income</b>		<b>9,958,834,099</b>	<b>8,595,948,830</b>
Salary and allowances	31.a	2,600,408,127	2,536,189,910
Rent, taxes, insurance, electricity etc.	32.a	702,972,532	706,221,522
Legal expenses	33.a	11,625,374	11,200,649
Postage, stamp, telecommunication etc.	34.a	76,477,658	92,005,382
Stationery, printing, advertisement etc.	35.a	433,195,870	265,945,744
Managing Director's salary	36	15,120,000	15,120,000
Directors' fees	37.a	1,621,500	1,495,750
Auditors' fees	38.a	1,866,696	2,251,927
Charges on loan losses		244,828,037	281,172,341
Depreciation and repair of bank's assets	39.a	495,842,413	557,399,835
Other expenses	40.a	829,823,238	667,929,672
<b>Total operating expenses</b>		<b>5,413,781,445</b>	<b>5,136,932,732</b>
<b>Operating profit</b>		<b>4,545,052,654</b>	<b>3,459,016,098</b>
<b>Share of profit of joint ventures/associates</b>	40.b. (iii)	<b>355,283,995</b>	<b>382,821,516</b>
<b>Profit before provision</b>		<b>4,900,336,649</b>	<b>3,841,837,614</b>
<b>Provision for loans, investments &amp; other assets</b>	41.a		
Specific provision		2,231,656,980	735,235,892
General provision		(80,431,752)	505,554,055
Provision for off-shore banking unit		13,148,354	(4,712,963)
Provision for off-balance sheet exposures		60,176,944	59,810,890
Provision for diminution in value of investments		(106,366,393)	51,923,927
Provision for other assets		19,525,474	24,120,508
<b>Total provision</b>		<b>2,137,709,607</b>	<b>1,371,932,309</b>
<b>Profit/(Loss) before taxes</b>		<b>2,762,627,042</b>	<b>2,469,905,305</b>
<b>Provision for taxation</b>			
Current tax	42.a	807,210,974	717,569,284
Deferred tax expense/(income)	42.b	(441,248,283)	169,805,699
		<b>365,962,691</b>	<b>887,374,983</b>
<b>Net profit after taxation</b>		<b>2,396,664,352</b>	<b>1,582,530,322</b>
<b>Net profit after tax attributable to:</b>			
Equity holders of the Bank		2,396,664,244	1,582,530,314
Non-controlling interest		108	8
<b>Retained earnings brought forward from previous year</b>		<b>3,379,031,381</b>	<b>2,817,321,961</b>
Add/(less): Adjustment due to issuance of shares of subsidiaries	23.1	-	968
Add: Net profit after tax (attributable to equity holders of the Bank)		2,396,664,244	1,582,530,314
<b>Profit available for appropriation</b>		<b>5,775,695,625</b>	<b>4,399,853,243</b>
<b>Appropriations:</b>			
Statutory reserve		475,313,886	416,726,963
General reserve		-	-
Dividend		676,586,280	604,094,900
		<b>1,151,900,166</b>	<b>1,020,821,863</b>
<b>Retained surplus</b>		<b>4,623,795,459</b>	<b>3,379,031,381</b>
<b>Earnings Per Share (EPS)</b>	48.a	<b>2.34</b>	<b>1.79</b>

*These financial reports should be read in conjunction with the annexed notes.*

S/d  
Managing Director & CEO

S/d  
Director

S/d  
Director  
Signed as per our annexed report of same date

Consolidated Cash Flow Statement  
for the year ended 31 December 2017

Amount in BDT

Particulars	Note	2017	2016
<b>A. Cash flows from operating activities</b>			
Interest received		16,998,394,318	14,545,532,739
Interest payments		(8,984,625,603)	(8,307,226,698)
Dividend received		65,028,135	75,411,582
Fees and commission received		1,761,868,025	1,581,266,572
Recoveries of loans and advances previously written-off		106,277,295	433,046,280
Cash payments to employees		(2,565,528,127)	(2,480,309,910)
Cash payments to suppliers		(482,189,662)	(341,150,987)
Income taxes paid		(840,794,890)	(1,054,531,613)
Receipts from other operating activities	43.a	580,115,746	573,850,649
Payments for other operating activities	44.a	(1,763,578,270)	(1,613,974,673)
<b>Operating cash flows before changing in operating assets and liabilities</b>		<b>4,874,966,967</b>	<b>3,411,913,941</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Statutory deposits		-	-
Loans and advances to other banks		-	-
Loans and advances to customers		(42,754,900,754)	(15,040,588,693)
Other assets	46.a	(371,172,827)	(1,518,288,761)
Deposits from other banks		20,224,643,000	(783,680,000)
Deposits from customers		19,345,508,796	14,274,274,321
Other liabilities	47.a	242,678,067	351,055,163
		<b>(3,313,243,718)</b>	<b>(2,717,227,970)</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>1,561,723,249</b>	<b>694,685,971</b>
<b>B. Cash flows from investing activities</b>			
Net proceeds/(payments) from sale/(purchase) of Government securities		(3,195,532,139)	2,809,897,359
Net proceeds/(payments) from sale/(purchase) of securities		629,772,038	451,192,822
Purchase of property, plant & equipment		(337,425,131)	(622,660,050)
Proceeds from sale of property, plant & equipment		5,301,340	6,287,392
<b>Net cash flows from/(used in) investing activities</b>		<b>(2,897,883,892)</b>	<b>2,644,717,523</b>
<b>C. Cash flows from financing activities</b>			
Borrowing from other banks, financial institutions and agents		2,311,846,252	(1,331,720,180)
Receipts from issue of sub-ordinated bond		-	3,500,000,000
Payment against lease obligation		(3,620,804)	(5,394,235)
Receipts from issuance of rights share		5,638,219,070	-
<b>Net cash flows from/(used in) financing activities</b>		<b>7,946,444,518</b>	<b>2,162,885,585</b>
<b>D. Net increase/(decrease) in cash (A+B+C)</b>		<b>6,610,283,876</b>	<b>5,502,289,079</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		242,847,644	(19,118,617)
<b>F. Opening balance of cash and cash equivalents</b>		<b>23,091,914,737</b>	<b>17,608,744,275</b>
<b>G. Closing balance of cash and cash equivalents (D+E+F)</b>		<b>29,945,046,257</b>	<b>23,091,914,737</b>
<b>Closing cash and cash equivalents</b>	45.a		
Cash in hand		2,251,768,572	2,018,405,559
Balance with Bangladesh Bank and its agents bank		13,235,784,939	12,061,014,307
Balance with other banks and financial institutions		10,623,519,846	9,008,977,771
Money at call and on short notice		3,830,000,000	-
Prize bonds		3,972,900	3,517,100
		<b>29,945,046,257</b>	<b>23,091,914,737</b>

*These financial reports should be read in conjunction with the annexed notes.*



Consolidated Statement of Changes in Equity  
for the year ended 31 December 2017

Amount in BDT

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	Total
Balance as at 1 January 2017	5,638,219,070	4,649,226,843	155,071,397	13,387,424	115,314,704	(27,858,562)	3,379,031,381	6,561	13,922,398,818
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2017</b>	<b>5,638,219,070</b>	<b>4,649,226,843</b>	<b>155,071,397</b>	<b>13,387,424</b>	<b>115,314,704</b>	<b>(27,858,562)</b>	<b>3,379,031,381</b>	6,561	<b>13,922,398,818</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	(7,157,875)	-	-	-	-	(7,157,875)
Effect of foreign currency translation	-	-	-	-	-	154,058,584	-	-	154,058,584
<b>Net gain and losses not recognized in the profit and loss account</b>	<b>5,638,219,070</b>	<b>4,649,226,843</b>	<b>155,071,397</b>	<b>6,229,549</b>	<b>115,314,704</b>	<b>126,200,022</b>	<b>3,379,031,381</b>	<b>6,561</b>	<b>14,069,299,527</b>
Net profit for the year	-	-	-	-	-	-	2,396,664,244	108	2,396,664,352
Bonus share issued for the year 2016	676,586,280	-	-	-	-	-	(676,586,280)	-	-
Issuance of rights share (1R:1)	5,638,219,070	-	-	-	-	-	-	-	5,638,219,070
Transfer to statutory reserve	-	475,313,886	-	-	-	-	(475,313,886)	-	-
<b>Balance as at 31 December 2017</b>	<b>11,953,024,420</b>	<b>5,124,540,729</b>	<b>155,071,397</b>	<b>6,229,549</b>	<b>115,314,704</b>	<b>126,200,022</b>	<b>4,623,795,459</b>	<b>6,669</b>	<b>22,104,182,949</b>
Balance as at 1 January 2016	5,034,124,170	4,232,499,880	155,071,397	41,391,939	115,314,704	(25,350,388)	2,817,321,961	7,521	12,370,381,184
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2016</b>	<b>5,034,124,170</b>	<b>4,232,499,880</b>	<b>155,071,397</b>	<b>41,391,939</b>	<b>115,314,704</b>	<b>(25,350,388)</b>	<b>2,817,321,961</b>	<b>7,521</b>	<b>12,370,381,184</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	(28,004,515)	-	-	-	-	(28,004,515)
Effect of foreign currency translation	-	-	-	-	-	(2,508,174)	-	-	(2,508,174)
Adjustment due to issuance of shares of subsidiaries	-	-	-	-	-	-	968	(968)	-
<b>Net gain and losses not recognized in the profit and loss account</b>	<b>5,034,124,170</b>	<b>4,232,499,880</b>	<b>155,071,397</b>	<b>13,387,424</b>	<b>115,314,704</b>	<b>(27,858,562)</b>	<b>2,817,322,929</b>	<b>6,553</b>	<b>12,339,868,495</b>
Net profit for the year	-	-	-	-	-	-	1,582,530,314	8	1,582,530,322
Bonus share issued for the year 2015	604,094,900	-	-	-	-	-	(604,094,900)	-	-
Transfer to statutory reserve	-	416,726,963	-	-	-	-	(416,726,963)	-	-
<b>Balance as at 31 December 2016</b>	<b>5,638,219,070</b>	<b>4,649,226,843</b>	<b>155,071,397</b>	<b>13,387,424</b>	<b>115,314,704</b>	<b>(27,858,562)</b>	<b>3,379,031,381</b>	<b>6,561</b>	<b>13,922,398,818</b>

Balance Sheet  
as at 31 December 2017

Particulars	Note	Amount in BDT	
		31 December 2017	31 December 2016
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>15,478,772,582</b>	<b>14,067,154,663</b>
Cash in hand (including foreign currency)	3.1	2,242,987,643	2,006,140,356
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	13,235,784,939	12,061,014,307
<b>Balance with other banks and financial institutions</b>	<b>4</b>	<b>10,623,519,845</b>	<b>9,008,977,771</b>
In Bangladesh	4.1	8,068,534,921	7,592,399,021
Outside Bangladesh	4	2,554,984,924	1,416,578,750
<b>Money at call and on short notice</b>	<b>5</b>	<b>3,830,000,000</b>	<b>-</b>
<b>Investments</b>	<b>6</b>	<b>27,858,142,242</b>	<b>25,204,524,182</b>
Government securities	6.1	23,943,582,942	20,754,752,878
Other investments	6.2	3,914,559,300	4,449,771,304
<b>Loans and advances</b>	<b>7</b>	<b>179,264,206,747</b>	<b>137,118,111,549</b>
Loans, cash credit, overdrafts etc.	7.1	167,561,290,347	127,998,226,184
Bills purchased and discounted	8	11,702,916,400	9,119,885,365
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9</b>	<b>3,528,384,037</b>	<b>3,487,927,670</b>
<b>Other assets</b>	<b>10</b>	<b>12,292,441,552</b>	<b>7,790,544,123</b>
<b>Non-banking assets</b>	<b>11</b>	<b>373,474,800</b>	<b>373,474,800</b>
<b>Total assets</b>		<b>253,248,941,805</b>	<b>197,050,714,758</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other banks, financial Institutions and agents</b>	<b>12</b>	<b>8,473,580,748</b>	<b>5,827,168,923</b>
<b>Subordinated debt</b>	<b>13</b>	<b>3,500,000,000</b>	<b>3,500,000,000</b>
<b>Deposits and other accounts</b>	<b>14</b>	<b>200,205,665,479</b>	<b>160,155,006,094</b>
Current deposit and other accounts	14.1	30,668,116,838	20,062,650,490
Bills payable	14.2	2,238,152,090	2,075,645,107
Savings bank deposits	14.3	27,058,321,723	27,886,177,596
Fixed deposits	14.4	140,241,074,828	110,130,532,901
<b>Other liabilities</b>	<b>15</b>	<b>20,530,574,923</b>	<b>14,728,215,189</b>
<b>Total liabilities</b>		<b>232,709,821,150</b>	<b>184,210,390,206</b>
<b>Capital/Shareholders' equity</b>			
Paid up capital	<b>16.2</b>	11,953,024,420	5,638,219,070
Statutory reserve	<b>17</b>	5,124,540,729	4,649,226,843
General reserve	<b>18</b>	155,071,397	155,071,397
Revaluation reserve against securities	<b>19</b>	6,229,549	13,387,424
Revaluation reserve against fixed assets	<b>20</b>	115,314,704	115,314,704
Surplus in profit and loss account	<b>21</b>	3,184,939,855	2,269,105,114
<b>Total shareholders' equity</b>		<b>20,539,120,655</b>	<b>12,840,324,552</b>
<b>Total liabilities and shareholders' equity</b>		<b>253,248,941,805</b>	<b>197,050,714,758</b>

Balance Sheet  
as at 31 December 2017

Particulars	Note	Amount in BDT	
		31 December 2017	31 December 2016
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>	<b>24</b>	<b>58,620,180,261</b>	<b>52,602,485,841</b>
Acceptances and endorsements	24.1	19,010,992,711	15,524,365,117
Letters of guarantee	24.2	10,475,384,676	9,742,638,146
Irrevocable letters of credit	24.3	19,364,242,284	17,535,059,809
Bills for collection	24.4	9,769,560,590	9,800,422,769
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>58,620,180,261</b>	<b>52,602,485,841</b>

*These financial reports should be read in conjunction with the annexed notes.*

S/d  
Managing Director & CEO

S/d  
Director

S/d  
Director

S/d  
Director

Signed as per our annexed report of same date

10 April 2018  
Dhaka

**M. J. Abedin & Co.**  
**Chartered Accountants**

Profit and Loss Account  
for the year ended 31 December 2017

Particulars	Note	Amount in BDT	
		2017	2016
Interest income	26	14,924,359,151	12,557,119,949
Interest paid on deposits, borrowings, etc.	27	9,434,132,813	8,182,432,849
<b>Net interest income</b>		<b>5,490,226,338</b>	<b>4,374,687,100</b>
Investment income	28	2,071,096,827	2,077,195,970
Commission, exchange and brokerage	29	1,667,194,163	1,477,982,991
Other operating income	30	534,037,827	555,812,934
		<b>4,272,328,817</b>	<b>4,110,991,895</b>
<b>Total operating income</b>		<b>9,762,555,155</b>	<b>8,485,678,995</b>
Salary and allowances	31	2,577,447,176	2,513,087,117
Rent, taxes, insurance, electricity, etc.	32	687,650,692	690,620,503
Legal expenses	33	9,121,163	7,330,881
Postage, stamp, telecommunication, etc.	34	76,244,922	91,830,999
Stationery, printing, advertisement, etc.	35	432,887,521	265,582,034
Managing Director's salary	36	15,120,000	15,120,000
Directors' fees	37	1,472,000	1,352,000
Auditors' fees	38	1,277,778	1,597,222
Charges on loan losses		244,828,037	281,172,341
Depreciation and repair of bank's assets	39	492,434,975	554,114,506
Other expenses	40	809,791,856	643,854,488
<b>Total operating expenses</b>		<b>5,348,276,120</b>	<b>5,065,662,091</b>
<b>Profit/(Loss) before provision</b>		<b>4,414,279,035</b>	<b>3,420,016,904</b>
<b>Provision for loans, investments and other assets</b>	<b>41</b>		
Specific provision		2,131,656,980	699,685,673
General provision		(80,431,752)	505,554,055
Provision for off-shore banking unit		13,148,354	(4,712,963)
Provision for off-balance sheet exposure		60,176,944	59,810,890
Provision for diminution in value of investments		(106,366,394)	51,923,927
Other provisions		19,525,474	24,120,508
<b>Total Provision</b>		<b>2,037,709,606</b>	<b>1,336,382,090</b>
<b>Profit/(Loss) before taxes</b>		<b>2,376,569,429</b>	<b>2,083,634,814</b>
<b>Provision for taxation</b>	<b>42</b>		
Current tax		750,000,000	700,000,000
Deferred tax expense/(income)		(441,165,478)	169,519,042
		<b>308,834,522</b>	<b>869,519,042</b>
<b>Net profit after taxation</b>		<b>2,067,734,907</b>	<b>1,214,115,772</b>
Retained earnings brought forward from previous year		2,269,105,114	2,075,811,205
		<b>4,336,840,021</b>	<b>3,289,926,977</b>
<b>Appropriations</b>			
Statutory reserve		475,313,886	416,726,963
General reserve		-	-
Dividend		676,586,280	604,094,900
		<b>1,151,900,166</b>	<b>1,020,821,863</b>
<b>Retained surplus</b>		<b>3,184,939,855</b>	<b>2,269,105,114</b>
<b>Earnings Per Share (EPS)</b>	<b>48</b>	<b>2.02</b>	<b>1.38</b>

*These financial reports should be read in conjunction with the annexed notes.*

S/d  
Managing Director & CEO

S/d  
Director

S/d  
Director

Signed as per our annexed report of same date

10 April 2018  
Dhaka

M. J. Abedin & Co.  
Chartered Accountants

Cash Flow Statement  
for the year ended 31 December 2017

Particulars	Note	Amount in BDT	
		2017	2016
<b>A. Cash flows from operating activities</b>			
Interest received		16,883,479,561	14,476,418,679
Interest payments		(8,979,735,359)	(8,268,319,988)
Dividend received		57,296,849	67,961,786
Fees and commission received		1,667,194,163	1,501,859,330
Recoveries of loans and advances previously written-off		106,277,295	433,046,280
Cash payments to employees		(2,542,567,176)	(2,457,207,117)
Cash payments to suppliers		(482,189,662)	(341,150,987)
Income taxes paid		(796,454,642)	(1,026,016,855)
Receipts from other operating activities	43	536,217,165	570,556,210
Payments for other operating activities	44	(1,724,441,334)	(1,569,092,154)
<b>Operating cash flows before changing in operating assets and liabilities</b>		<b>4,725,076,860</b>	<b>3,388,055,184</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Statutory deposits		-	-
Loans and advances to other banks		-	-
Loans and advances to customers		(42,859,794,573)	(14,594,692,885)
Other assets	46	(387,638,876)	(1,541,682,833)
Deposits from other banks		20,224,643,000	(783,680,000)
Deposits from customers		19,380,109,782	14,325,164,751
Other liabilities	47	244,452,255	(35,588,429)
		<b>(3,398,228,411)</b>	<b>(2,630,479,397)</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>1,326,848,448</b>	<b>757,575,787</b>
<b>B. Cash flows from investing activities</b>			
Net proceeds/(payments) from sale/(purchase) of Government securities		(3,195,532,139)	2,809,897,359
Net proceeds/(payments) from sale/(purchase) of securities		535,212,004	451,192,822
Purchase of property, plant & equipment		(337,324,034)	(622,044,414)
Proceeds from sale of property, plant & equipment		5,301,340	6,287,392
<b>Net cash flows from/(used in) investing activities</b>		<b>(2,992,342,829)</b>	<b>2,645,333,159</b>
<b>C. Cash flows from financing activities</b>			
Borrowing from other banks, financial institution and agents		2,646,411,825	(1,373,644,791)
Receipts from issue of sub-ordinated bond		-	3,500,000,000
Payment against lease obligation		(3,620,804)	(5,394,235)
Receipts from issuance of rights share		5,638,219,070	-
<b>Net cash flows from/(used in) financing activities</b>		<b>8,281,010,091</b>	<b>2,120,960,974</b>
<b>D. Net increase/(decrease) in cash (A+B+C)</b>		<b>6,615,515,711</b>	<b>5,523,869,920</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>241,100,083</b>	<b>(23,876,339)</b>
<b>F. Opening balance of cash and cash equivalents</b>		<b>23,079,649,534</b>	<b>17,579,655,952</b>
<b>G. Closing balance of cash and cash equivalents (D+E+F)</b>		<b>29,936,265,327</b>	<b>23,079,649,534</b>
<b>Closing cash and cash equivalents</b>	45		
Cash in hand		2,242,987,643	2,006,140,356
Balance with Bangladesh Bank and its agents bank		13,235,784,939	12,061,014,307
Balance with other banks and financial institutions		10,623,519,845	9,008,977,771
Money at call and on short notice		3,830,000,000	-
Prize bonds		3,972,900	3,517,100
		<b>29,936,265,327</b>	<b>23,079,649,534</b>

These financial reports should be read in conjunction with the annexed notes.

Statement of Changes in Equity  
for the year ended 31 December 2017

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 2017	5,638,219,070	4,649,226,843	155,071,397	13,387,424	115,314,704	2,269,105,114	12,840,324,552
Impact of changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2017</b>	<b>5,638,219,070</b>	<b>4,649,226,843</b>	<b>155,071,397</b>	<b>13,387,424</b>	<b>115,314,704</b>	<b>2,269,105,114</b>	<b>12,840,324,552</b>
Surplus/deficit on account of revaluation of investments	-	-	-	(7,157,875)	-	-	(7,157,875)
Effect of foreign currency translation	-	-	-	-	-	-	-
<b>Net gain and losses not recognized in the income statement</b>	<b>5,638,219,070</b>	<b>4,649,226,843</b>	<b>155,071,397</b>	<b>6,229,549</b>	<b>115,314,704</b>	<b>2,269,105,114</b>	<b>12,833,166,677</b>
Net profit for the year	-	-	-	-	-	2,067,734,907	2,067,734,907
Bonus share issued for the year 2016	676,586,280	-	-	-	-	(676,586,280)	-
Issuance of rights share (1R:1)	5,638,219,070	-	-	-	-	-	5,638,219,070
Transfer to statutory reserve	-	475,313,886	-	-	-	(475,313,886)	-
<b>Balance as at 31 December 2017</b>	<b>11,953,024,420</b>	<b>5,124,540,729</b>	<b>155,071,397</b>	<b>6,229,549</b>	<b>115,314,704</b>	<b>3,184,939,855</b>	<b>20,539,120,655</b>
Balance as at 1 January 2016	5,034,124,170	4,232,499,880	155,071,397	41,391,939	115,314,704	2,075,811,205	11,654,213,295
Impact of changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2016</b>	<b>5,034,124,170</b>	<b>4,232,499,880</b>	<b>155,071,397</b>	<b>41,391,939</b>	<b>115,314,704</b>	<b>2,075,811,205</b>	<b>11,654,213,295</b>
Surplus/deficit on account of revaluation of investments	-	-	-	(28,004,515)	-	-	(28,004,515)
<b>Net gain and losses not recognized in the income statement</b>	<b>5,034,124,170</b>	<b>4,232,499,880</b>	<b>155,071,397</b>	<b>13,387,424</b>	<b>115,314,704</b>	<b>2,075,811,205</b>	<b>11,626,208,780</b>
Net profit for the year	-	-	-	-	-	1,214,115,772	1,214,115,772
Bonus share issued for the year 2015	604,094,900	-	-	-	-	(604,094,900)	-
Transfer to statutory reserve	-	416,726,963	-	-	-	(416,726,963)	-
<b>Balance as at 31 December 2016</b>	<b>5,638,219,070</b>	<b>4,649,226,843</b>	<b>155,071,397</b>	<b>13,387,424</b>	<b>115,314,704</b>	<b>2,269,105,114</b>	<b>12,840,324,552</b>

Liquidity Statement  
Maturity Analysis of Assets and Liabilities  
as at 31 December 2017

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)	3,577,397,000	121,388,815	121,388,814		11,658,597,953	15,478,772,582
Balance with other banks and financial institutions	6,173,519,845	4,450,000,000	-	-	-	10,623,519,845
Money at call and on short notice	3,830,000,000	-	-	-	-	3,830,000,000
Investment	6,148,867,885	4,909,031,451	3,873,922,325	5,268,550,365	7,657,770,217	27,858,142,242
Loans and advances	36,614,728,008	19,665,736,948	52,276,860,247	13,745,948,626	56,960,932,917	179,264,206,747
Fixed assets including premises, furniture and fixture		352,838,404	529,257,606	1,411,353,615	1,234,934,413	3,528,384,037
Other assets	2,352,804,246	3,807,983,870	2,352,804,246	1,545,617,230	2,233,231,960	12,292,441,552
Non-banking assets	-	-	-	373,474,800	-	373,474,800
<b>Total assets</b>	<b>58,697,316,984</b>	<b>33,306,979,488</b>	<b>59,154,233,238</b>	<b>22,344,944,636</b>	<b>79,745,467,460</b>	<b>253,248,941,805</b>
<b>Liabilities</b>						
Subordinated debt	-	-	-	1,400,000,000	2,100,000,000	3,500,000,000
Borrowing from other banks, financial institutions and agents	950,928,192	3,069,002,175	4,014,232,069	439,418,312	-	8,473,580,748
Deposits and other accounts	34,614,075,808	52,365,945,228	41,861,661,553	68,957,623,692	2,406,359,199	200,205,665,479
Other liabilities	1,636,734,755	204,562,382	3,070,003,708	1,952,409,260	13,666,864,819	20,530,574,923
<b>Total liabilities</b>	<b>37,201,738,755</b>	<b>55,639,509,785</b>	<b>48,945,897,330</b>	<b>72,749,451,263</b>	<b>18,173,224,018</b>	<b>232,709,821,150</b>
<b>Net liquidity</b>	<b>21,495,578,228</b>	<b>(22,332,530,297)</b>	<b>10,208,335,908</b>	<b>(50,404,506,628)</b>	<b>61,572,243,442</b>	<b>20,539,120,655</b>

**Notes to the Financial Statements**  
**as at and for the year ended 31 December 2017**

**1 Legal status and nature of the Bank**

**1.1 IFIC Bank Limited**

IFIC Bank Limited denoted as International Finance Investment and Commerce Bank Limited (hereinafter referred to as "the Bank" / "IFIC"), 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. 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 and incorporated as a public limited company in Bangladesh under the Companies Act 1913, currently governed under the Banking Companies Act 1991 as amended and rules and regulations issued by Bangladesh Bank. The registered office and principal place of business of the Bank is situated at IFIC Tower, 61, Purana Paltan, Dhaka -1000. Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Directors and Sponsors hold 38.67% share including 32.75% of the Government of the People's Republic of Bangladesh and the remaining 61.33% share held by the institutions, foreign and general investors.

The Bank has 141 branches and 71 own ATM booths with 88 ATMs as on 31 December 2017. The Bank has an Off-shore Banking Unit (OBU) located at Dhaka and also two subsidiary companies (note-1.4) namely IFIC Securities Limited and IFIC Money Transfer (UK) Limited (hereinafter together referred to as "the Group"). Moreover, the Bank has investment in two joint venture/associate companies (note-1.5) in abroad namely Nepal Bangladesh Bank Limited, Nepal and Oman Exchange LLC, Oman. The Bank has also investment in another company in abroad namely MCB Bank Limited, Pakistan (note-1.6).

**1.2 Principal activities and nature of operation**

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 time to time, through its branches and alternative delivery channels like ATM Booths and Internet Banking etc. During the financial year under review, no significant changes in the nature of the principal activities of the Bank to address.

**1.3 Off-shore Banking Unit (OBU)**

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 one Off-shore Banking Unit in Bangladesh. The OBU is governed under the rules and regulations of Bangladesh Bank. Separate Financial Statements of the Bank have been prepared including the affairs of OBU. Separate Financial Statements of Off –shore Banking Unit are shown in **Annexure-K**.

**1.4 Subsidiaries of the Bank**

**1.4.1 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 services as mentioned in the Memorandum and Articles of Association of the company. The operation of the company starts on 10 March 2011.

**1.4.2 IFIC Money Transfer (UK) Limited**

IFIC Money Transfer (UK) Limited was incorporated as a private limited company with Companies House of England and Wales under registration no. 07379137 on 16 September 2010. The total paid up capital of IFIC Money Transfer (UK) Limited is GBP 300,000. The company is a wholly owned subsidiary of IFIC Bank Limited. 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 of the company is located at Ferrari House, 2nd Floor, 102 College Road, Harrow, Middlesex, United Kingdom HA1 1ES, London, UK. The Bank has obtained necessary permission from Bangladesh Bank to open the fully owned subsidiary in UK.



## **1.5 Joint Ventures/Associates of the Bank**

### **1.5.1 Nepal Bangladesh Bank Limited**

Nepal Bangladesh Bank Limited (NBBL) was incorporated in Nepal and registered with Office of Company Registrar (50-050/051, dated 14 January 1994) as a public company limited by shares. NBBL was established as a joint venture bank with IFIC Bank Limited, Bangladesh. The Bank started its banking business from 06 June 1994.

IFIC has Management & Technical Service Agreement to provide technical know-how and professional knowledge to strengthen the smooth function of NBBL.

IFIC holds 40.91% shares capital of NBBL of Nepal. The Bank's total holding is 29,543,243 number of shares out of 72,190,590 number of shares of the Bank. The face value of the share is NRS 100 each. Nepal Bangladesh Bank Limited is listed with Nepal Stock Exchange Limited.

### **1.5.2 Oman Exchange LLC**

Oman Exchange LLC, an exchange company incorporated under the laws of the Sultanate of Oman. Its registered office is Building no. 4699, Way no. 4567, Hamriya, PO Box 114, Post code 994, Hey Al Mina, Hamriya, Muscat, Sultanate of Oman. It was established in 1985 as a joint venture between IFIC Bank Limited and Oman Nationals, to facilitate remittance by Bangladeshi wage earners in Oman. IFIC Bank holds 25% shares and the balance 75% is held by the Omani sponsors. Out of total 11,793 shares of the company, IFIC Bank owns 2,948 shares of which face value is RO 100 per share.

### **1.6 Investment in MCB Bank Ltd, Pakistan**

IFIC Bank had two branches in Pakistan, one at Karachi and the other at 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, Pakistan branches of IFIC merged with a reputed leasing company named NDLC and renamed the same as NDLC-IFIC Bank Limited with effect from 02 October 2003 and it was subsequently renamed as NIB Bank Limited with effect from 28 November 2005. IFIC Bank owned 24,578,800 shares out of total number of 10,302,851,164 shares of NIB Bank Limited. In 13 June 2017, the State Bank of Pakistan has passed an order to merge of NIB Bank Limited with MCB Bank Limited. Consequently IFIC Bank Limited entitled 175,508 nos. of shares of MCB Bank Limited against 24,578,800 nos. of shares in NIB Bank Limited at the swap ratio of 1:140.043 and subsequently regarding this swap, IFIC Bank has taken necessary approval from Bangladesh Bank.

## **2 Basis of preparation and significant accounting policies**

### **2.1 Basis of preparation**

#### **2.1.1 Statement of compliance**

The separate financial statements of the Bank and the consolidated financial statements of the Group comprising the Bank, its subsidiaries and its associates, (except for Nepal Bangladesh Bank Limited, associate of IFIC, its financial statements are prepared in accordance with the regulatory requirement of Nepal Rashtra Bank), as at and for the year ended 31 December 2017 have been prepared on a going concern basis in accordance with the "First Schedule" (section 38) of the Banking Companies Act 1991 as amended, BRPD Circular # 14 dated 25 June, 2003, other Bangladesh Bank Circulars, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), etc.

The Bank complied with the requirements of following regulatory and legal authorities:

- i) The Banking Companies Act, 1991;
- ii) The Companies Act, 1994;
- iii) Rules and Regulations Issued by Bangladesh Bank;
- iv) Financial Reporting Act 2015;
- v) Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange ordinance 1969, Bangladesh Securities and Exchange Act 1993, Bangladesh Securities and Exchange Commission IPO Rules 2006;
- vi) The Income Tax ordinance, 1984;
- vii) The Value Added Tax Act, 1991;
- viii) Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;

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

**i) Investment in shares and securities**

**BFRS:** As per requirements of BAS 39: *Financial Instruments: Recognition and Measurement*, investment in shares and securities generally falls either under “at fair value through profit and loss account” or under “available for sale” where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment (portfolio basis); otherwise investments are recognized at cost.

**ii) Revaluation gains/losses on Government securities**

**BFRS:** As per requirement of BAS 39: *Financial Instruments: Recognition and Measurement*, where securities will fall under the category of Held for Trading (HFT), any change in the fair value of those assets are recognized through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortized cost method using effective interest rate.

**Bangladesh Bank:** According to DOS Circular no. 05 dated 26 May 2008 and subsequent clarification in DOS Circular 05 dated 28 January 2009, loss on revaluation of Government securities (T-bills/corped under RT-bonds) which are categorized as held for trading should be charged through profit or loss account, but any gain on such revaluation should be recorded under Revaluation Reserve Account. However, at the revaluation loss for that particular held for trading T-bills/T-bonds. T-bills designated as held to maturity are measured at amortized cost method but interest income/gain should be recognized through other reserve as a part of equity.

**iii) Provision on loans and advances/investments**

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

**Bangladesh Bank:** As per BRPD Circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 15 dated 27 September 2017 and BRPD circular No. 1 dated 20 February 2018 a general provision at 0.25% to 5% under different categories of unclassified/standard loans has 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 all off-balance sheet exposures. Moreover, a 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.-04 dated 29 January 2015, 1% additional provision have to be maintained for large restructured loan. Such provision policies are not specifically in line with those prescribed by BAS 39.

**iv) Recognition of interest in suspense**

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

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount transferred/credited to an interest in suspense account and shown as liability in the balance sheet.

**v) Other comprehensive income**

**BFRS:** As per BAS 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 statement.

**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 the elements of OCI are 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. Furthermore, the above templates require disclosure of appropriation of profit on the face of profit and loss account.

**vi) Financial instruments – presentation and disclosure**

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements cannot be made in the financial statements as per BFRS 7: *Financial Instruments: Disclosures* and BAS 32: *Financial Instruments: Presentation*.

**vii) Financial guarantees**

**BFRS:** As per BAS 39, financial guarantee is a contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantees are recognized as liability initially and recorded at fair value and the initial fair value is amortized over the life of the financial guarantee. The liability of financial guarantee is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

**viii) Cash and cash equivalent**

**BFRS:** As per BAS 7: *Statements of Cash Flows*, cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Therefore, some items like Balance with Bangladesh Bank on account of CRR/SLR are not part of cash and cash equivalent as those are not readily available.

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

**ix) Non-banking asset**

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

**Bangladesh Bank:** As per BRPD circular no. 14, there must exist a face item named Non-banking asset.

**x) Cash flow statement**

**BFRS:** 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.

**xi) Balance with Bangladesh Bank: (Cash Reserve Requirement)**

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

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

**xii) Presentation of intangible asset**

**BFRS:** Intangible asset must be identified, recognized and disclose in the financial statements as per BAS 38.

**Bangladesh Bank:** There is no regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003.

**xiii) Off-balance sheet items**

**BFRS:** There is no concept of off-balance sheet items in any BFRS; 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, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

**xiv) Loans and advances/Investments net off provision**

**BFRS:** Loans and advances/Investments should be presented in the financial statements after net off provision.

**Bangladesh Bank:** As per BRPD circular no. 14, provision for loans, advances and investments are presented separately as liability and can not be netted off against the outstanding balance of loans, advances and investment.

**2.1.2 Basis of measurement**

The financial statements of the Group and the Bank have been prepared on historical cost basis except the following:

- Government Treasury Bills and Bonds considered as 'Held for Trading (HFT)' are measured at present value using mark to market with gains credited directly to revaluation reserve but loss charged to Profit and Loss Account.
- Government Treasury Bills and Bonds considered as 'Held to Maturity (HTM)' at present value using amortization concept.
- Zero Coupon Bond at present value using amortization concept.
- Land is recognized at cost at the time of acquisition and subsequently measured at fair value following revaluation model as per BAS 16: *Property Plant and Equipment*.

### 2.1.3 Reporting period

These consolidated and separate financial statements cover 1 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 joint ventures/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 15/16 July of each year. Due to that reason the operating results of Nepal Bangladesh Bank Ltd have been adjusted proportionately in line with the reporting period of its parent i.e. IFIC Bank Limited during calculation of share of post-acquisition profit from associates/joint ventures in its consolidated financial statement.

### 2.1.4 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of the financial statements under section 183 of the Companies Act, 1994.

### 2.1.5 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 10 April 2018.

### 2.1.6 Functional and presentation currency

The consolidated financial statements of the Group and the separate financial statements of the Bank are presented in Bangladeshi Taka (BDT/Tk.) which is the Group's and the Bank's functional currency. Functional currency of Off-shore Banking Unit and IFIC Money Transfer (UK) Limited is US Dollar (USD) and Great Britain Pound (GBP) respectively. Functional currency for two joint ventures/associates - Oman Exchange LLC and NBBL is Omani Rial and Nepalese Rupee respectively. Financial information presented in BDT has been rounded off to nearest integer, except otherwise indicated. The financial statement and information of the subsidiaries and joint venture/associates whose functional currency is different than that of IFIC Bank Limited has been translated in the presentation currency i.e. BDT as per BAS 21: *The Effects of Changes in Foreign Exchange Rates*, where applicable.

### 2.1.7 Use of estimates and judgments

In the preparation of the consolidated financial statements of the group and the separate financial statements of the Bank in conformity with BFRSs 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.

The key estimates, judgments and assumptions are applied to measure the following:

- a) Provision for loans, advances and investments
- b) Revaluation of land & buildings
- c) Deferred tax assets/liabilities
- d) Measurement of defined benefit obligation (Provision for gratuity)
- e) Provision for expenses
- f) Provision for current taxation
- g) Contingent Liability (Letter of Guarantee)

### 2.1.8 Going concern

The Bank has no such reason to assume that it will not be able to continue its operation for foreseeable future because it has adequate resources in all respects, promising profitability, and forward looking strategy. For this reason, the directors continue to adopt going concern basis in preparing the financial statements. The current operations of the Bank provide sufficient funds to meet the present requirements of its existing businesses and operations.

### 2.1.9 Basis of consolidated and separate financial statements

The financial statements of the Bank include the Consolidated Financial Statements of the Bank as a Group of Bank and its subsidiaries and the Separate Financial Statements of the Bank as the stand-alone entity. The consolidated financial statements include the financial statements of the Bank and its two subsidiary companies namely, IFIC Securities Limited operating in Bangladesh and IFIC Money Transfer (UK) Limited operating in United Kingdom made up to the end of the year. The separate financial statements are derived by combining the financial statements of main operation of IFIC Bank Limited and the financial statements of Off-shore Banking Unit operating in Bangladesh.

The consolidated and separate financial statements have been prepared in accordance with BAS 27: *Separate Financial Statements* and BFRS 10: *Consolidated Financial Statements*. The consolidated financial statements are prepared to a common year ended 31 December 2017. Since the reporting period of one of the joint ventures/associates Nepal Bangladesh Bank Limited is different from that of the parent so necessary adjustments have been made to the financial results of Nepal Bangladesh Bank Limited for consolidation. Both consolidated financial statements and separate financial statements of the Bank comprises Balance Sheet, Profit & Loss Statement, Cash Flow Statement, Statement of Changes in Equity and relevant notes and disclosures.

#### 2.1.9.1 **Subsidiary**

Subsidiary is the entity which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an entity, so as to obtain economic benefits from its activities.

The consolidated financial statements incorporate the financial statements of IFIC Bank Limited and financial statements of subsidiary companies from the date that control commences until the date that control 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.

#### 2.1.9.2 **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. Unrealized losses are eliminated in the same way as unrealized gain, but only to the extent that there are no evidence of impairment.

#### 2.1.10 **Cash flow statement**

Cash flow statement has been prepared in accordance with BAS 7: *Cash Flow Statement*, and under the guideline of Bangladesh Bank BRPD Circular no. 14 dated 25 June 2003.

#### 2.1.11 **Statement of changes in equity**

Statement of changes in equity has been prepared in accordance with BAS 1: *Presentation of Financial Statements*, and following the guidelines of Bangladesh Bank BRPD Circular no. 14 dated 25 June 2003.

#### 2.1.12 **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. Following bases are used for preparation of the 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

## 2.2 **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 the Central Bank as prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current period's presentation.

### 2.2.1 **Materiality and aggregation**

Each material item considered by management as significant has been presented separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off such amount and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant financial reporting standards.

### 2.2.2 **Foreign currency**

#### 2.2.2.1 **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 BAS 21: *The Effect of Changes in Foreign Exchange Rates*. Monetary assets and liabilities in foreign currencies at the reporting date are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank. Foreign exchange differences are generally recognized in the profit and loss account.

### 2.2.2.2 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 balance sheet have been translated at the closing rate on the date of balance sheet.

B. income and expenses for the profit and Loss account have been translated at monthly average rate.

### 2.2.3 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### 2.2.4 Assets and basis of their measurement

#### 2.2.4.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice and such other highly liquid financial assets which are subject to insignificant risk of changes in their value and are used by the Bank management for its short term commitments.

#### 2.2.4.2 Investment

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 accreted 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. 05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009. The valuation methods of investment used are :

##### i) Govt. securities - Held to Maturity (HTM)

Investments which 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 amount of such premium are booked into Profit and Loss Statement or discount is booked to reserve until maturity/disposal.

##### ii) Govt. securities - Held for Trading (HFT)

Investment primarily held for selling/trading is classified in this category. After initial recognition, investments are revalued weekly basis on mark to market policy. Decrease in the book value is recognized in the profit and loss statement and any increase is transferred to revaluation reserve account.

Value of investments has been enumerated as follows :

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Govt. securities - HFT	Cost	Market value	Loss to profit and loss account and gain to revaluation reserve.
Govt. securities - HTM	Cost	Amortized value	Increase in value to equity and decrease to equity as long as there are balances available otherwise to profit & loss account.
Debenture	Face value	Face value	None
Prize bond	Cost	Cost	None

##### iii) Investment in quoted shares/securities

These shares/securities are bought and held primarily for the purpose of selling in 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. Realized gain or losses are recognized in the profit and loss account.

##### iv) Investment in unquoted shares/securities

Investment in unquoted shares/securities are initially recognized at cost and revalued based on book value of last audited balance sheet.

##### v) Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's separate financial statements in accordance with the *BAS 27: Separate Financial Statements* and *BFRS 3: Business Combination*.

#### vi) Investment in associates and joint ventures

Associates are those entities in which the Bank has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Bank has joint control, established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions. Associates and joint ventures are accounted for using the equity method (equity accounted investees) in the consolidated financial statements as per BAS 28: *Investment in Associates and Joint Venture*. 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 or joint control commences until the date that significant influence or joint control ceases. This is consistent with BFRS 11: *Joint Arrangements* and BFRS 12: *Disclosure of Interests in Other Entities*. However investment in associates and joint ventures are recognized at cost in the separate financial statements as per BAS 27: *Separate Financial Statements*.

#### vii) Repo and reverse repo

The Bank recorded the repo and reverse repo transactions in compliance with the DOS Circular No. 06, dated 15 July 2010 of Bangladesh Bank. In case of repo for both coupon and non-coupon bearing securities, the Bank adjust the revaluation reserve account for HFT securities and cease the weekly revaluation of such securities if the revaluation date falls within the repo period. For interest bearing securities, the Bank does not accrue interest during the repo period.

#### 2.2.4.3 Loans and advances

- i) Loans and advances have been stated at gross value as pre requirements of the Banking Companies Act, 1991 as amended. General provisions on unclassified loans and contingent assets, specific provisions for classified loans and interest suspense thereon are shown under other liabilities.
- ii) Provision for loans and advances are made on the basis of instructions contained in Bangladesh Bank BRPD circular No. 14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular No. 16 dated 18 November 2014, BRPD circular No. 15 dated 27 September 2017 and BRPD circular no 1 dated 20 February 2018. As per BRPD circular no. 4 dated 29 January 2015, 1% additional provision has to be maintained for restructured large loan.
- iii) Interest is calculated on classified loans and advances as per BRPD circular no. 14 dated 23 September 2012 and recognized as income on realization.

The classification rates are given below:

Types of loan and advances		Provision				
		STD	SMA	SS	DF	BL
Consumer	Housing finance	1%	1%	20%	50%	100%
	Professionals	2%	2%	20%	50%	100%
	Other than housing finance & professionals to set up business	5%	5%	20%	50%	100%
Provision for 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%
Off-balance sheet		1%				

- iv) Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery, and (ii) against which legal cases are filed and classified as bad/loss for more than five years as per guidelines of Bangladesh Bank. These write off however, will not undermine/affect the claim amount against the borrower.

To close monitor the written off loan, a separate Remedial Asset Management (RAM) has been formed and legal action taken through the money loan court by the in-house law division. The RAM maintains a separate record for all individual cases written off by each branch. The RAM follow-up on the recovery efforts of these written off loans and reports to management on a periodic basis.

#### 2.2.4.4 Stock of stationery

Stock of stationery e.g. security stationary, printing stationery etc. has been shown under other assets and is valued at cost.

#### 2.2.4.5 Fixed assets and depreciation

##### A. Acquisition through outright purchase

- i) Fixed assets are stated at cost/revalued amount less accumulated depreciation for those acquired through outright purchase except Land. The bank has changed the depreciation calculation method from reducing balance to straight line method in 2016 and reviewed and fixed the useful of the fixed assets under different categories as follows:

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 is initially recognized at cost and subsequently carried at revalued amount following revaluation model as per BAS 16: *Property, plant and equipment*. The Bank regularly reviews if the fair value of Land is materially different from its carrying amount or book value and if it is observed that there is 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 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 when the asset is disposed. Land and building are revalued in sufficient regularity and gain/(loss) on revaluation recognized in equity under the head 'Revaluation reserve against fixed assets' in the financial statements.
- iv) Assets that take some time to get it ready for use such as construction 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 concerned category of fixed assets and calculation of depreciation starts accordingly.

#### **B. Acquisition under finance lease**

Assets acquired under finance lease are stated at cost less accumulated depreciation. Leased assets are depreciated in a consistent and systematic basis among the useful life. The useful life of leased assets are determined considering its economic life and lease term, whichever is lower.

#### **2.2.4.6 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 BAS 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 asset 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 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.

#### **2.2.4.7 Impairment of assets**

An asset is impaired when its carrying amount exceeds its recoverable amount as per BAS 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 for a heightened risk of existence of impairment at the reporting date.

#### **2.2.4.8 Leasing**

Leases are classified as finance leases when risk and rewards substantially transferred to the lessee whether title of lease assets eventually transfer or not as per BAS 17: *Leases*.

##### **i) The Bank as lessor**

The Bank has finance lease under its credit portfolio. Amount disbursed to lessees under finance lease is recorded as lease at constant periodic rate of return on the Bank's net investment outstanding in respect of the leases as per BAS 17: *Leases*.



**ii) The Bank as lessee**

Assets acquired under lease arrangement where substantially all the risks and rewards incidental to ownership are transferred to the lessees i.e. IFIC Bank Limited, are treated as finance lease and recognized as leased assets of the Bank as per BAS 17: *Leases*. Leased assets are stated at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly in profit & loss.

**2.2.5 Liabilities, provisions and basis of their measurement**

**2.2.5.1 Borrowings from other banks, financial institutions and agents**

Borrowing funds include call money deposits, borrowings under re-finance scheme and other short term and long term borrowings from banks and financial institutions. Interest paid/payable on these borrowings is charged to the profit and loss accounts.

**2.2.5.2 Deposits and other accounts**

Deposits and other accounts include interest and non-interest bearing demand and time deposits received from the customers/depositors in the form of current, savings and term deposits etc. Interest paid/payable is charged to the profit and loss account.

**2.2.5.3 Provision for taxation**

**i) Current tax**

Provision for taxation has been made as per Income Tax Ordinance, 1984 on the profit made by the bank after considering taxable add backs of income and disallowances of expenditure as per tax laws as well as excess or deficit in provision made in previous years.

**ii) Deferred tax**

Deferred tax is calculated as per BAS 12: *Income Taxes* on taxable/deductible temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized, including specific provision (only doubtful and bad / loss) against the classified loan and advance, to the extent that it is probable that the taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

**2.2.5.4 Provision for liabilities**

Other liabilities comprise items such as provision for loans and advances, provision for taxes, interest payable, interest suspense and accrued expenses. Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank, BAS and BFRS, Income Tax Ordinance 1984 and internal policies of the bank. Provisions and accrued expenses are recognized in the financial statement when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**2.2.5.5 Provision for Nostro Account**

Provision for Nostro accounts is maintained as per Circular Letter No. FEPD(FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank.

**2.2.5.6 Employee benefits**

Accounting recognition and measurement, as well as the disclosures requirements for different benefit schemes for employees are the followings:

**i) Provident fund (Defined Contributory Plan)**

"Defined Contribution Plan" is a post employment benefit plan under which an entity pays 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 from 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 subscription of the fund. The bank also contributes 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 employer's contribution along with his/her own contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

**ii) 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 minimum 10 (ten) years of service in the Company. The Gratuity is calculated on the basis of average basic pay of last one year 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.

**iii) 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.

**iv) 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 Insurance Coverage Scheme of the Bank.

**Hospitalization Insurance**

The Bank has introduced a health insurance scheme to its confirmed employees and their respective dependents at rates provided in the Insurance Coverage Scheme of the Bank.

**Performance bonus**

Bank provides performance bonus to the eligible employees in every year. This bonus amount is being distributed among the employees based on their performance and management decision. The bonus amount is paid annually, normally by the half of the every following year and the costs are accounted for in the period to which it relates.

**Annual leave**

The provision for leave fare represents the current outstanding liability to employees at the balance sheet date. Leave Fare Assistance 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 leave period.

**Subsidized loan scheme**

IFIC has scheme to provide Salary Over Draft and Staff House Building Loan to its eligible staff as per policy of the Bank.

**2.2.5.7 Off-balance sheet items**

Under general banking transactions liabilities against acceptance, endorsement and other obligations and bills against which acceptance has been given and claim exists there against have been shown as off balance sheet items. General provision at the rate 1% has been made for the off balance sheet exposures as per instruction contained in Bangladesh Bank BRPD circular No. 14 dated 23 September 2012.

**2.2.5.8 Revenue recognition**

As per Bangladesh Accounting Standard (BAS) 18: *Revenue*, revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Bank and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliably.

The revenue during the period is recognized following BAS 18: *Revenue* as detailed below:

**i) Interest income**

In terms of *BAS 18: Revenue* the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. Interest on classified loans and advances is kept into interest suspense account. Loan and advances are classified as bad, interest ceases to apply and recorded in a memorandum account. However, interest on classified loans and advances is accounted for on realization basis as per Bangladesh Bank circulars.

**ii) Fees and commission income**

Fees and commission income arising on services provided by the Bank are recognized at the time of realization. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

**iii) Investment income**

Income on investments is recognized on accrual basis. Capital gain/loss is recognized at the time of realization.

**iv) Dividend income on shares**

Dividend income on shares is recognized when dividend is declared, ascertained and right to receive the payment is established.

#### **2.2.5.9 Interest paid on deposits and borrowings**

In terms of the provisions of the BAS 1: *Presentation of the Financial Statements* interest expenses are recognized on accrual basis.

#### **2.2.5.10 Interest on subordinated debt**

Interest on subordinated debt is recognized on accrual basis and paid as per the respective terms of interest payment.

#### **2.2.5.11 Management and other expenses**

General and administrative expenses of the Bank are recognized on accrual basis.

### **2.2.6 General**

#### **2.2.6.1 Share capital**

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

#### **2.2.6.2 Statutory reserve**

As per 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.

#### **2.2.6.3 Fixed assets revaluation reserve**

When an asset's carrying amount is increased as a result of a revaluation the increase amount should be credited directly to equity under the heading of revaluation surplus/reserve as per *BAS 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.

#### **2.2.6.4 Non controlling interest**

Non controlling interest is that portion of the profit or loss and net assets of the subsidiaries attributable to equity interests that are not owned, directly or indirectly by the Parent i.e. IFIC Bank Limited.

#### **2.2.6.5 Reconciliation of books of account**

Books of account with regard to inter bank (in Bangladesh and outside Bangladesh) and inter branch transactions are reconciled and no material differences exist which may affect the financial statements significantly.

#### **2.2.6.6 Earnings per share (EPS)**

Earning per share (EPS) has been computed as per BAS 33: *Earnings Per Share* by dividing the basic earning by the weighted average number of ordinary Shares outstanding as at 31 December 2017 which has been shown on the face of the profit and loss account.

##### **i) Basic earnings per share**

This represents earnings for the period attributable to ordinary shareholders. As there was 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) Weighted average number of ordinary shares outstanding**

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary share issued during the period multiplied by a time weighted factor. The time-weighting factor is the numbers of days the specific shares were outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provisions of BAS 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. Therefore, the total number of shares issued in 2017 has been multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

##### **iii) Diluted earnings per share**

No diluted earnings per share is required to be calculated for the period as there was no dilutive potential ordinary share during the period.

#### **2.2.6.7 Related party transactions**

As per BAS 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 BAS 24: *Related Party Disclosures*, Bangladesh Bank and BSEC guidelines. Details of the related party transactions have been disclosed in **Annexure F**.

#### **2.2.6.8 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 *BAS 10: Events after the Reporting Period*.

#### **2.2.6.9 Subordinated debt**

In 2016, the Bank with prior consent of Bangladesh Securities and Exchange Commission (vide letter no. BSEC/CI/DS-32/2015/644 dated 28 December 2015) and Bangladesh Bank (vide letter no. BRPD(BFIS)661/18B(P)/2016-938 dated 08 February 2016 and BRPD(BFIS)661/18B(P)/2016-2475 dated 17 April 2016) issued 07 (seven) years Non-Convertible Coupon Bearing Subordinated Bonds as a part of eligible capital under Tier-II as per Basel-III. The issued instrument is un-secured, non-convertible in nature and will be redeemed at 20% of its face value each year which will start at the end of 3<sup>rd</sup> year.

The rate of interest of the Bond is Reference Rate + 4.8% Margin, where Reference Rate is the latest 182 days Bangladesh Govt. T-Bill rate. Coupon floor rate is 7.0% and coupon ceiling rate is 11.0%. Coupon to be paid semi-annually. This subordinated bond has been rated by CRAB as AA<sub>3</sub> (Hyb) in Long Term category with 'Stable' outlook valid up to 28 June 2018 which is judged to be of very high quality, subject to very low credit risk.

#### **2.2.6.10 Risk management**

Risk is an inherent part of the business activities and risk management is pivotal for the sustainability of business. The Risk of the Bank is defined as the probability of losses, financial or otherwise. The standards of Risk Management as guided by the Bank for International Settlements (BIS) and particularly Basel Committee on Banking Supervision (BCBS), has been applied by bank regulators across the world. Bangladesh Bank also issued guidelines which forms the basis of risk management of all scheduled banks in Bangladesh. The guidelines require that the banks adopt enhanced policies and procedures of risk management.

IFIC has an approved 'Risk Management Policy' for managing Core risks and other material risks inherent with the banking business i.e. Credit Risk Management, Foreign Exchange Risk Management, Asset liability Management, Prevention of Money Laundering, Internal Control and Compliance and Information & Communication Technology. Other risks like operational risk, liquidity risk, interest rate risk, equity price risk, market risk are also managed on a regular basis.

IFIC Bank manages risk in 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 Bank has a Managerial layer headed by Deputy Managing Director & Chief Risk Officer (CRO) and an Operational layer represented by Risk Management Division (RMD). RMD is the organizational arm performing the functions of identifying, measuring, analyzing, monitoring and controlling the various risks and assists the Apex level committee i.e. Strategic layer and Managerial layer in conversion of policies into action. RMD as Operational layer analyze risk appetite / tolerance / limit of all related divisions of the Bank and conducts internal rating of core risks, stress test in order to gauge shock absorbing capacity of the Bank. Shocks are applied at minor, moderate and major levels as to ascertain that whether bank could sustain under the stress situations or not. The prime objective of the risk management is to identify and analyze the risks and manage their consequences. Bank may take the risks according to risk appetite approved by the Board of Directors subject to its capital base. Bank should always keep the cushion of capital to face loss when arises any specific event or systematic risk.

##### **i) Credit risk**

Credit risk is most simply defined as the probability that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The goal of the Bank Credit Risk Management is to maximize the bank's risk-adjusted rate of return by maintaining credit risk exposure within the acceptable parameters.

The Credit Risk Management works within the scope defined regulations and is in charge of specifying and implementing the policies towards the effective functioning of the Bank's lending process and to develop the strategies for appropriate management, measurement and monitoring 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 lending cap of the bank and single borrower exposure limit defined by Bangladesh Bank.

## **ii) Asset liability management risk**

Asset Liability Management (ALM) is the most important aspect for the Bank to manage Balance Sheet Risk, especially for managing of liquidity risk and interest rate risk. Changes in market liquidity and interest rate expose Bank business to the risk of loss. Failure to identify the risks associated with business and to take timely measures against those risks may threaten the survival of institution. As such, it is important that the senior management as well as the Board of Directors to understand the existence of such risk on the Balance Sheet and ensure that the structure of the Bank business and the level of Balance Sheet risks are effectively managed by adopting the appropriate policies, procedures to control these risks as well as resources available for evaluating and controlling such risk. To address all the risk elements of the Balance Sheet, 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. The maturity gap of the assets-liabilities and interest rate movement are strongly monitored by the ALCO. Moreover, ALCO of the Bank also monitor the optimum liquidity position of the Bank in line with regulatory requirement. The policy guidelines on asset liability management which are approved by the Board of Directors have been reviewed time to time.

## **iii) Money laundering risk**

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. To mitigate this risk, since 2002 Bank has been complying with all the rules and regulations on AML/CFT issues. As directed by the BFIU of Bangladesh Bank, the Bank has formulated "Money Laundering & Terrorist Financing Risk Management Guidelines 2016 (amendment)" which is strictly followed by the branches and officers of the Bank.

In line with the noted policy and regulatory requirement, the Chief Anti-Money Laundering Compliance Officer (CAMLCO) regularly submits status report to the competent authorities in respect of the Suspicious Transaction Report (STR), Cash Transaction Report (CTR), Know Your Customer (KYC) Procedure, Transaction Monitoring Report, Structured Monitoring Report as well as submits the half yearly Self Assessment Report of branches and independent testing procedures conducted by Internal Control & Compliance Division and similar other areas. The Bank is consistently maintaining very good rating on AML/CFT issues.

Bank is regularly arranging training programs on prevention of money laundering & combating financing of terrorism with the particular focus on Trade Based Money Laundering for its all executives & officers. During the period, the Bank arranged several training programs on prevention of money laundering & combating financing of terrorism where a number of executives & officers were participated.

## **iv) Internal control and compliance risk**

The operational performance of the Bank is depended on efficient and sound internal control system for establishing corporate governance, transparency and accountability. 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 daily activities of the Bank, Internal Control & Compliance Division consist three units namely; Compliance, Monitoring and Audit & Inspection. These units are look after internal control, operational process very minutely to ensure the smooth operation of the Bank. 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. Monitoring unit is responsible for operational performance of branches and head office to minimize and mitigate the risk factors associated with the banking business. As a 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. In 2016 the Bank has introduced 'Risk based Internal Audit Policy', Branch Audit Rating System in order to up grade the operational efficiency of the branches.

**v) Fraud risk**

Fraud is a concept that is generally understood but whose characteristics are often not recognized in due course. The incidence of fraud may occur due to rapid changes in technological environment in the banking sector or intentional behavioral aspect 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 work place, employees may commit fraudulent activities within the Bank. To prevent the fraud and forgeries, the Bank has adopted 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 arrange training program for its executives and staffs working at branch and head office level. Internal Control and Compliance unit of the Bank also works very extensively to ensure the effectiveness of the internal control system throughout the Bank. Internal Control Unit (ICU) of each branch and division monitors the transactions process to prevent and detect both internal and external frauds.

**vi) Foreign exchange risk**

Foreign Exchange Risk arises from adverse movement in currency exchange rates. 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 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.

**vii) Information and communication technology (ICT) risk**

The Bank underlined concentration on creating a technology backbone that enabled IFIC to realize its mission to become the preferred financial service provider through innovative, sustainable and inclusive growth and deliver the best in class value to all stakeholders.

Accordingly, the Bank has formulated policies and procedures for ICT Security and has taken steps to protect the information and related assets from unauthorized access, modification and destruction for the sake of the interest of its customers. To mitigate risks in ICT operations, the Bank is continuously conducting training sessions on sensitive IT tasks (i.e. operational procedures, security procedures etc.) and creating Cyber Security Awareness for relevant employees.

The Bank is taking Data Backup on daily basis; one copy is being stored in fire-proof Vault and another copy is being kept at remote site to face any disaster in Data Centre. Disaster Recovery (DR) Site has been established at Uttara, Dhaka to replicate data of Data Centre and failover business operations in case of any emergency or any disaster at Data Centre. Business continuity Plan has also been developed.

The Bank Management has been putting conscious efforts to improve problem Management, ICT Operation Management, Change Management, Asset Management and Request Management to maintain maximum uptime of automated online banking business.

Bank's ICT –Security Guideline is made as per the guideline of Bangladesh Bank. Physical security is being maintained for its workplace to properly protect ICT resources as per the guideline of Bangladesh Bank. The Bank also strictly follow 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.

The Bank is maintaining Service Level Agreement (SLA) with the vendors who are directly involved for providing critical services on behalf of the Bank. The Bank is also maintaining Insurance Coverage of critical IT Assets and maintaining IT Assets Inventory.

The Bank has developed Fall Back Plan of IT Human Resources with detailed job descriptions and segregation of duties for IT tasks. The Bank has also completed all ICT Security documentation to ensure security of ICT Systems and is continuously updating them to strengthen security of the systems.

**viii) 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, awareness programs and monitoring of the implementation of these procedures. Internal Control and Compliance Division of the Bank monitors 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 of 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 cost or losses.

Liquidity risk arises when the cushion provided by the liquid assets are 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 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, stems 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 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 trading portfolio and non-trading portfolio. The trading portfolio of the Bank consists of government treasury bills, bond, etc. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. 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 sheet, 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) 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.

### 2.2.6.11 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 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.

### 2.2.6.12 Credit rating of the bank

The Bank has been awarded its credit rating done by Credit Rating Agency of Bangladesh Limited (CRAB) based on the financial statements and other relevant information as at and for the year ended 31 December 2016 as per BRPD Circular no. 6 dated 5 July 2006. The following ratings for different year have been awarded:

Type of Rating	Period of Financial statements used as basis	Rating Status			Validity
		Long term	Short term	Outlook	
Entity	January to December 2016	AA <sub>2</sub>	ST-2	Stable	30-Jun-18
Entity	January to December 2015	AA <sub>2</sub>	ST-2	Stable	30-Jun-17
Entity	January to December 2014	AA <sub>2</sub>	ST-2	Positive	30-Jun-16

### 2.2.6.13 Compliance report on Bangladesh Financial Reporting Standards (BFRSs):

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Financial Reporting Standards (BFRSs) including Bangladesh Accounting Standards (BASs) as of 31 December 2017. While preparing the financial statements, Bank complied all the applicable BASs and BFRSs as adopted by ICAB except those described in note 2.1.1. Details are given below:

Name of the BFRS	BFRS 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
Consolidated Financial Statements	10	Complied
Joint Arrangements	11	Complied
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied
Regulatory Deferral Accounts	14	N/A

Name of the BAS	BAS 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
Construction Contracts	11	N/A
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Leases	17	Complied
Revenue	18	Complied
Employee Benefits	19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A



Name of the BAS	BAS No.	Status
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*
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
Financial Instruments: Recognition and Measurement	39	Complied*
Investment Property	40	N/A
Agriculture	41	N/A

Note: N/A - Not Applicable

\* In order to comply with certain specific rules and regulations of the local Central Bank (Bangladesh Bank) which are different to BAS/BFRS, some of the requirements specified in these BAS/BFRSs are not applied.

#### **New accounting standards not yet adopted**

In December 2017, ICAB has decided to adopted IFRS replacing BFRS effective for annual periods beginning on or after 1 January 2018. However, since currently issued BFRS have been adopted from IFRS without any major modification, such changes would not have any material impact on financial statements.

The following BFRSs were issued but not effective as at 31 December 2017

Name of the BFRS	BFRS No.	Effective From
Financial Instruments	BFRS 9	On or after 01.01.2018
Revenue form Contracts with Customers	BFRS 15	On or after 01.01.2018

In addition to this a new standard as "IFRS 16 Leases" have been published by IASB but the same is yet to be adopted in Bangladesh as BFRS by ICAB. Hence old accounting standard in this respect has been followed in the preparation of these financial statements.

**Notes to the Financial Statements**  
as at and for the year ended 31 December 2017

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>3 Cash</b>			
Cash in hand (including foreign currency)	3.1	2,242,987,643	2,006,140,356
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	13,235,784,939	12,061,014,307
		<b>15,478,772,582</b>	<b>14,067,154,663</b>
<b>3.1 Cash in hand (including foreign currency)</b>			
Local currency in hand		2,007,898,180	1,852,141,398
Foreign currencies in hand		31,065,052	22,916,697
Cash with ATM		204,024,411	131,082,261
		<b>2,242,987,643</b>	<b>2,006,140,356</b>
<b>3.2 Balance with Bangladesh Bank and its agents bank</b>			
<b>Bangladesh Bank</b>			
Local currency		11,658,597,953	10,132,261,714
Foreign currency		1,213,888,149	1,480,549,588
		<b>12,872,486,102</b>	<b>11,612,811,302</b>
Sonali Bank as agent of Bangladesh Bank		363,298,837	448,203,005
		<b>13,235,784,939</b>	<b>12,061,014,307</b>
<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 and MPD circular no. 1, dated 23 September 2014 and MPD circular no. 2, dated 10 December 2013.			
<b>3.3.1 Cash Reserve Requirement (CRR)</b>			
As per Bangladesh Bank MPD Circular no. 1 dated 23 June 2014 [effective from 24 June 2014], all scheduled banks have to maintain CRR of minimum 6.0% on daily basis and 6.5% 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 2017 was based on weekly average balance of October 2017]. CRR maintained by the Bank as per statutory requirement is shown below:			
Average time and demand liabilities		172,336,019,750	155,514,904,000
Required reserve		11,201,841,284	10,108,468,760
Actual reserve maintained*		11,615,875,000	10,206,217,000
<b>Surplus</b>		<b>414,033,716</b>	<b>97,748,240</b>
* 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 minimum 13.0% of weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e. SLR of December 2017 was based on weekly average balance of October 2017]. SLR maintained by the Bank as per statutory requirement is shown below:			
Average time and demand liabilities		172,336,019,750	155,514,904,000
Required reserve		22,403,682,568	20,216,937,520
Actual reserve maintained		26,959,930,238	23,303,327,379
<b>Surplus</b>		<b>4,556,247,671</b>	<b>3,086,389,859</b>
<b>Actual reserve maintained for SLR</b>			
Cash in hand	3.1	2,242,987,643	2,006,140,356
Balance with Bangladesh Bank in excess of CRR		414,033,716	97,748,240
Balance with Sonali Bank as agent	3.2	363,298,837	448,203,005
Government securities (HFT)	6.3	11,070,665,980	7,456,069,889
Government securities (HTM)	6.3	12,868,944,062	13,295,165,889
		<b>26,959,930,238</b>	<b>23,303,327,379</b>
<b>3.a Consolidated cash in hand</b>			
IFIC Bank Limited	3.1	2,242,987,643	2,006,140,356
IFIC Securities Limited		7,105	238,310
IFIC Money Transfer (UK) Limited		8,773,824	12,026,893
		<b>2,251,768,572</b>	<b>2,018,405,559</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>3.b Balance with Bangladesh Bank and its agents bank</b>			
IFIC Bank Limited	3.2	13,235,784,939	12,061,014,307
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>13,235,784,939</b>	<b>12,061,014,307</b>
		<b>15,487,553,511</b>	<b>14,079,419,866</b>
<b>4 Balance with other banks and financial institutions</b>			
In Bangladesh	4.1	8,068,534,921	7,592,399,021
Outside Bangladesh *		2,554,984,924	1,416,578,750
		<b>10,623,519,845</b>	<b>9,008,977,771</b>
* Details of Balance with outside Bangladesh are shown in "Annexure-A".			
<b>4.1 In Bangladesh</b>			
<b>In current deposit account with</b>			
Agrani Bank Limited		32,525,278	39,028,153
Sonali Bank Limited		44,109,821	36,599,776
Islami Bank Bangladesh Limited		99,150	100,000
		<b>76,734,249</b>	<b>75,727,929</b>
<b>In special notice deposit account with</b>			
Trust Bank Limited		33,078,349	45,507,166
Standard Chartered Bank		8,692,380	14,864,880
		<b>41,770,729</b>	<b>60,372,046</b>
<b>In beneficiary owner (BO) account with</b>			
IFIC Securities Limited		659	6,269,312
Latif Securities Limited		29,284	29,734
		<b>29,943</b>	<b>6,299,046</b>
<b>In fixed deposit account with banks and NBFIs</b>			
Peoples Leasing & Financial Services Limited		150,000,000	150,000,000
Investment Corporation of Bangladesh (ICB)		7,800,000,000	5,000,000,000
Mercantile Bank Limited		-	700,000,000
Industrial and Infrastructure Development Finance Company Limited		-	100,000,000
BRAC Bank Limited		-	1,000,000,000
National Bank Limited		-	500,000,000
		<b>7,950,000,000</b>	<b>7,450,000,000</b>
		<b>8,068,534,921</b>	<b>7,592,399,021</b>
<b>4.2 Maturity grouping of balance with other banks and FIs</b>			
Receivable on demand		2,673,489,902	1,552,678,725
Upto 1 month		3,500,029,943	4,706,299,046
More than 1 month but not more than 3 months		4,450,000,000	2,750,000,000
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>10,623,519,845</b>	<b>9,008,977,771</b>
<b>4.a Consolidated balance with other banks and financial institutions</b>			
<b>4.a(i) In Bangladesh</b>			
IFIC Bank Limited	4.1	8,068,534,921	7,592,399,021
IFIC Securities Limited		95,242,495	86,488,370
IFIC Money Transfer (UK) Limited		-	-
		<b>8,163,777,416</b>	<b>7,678,887,391</b>
Less: Inter -company transaction		95,242,494	86,488,370
		<b>8,068,534,922</b>	<b>7,592,399,021</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>4.a(ii) Outside Bangladesh</b>			
IFIC Bank Limited	4	2,554,984,924	1,416,578,750
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>2,554,984,924</b>	<b>1,416,578,750</b>
		<b>10,623,519,846</b>	<b>9,008,977,771</b>
<b>5 Money at call and on short notice</b>			
AB Bank Limited		500,000,000	-
Basic Bank Limited		650,000,000	-
BRAC Bank Limited		100,000,000	-
Habib Bank Limited		330,000,000	-
NCC Bank Limited		500,000,000	-
Pubali Bank Limited		1,400,000,000	-
The City Bank Limited		150,000,000	-
Bank Alfalah Limited		200,000,000	-
		<b>3,830,000,000</b>	<b>-</b>
<b>6 Investments</b>			
Government Securities	6.1	23,943,582,942	20,754,752,878
Other Investments	6.2	3,914,559,300	4,449,771,304
		<b>27,858,142,242</b>	<b>25,204,524,182</b>
<b>6.1 Government securities</b>			
Treasury bills	6.1.1	8,371,890,078	7,456,069,889
Treasury bonds	6.1.2	12,868,944,062	13,295,165,889
Bangladesh Bank bills		2,698,775,902	-
Prize bond		3,972,900	3,517,100
		<b>23,943,582,942</b>	<b>20,754,752,878</b>
<b>6.1.1 Treasury bills</b>			
91 days treasury bills		5,062,153,880	4,672,588,368
182 days treasury bills		2,055,468,793	1,798,183,630
364 days treasury bills		1,254,267,405	985,297,891
		<b>8,371,890,078</b>	<b>7,456,069,889</b>
<b>6.1.2 Treasury bonds</b>			
2 years Treasury bond		1,551,864,375	1,167,069,006
5 years Treasury bond		1,416,584,158	1,617,976,286
10 years Treasury bond		5,508,401,071	6,089,743,240
15 years Treasury bond		2,941,619,589	2,961,973,520
20 years Treasury bond		1,450,474,869	1,458,403,837
		<b>12,868,944,062</b>	<b>13,295,165,889</b>
<b>6.2 Other investments</b>			
<b>Unquoted shares</b>			
Karma Sangsthan Bank		20,000,000	20,000,000
Central Depository Bangladesh Limited		22,847,220	22,847,220
Energy Pack Power Company Limited		25,960,000	25,960,000
		<b>68,807,220</b>	<b>68,807,220</b>
<b>Quoted shares</b>			
National Housing Finance & Investment Limited		39,010,000	39,010,000
Power Grid Company Limited		215,882,261	275,412,488
Summit Alliance Port Limited		5,692,616	28,198,825
Eastland Insurance Company Limited		7,958,672	8,941,428
TITAS Gas Transmission and Distribution Limited		412,348,120	465,701,734
Unique Hotel and Resorts Limited		21,029,385	21,029,385
Fareast Life Insurance Limited		122,511,641	136,631,812
Delta Life Insurance Company Limited		-	56,270,614
Summit Power Limited		-	108,786,696

Amount in BDT

	Note	31 December 2017	31 December 2016
British American Tobacco Bangladesh Limited		-	80,528,642
Beximco Limited		-	1,032,063,098
Malek Spinning Mills Company Limited		-	7,681
The City Bank Limited		-	194,197,477
Northern General Insurance Company Limited		-	10,951,563
Reliance Insurance Limited		-	11,674,463
		<b>824,432,695</b>	<b>2,469,405,906</b>
<b>Mutual funds</b>			
IFIC Bank 1st Mutual Fund		250,000,000	250,000,000
ICB Employee 1st Mutual Fund		17,986,473	17,986,473
		<b>267,986,473</b>	<b>267,986,473</b>
<b>Foreign Investment</b>			
<b>Investment in associates:</b>			
Nepal Bangladesh Bank Limited		2,383,257,623	1,291,386,223
Oman Exchange LLC		18,797,875	17,889,167
		<b>2,402,055,498</b>	<b>1,309,275,390</b>
<b>Other foreign investment</b>			
MCB Bank Limited, Pakistan *		351,277,414	334,296,315
		<b>2,753,332,912</b>	<b>1,643,571,705</b>
		<b>3,914,559,300</b>	<b>4,449,771,304</b>

Details of investment in shares are shown in "Annexure-B".

\* In 13 June 2017, NIB Bank Limited merged with MCB Bank Limited which is described in note: 1.6.

### 6.3 Government securities classified according to Bangladesh Bank Circular

Held for trading (HFT)	6.1	11,070,665,980	7,456,069,889
Held to maturity (HTM)	6.1.2	12,868,944,062	13,295,165,889
Other securities	6.1	3,972,900	3,517,100
		<b>23,943,582,942</b>	<b>20,754,752,878</b>

### 6.4 Maturity grouping of investments

On demand	3,972,900	3,517,100
Up to 1 month	6,144,894,985	6,521,506,276
Over 1 month but not more than 3 months	4,909,031,451	208,208,137
Over 3 months but not more than 6 months	1,142,973,870	1,698,409,762
Over 6 months but not more than 1 years	2,730,948,455	2,170,200,316
Over 1 year but not more than 5 years	5,268,550,365	6,790,108,908
Over 5 years	7,657,770,217	7,812,573,683
	<b>27,858,142,242</b>	<b>25,204,524,182</b>

### 6.5 Disclosure regarding outstanding Repo and Reverse Repo

Sl.	Counterparty name	Agreement date	Reversal date	Amount
-	-	-	-	-

**Total**

#### Disclosure regarding outstanding Reverse Repo

Sl.	Counterparty name	Agreement date	Reversal date	Amount
-	-	-	-	-

**Total**

#### Disclosure regarding overall transaction of Repo and Reverse Repo

Counterparty name	Minimum outstanding in Y2017	Maximum outstanding in Y2017	Daily average outstanding in Y2017
<b>Securities sold under Repo</b>			
With Bangladesh Bank	-	-	-
With other Banks and FIs	198,369,400	499,329,500	25,901,956
<b>Securities purchased under Reverse Repo</b>			
From Bangladesh Bank	-	-	-
From other Banks and FIs	131,408,923	999,596,757	54,877,702

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>6.a Consolidated investments</b>			
<b>Government Securities</b>			
IFIC Bank Limited	6.1	23,943,582,942	20,754,752,878
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>23,943,582,942</b>	<b>20,754,752,878</b>
<b>6.b Consolidated other investments</b>			
IFIC Bank Limited	6.2	3,914,559,300	4,449,771,304
IFIC Securities Limited		86,482,525	181,042,559
IFIC Money Transfer (UK) Limited		-	-
Less: Book value of investment in joint venture/associate-NBBL		(2,383,257,623)	(1,291,386,223)
Less: Book value of investment in joint venture/associate -OE LLC		(18,797,875)	(17,889,167)
Add: Investment in NBBL under equity method	40.b(i)	3,696,288,544	2,147,122,580
Add: Investment in OE LLC under equity method	40.b(ii)	52,019,550	56,046,962
		<b>5,347,294,421</b>	<b>5,524,708,015</b>
		<b>29,290,877,363</b>	<b>26,279,460,893</b>
<b>7 Loans and advances</b>			
Loans, cash credit, overdraft etc.	7.1	167,561,290,347	127,998,226,184
Bill purchased and discounted	8	11,702,916,400	9,119,885,365
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.1 Loans, cash credit, overdraft etc.</b>			
Term loan industrial		17,063,561,459	12,333,703,299
Term loan consumer finance		558,364,756	636,390,971
Agricultural loan		3,371,120,066	3,006,803,426
Term loan women entrepreneur		11,013,182	11,309,924
Term loan-others		41,166,349,180	27,807,286,029
House building loans		28,602,090,173	14,951,644,865
Staff loan		1,757,091,256	1,858,818,100
Transport loan		283,941,559	402,695,352
Loan general		2,907,043,082	2,401,964,880
Demand loan		4,801,451,088	3,877,619,292
Overdrafts		33,845,375,485	26,839,671,440
Cash credit		25,763,648,192	27,235,145,835
Credit card finance		221,172,914	248,056,244
Loan against trust receipt (LTR)		6,045,961,917	4,753,716,891
Lease finance	7.16	603,861,134	661,639,981
Loan against imported merchandise(LIM)		-	70,710,364
		<b>167,002,045,443</b>	<b>127,097,176,893</b>
Off-shore banking unit		559,244,904	901,049,291
		<b>167,561,290,347</b>	<b>127,998,226,184</b>
<b>7.2 Residual maturity grouping of Loans, cash credit, overdraft etc.</b>			
On demand		27,838,862,770	17,200,313,375
Up to 1 month		5,450,193,405	6,711,824,959
Over 1 month but not more than 3 months		16,826,336,698	19,167,679,490
Over 3 months but not more than 1 years		46,739,015,931	40,182,681,587
Over 1 year but not more than 5 years		13,745,948,626	29,248,892,257
Over 5 years		56,960,932,917	15,486,834,516
		<b>167,561,290,347</b>	<b>127,998,226,184</b>
<b>7.3 Loans and advances under broad categories</b>			
Loans		107,952,266,670	73,923,408,909
Cash credit		25,763,648,192	27,235,145,835
Overdrafts		33,845,375,485	26,839,671,440
		<b>167,561,290,347</b>	<b>127,998,226,184</b>
Bill purchased and discounted	8	11,702,916,400	9,119,885,365
		<b>179,264,206,747</b>	<b>137,118,111,549</b>

	Note	31 December 2017	31 December 2016
<b>7.4 Loans and advances on the basis of significant concentration</b>			
<b>Loans and advances to Directors, executives and others</b>			
Loans and advances to directors and their allied concerns		-	-
Loans and advances to Managing Director, Senior Executives and Staffs		1,757,091,256	1,858,818,100
Advances to customers' groups		177,507,115,491	135,259,293,449
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.5 Loans and advances allowed to each customer exceeding 10% of Bank's total capital</b>			
Number of customers		18	26
Outstanding - Funded		42,831,500,000	47,180,600,000
Outstanding - Non-funded		16,705,600,000	17,257,200,000
Amount classified		28,560,000	-
Amount of loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 2,411.38 million which is computed as 10% of the Bank's capital (as defined under the Banking Companies Act 1991 as amended) of BDT 24,113.77 million as at 31 December 2017. As at 31 December 2016, 10% of Bank's total capital was BDT 1,692.77 million.			
Details of loans and advances to each customer exceeding 10% Banks capital are shown in "Annexure-C".			
<b>7.6 Industry wise position of loans and advances including bills purchased and discounted</b>			
Agriculture		4,152,871,153	3,006,803,426
Jute		2,332,158,477	2,177,571,726
Textile		8,106,041,668	5,852,215,119
Garments		22,846,097,610	19,811,098,814
Chemical and chemical products		82,717,360	222,144,269
Cement		478,685,019	153,876,760
Bricks & ceramic		1,162,799,867	988,423,251
Food products & processing		7,009,933,259	4,995,132,406
Engineering & metal		4,572,114,176	3,470,605,332
Drugs & pharmaceuticals		793,677,153	731,973,543
Hospital & clinics		118,930,607	139,144,277
Paper & paper products		729,630,865	518,183,348
Other small industries		5,573,560,408	5,093,500,000
IT sector		3,888,500,063	2,846,175,215
Other service industries		18,887,301,387	13,440,500,000
Trade & commerce		25,189,491,153	24,579,900,000
Transport		412,158,286	471,725,998
Construction firms/companies		4,383,749,184	4,527,265,356
Housing societies/companies		18,618,329,957	9,218,362,247
Cold storage		166,427,636	75,695,741
Consumer finance		32,636,155,787	18,732,800,000
Energy		7,228,342,800	6,861,220,917
Telecommunication		6,481,185,089	6,509,698,926
Others		3,413,347,782	2,694,094,878
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.7 Sector wise position of loans and advances including bills purchased and discounted</b>			
Government sector		-	-
Other public sector		-	-
Private sector		179,237,084,214	137,118,111,549
Co-operative sector		27,122,534	-
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.8 Geographical location-wise loans and advances including bills purchased and discounted</b>			
Dhaka division		144,030,740,953	106,867,444,901
Chittagong division		17,381,011,763	14,489,000,151
Sylhet division		1,470,580,894	1,189,600,750
Rajshahi division		7,042,320,828	6,495,230,894
Khulna division		4,151,988,855	3,597,882,692
Barisal division		994,648,565	772,909,575
Rangpur division		3,028,618,733	2,806,230,392
Mymensingh division		1,164,296,156	899,812,194
		<b>179,264,206,747</b>	<b>137,118,111,549</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>7.9 Business segment-wise concentration of loans and advances as per CL</b>			
Corporate		114,268,773,216	86,839,155,707
SME		28,689,558,321	28,067,807,778
Short term agri credit		3,761,090,000	3,455,899,073
Consumer (including staff)		6,598,267,850	5,920,416,396
Others		25,946,517,361	12,834,832,595
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.10 Loans and advances including bills purchased and discounted as per CL</b>			
<b>Continuous loan</b>			
Consumer finance		3,476,707,674	2,738,419,963
Small and medium enterprise		22,256,621,260	21,892,111,930
Loans to BHs/MBs/SDs		398,612,145	276,174,603
Other continuous loans		31,991,528,702	27,775,315,651
		<b>58,123,469,781</b>	<b>52,682,022,147</b>
<b>Demand loans</b>			
Consumer finance		645,345,795	541,756,803
Small and medium enterprise		2,677,584,337	2,533,393,610
Loans to BHs/MBs/SDs		20,039,788	-
Other demand loans		23,934,076,194	20,076,574,116
		<b>27,277,046,114</b>	<b>23,151,724,529</b>
<b>Term loan</b>			
Consumer finance (including staff, other than HF)		2,476,214,381	2,640,239,630
Small and medium enterprise		3,755,352,724	3,642,302,238
Housing finance (HF)		25,519,413,170	12,550,047,581
Loans for professionals		880,603	1,948,736
Loans to BHs/MBs/SDs		7,571,655	6,661,675
Other fixed term loan		58,343,168,319	38,987,265,940
		<b>90,102,600,852</b>	<b>57,828,465,800</b>
<b>Short term loan</b>			
Short term agri credit		<b>3,761,090,000</b>	<b>3,455,899,073</b>
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.11 Security/collateral-wise concentration of loans and advances including bills purchased and discounted</b>			
Collateral of movable/immovable assets		149,412,525,582	86,057,158,678
Local banks and financial institutions' guarantee		4,399,751,912	3,980,742,065
Export documents		2,235,024,178	2,388,335,564
Fixed deposit receipts		6,900,692,558	8,331,397,013
Personal guarantee		6,453,205,313	6,664,571,443
Other securities		9,863,007,205	29,695,906,786
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.12 Particulars of loans and advances</b>			
i) Loans considered good in respect of which the Bank is fully secured		168,190,076,609	126,224,755,305
ii) Loans considered good for which the Bank holds no other security than the debtors' personal guarantee		221,172,914	248,056,244
iii) Loans considered good being secured by personal security of one or more persons in addition to the personal security of the debtors		10,852,957,224	10,645,300,000
iv) Loans adversely classified; provision not maintained there against		-	-
		<b>179,264,206,747</b>	<b>137,118,111,549</b>
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons.		1,757,091,256	1,858,818,100
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;		-	-



		Amount in BDT		
		Note	31 December 2017	31 December 2016
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		1,847,022,714	1,996,593,922
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		1,144,330,431	(196,204,799)
	Amount of loan written off		1,516,812,121	2,108,806,541
	Amount recovered against the loans previously written off		107,849,295	444,881,280
	b) Amount of provision kept against loans classified as bad/loss as at the Balance Sheet date		3,224,075,507	2,079,745,076
	c) Amount of interest creditable to the interest suspense account		2,302,722,641	2,591,920,936
xi)	Cumulative amount of written off loan:			
	Opening balance		10,470,681,046	8,805,293,785
	Amount written off during the year		1,516,812,121	2,108,806,541
	Interest charged		3,560,000	1,462,000
	Recovery from written-off during the year*		(107,849,295)	(444,881,280)
			<b>11,883,203,872</b>	<b>10,470,681,046</b>
	* Recovery from written-off loans during the year include interest waiver of Tk. 1,572,000 [Y2016: Tk. 11,835,000]			
<b>7.13</b>	<b>Cumulative amount of written off loans for which law suits have been filed</b>			
	Opening balance		15,737,399,687	13,628,593,146
	During the year		1,516,812,121	2,108,806,541
			<b>17,254,211,808</b>	<b>15,737,399,687</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>7.14</b>	<b>Classification of loans and advances</b>			
	<b>Unclassified</b>			
	Standard		159,896,974,048	120,511,796,179
	Special mention account		7,889,353,032	9,355,372,486
			<b>167,786,327,080</b>	<b>129,867,168,665</b>
	<b>Classified</b>			
	Substandard		2,840,907,426	1,750,246,665
	Doubtful		521,370,466	466,870,669
	Bad/Loss		8,115,601,775	5,033,825,550
			<b>11,477,879,667</b>	<b>7,250,942,884</b>
			<b>179,264,206,747</b>	<b>137,118,111,549</b>
<b>7.15</b>	<b>Movements of classified loans and advances</b>			
	Opening balance		7,250,942,884	7,962,051,830
	Additions during the year		9,293,289,090	5,443,874,000
	Reduction during the year		(5,066,352,307)	(6,154,982,945)
			<b>11,477,879,667</b>	<b>7,250,942,884</b>
	Loans and advances has been classified as per Bangladesh Bank letter reference no: DBI-1/32/2018-1082 dated 22 March 2018.			
<b>7.16</b>	<b>Net lease receivable</b>			
	Gross lease receivable within 1 year		115,910,449	125,504,543
	Gross lease receivable 1 - 5 years		638,830,811	710,157,776
	<b>Total lease rental receivable</b>		<b>754,741,261</b>	<b>835,662,319</b>
	Less: Unearned income		150,880,127	174,022,338
	<b>Net lease receivable</b>		<b>603,861,134</b>	<b>661,639,981</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>7.a Consolidated loans and advance</b>			
<b>Loans, cash credits, overdrafts etc.</b>			
IFIC Bank Limited	7.1	167,561,290,347	127,998,226,184
IFIC Securities Limited		4,031,904,359	4,140,646,771
IFIC Money Transfer (UK) Limited		-	-
		<b>171,593,194,706</b>	<b>132,138,872,955</b>
Less: Inter-company transactions		-	-
		<b>171,593,194,706</b>	<b>132,138,872,955</b>
<b>8 Bills purchased and discounted</b>			
Payable in Bangladesh	8.1	11,029,263,524	8,481,801,746
Payable outside Bangladesh	8.1	673,652,876	638,083,619
		<b>11,702,916,400</b>	<b>9,119,885,365</b>
<b>8.1 Bill purchased and discounted</b>			
<b>Payable in Bangladesh</b>			
<b>Local bills/documents</b>			
Inland documentary bill purchase (IDBP)		1,315,396,432	1,507,874,841
Payment against documents-cash		127,852,644	355,707,464
Payment against documents-EDF		5,724,232,382	4,861,696,637
Payment against documents-forced (Inland)		843,396,126	507,654,967
Payment against documents-forced (Foreign)		673,091,858	513,142,225
Payment against documents-Others		150,999,876	198,071,221
		<b>8,834,969,317</b>	<b>7,944,147,355</b>
Off-shore banking unit		2,194,294,207	537,654,391
		<b>11,029,263,524</b>	<b>8,481,801,746</b>
<b>Payable outside Bangladesh</b>			
Foreign documentary bill purchase (FDBP)		673,652,876	638,083,619
		<b>11,702,916,400</b>	<b>9,119,885,365</b>
<b>8.2 Residual maturity grouping of bill purchased and discounted</b>			
On demand		1,765,458,061	1,959,941,110
Up to 1 month		1,560,213,773	1,631,128,725
Over 1 month but not more than 3 months		2,839,400,250	2,269,700,072
Over 3 months but not more than 6 months		3,337,347,403	3,259,115,458
Over 6 months		2,200,496,913	-
		<b>11,702,916,400</b>	<b>9,119,885,365</b>
<b>8.a Consolidated bills purchased and discounted</b>			
IFIC Bank Limited	8	11,702,916,400	9,119,885,365
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>11,702,916,400</b>	<b>9,119,885,365</b>
<b>9 Fixed assets including premises, furniture and fixtures</b>			
<b>Cost/revalued:</b>			
Land		475,118,759	475,118,759
Buildings and premises		1,902,617,204	1,891,680,528
Wooden furniture		249,945,814	248,371,766
Steel furniture		65,205,635	62,300,831
Computer equipment		737,808,649	715,903,279
Office equipment		219,597,186	204,176,631
Electrical & gas equipment		796,346,586	703,698,482
Leasehold improvement		261,520,676	254,466,084
Vehicles		119,768,760	111,849,395
Leased vehicles		47,600,000	47,600,000
Soft furnishing		11,468,191	11,369,205
Software		542,871,430	513,048,657
		<b>5,429,868,890</b>	<b>5,239,583,617</b>
Capital work in progress *		232,657,045	130,257,471
		<b>5,662,525,935</b>	<b>5,369,841,088</b>
Less: Accumulated depreciation		2,134,141,897	1,881,913,418
<b>Written down value</b>		<b>3,528,384,037</b>	<b>3,487,927,670</b>

Details of fixed assets are shown in "Annexure-D"

\* Capital work in progress represents the amount paid for fire protection system, Data center, Data Management System and Fusion Banking Essence.

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>9.a Consolidated fixed assets including premises, furniture and fixtures</b>			
IFIC Bank Limited	9	3,528,384,037	3,487,927,670
IFIC Securities Limited		5,055,648	5,438,105
IFIC Money Transfer (UK) Limited		5,898,408	5,414,854
		<b>3,539,338,093</b>	<b>3,498,780,629</b>
<b>10 Other assets</b>			
Stationery and stamps		35,525,576	23,519,852
Suspense account	10.1	1,002,872,721	676,537,516
Advance, deposit and prepayments	10.2	6,804,282,523	3,209,033,338
Accrued interest & other income receivable	10.3	901,974,973	849,474,743
Investment in subsidiaries	10.4	2,233,231,960	2,228,860,390
Deferred tax assets	10.5	1,112,948,910	671,783,431
Revaluation account FDBP		1,791,292	1,791,292
Receivable others		38,742,987	38,000,578
		<b>12,131,370,942</b>	<b>7,699,001,140</b>
Off-shore banking unit		161,070,610	91,542,983
		<b>12,292,441,552</b>	<b>7,790,544,123</b>
<b>10.1 Suspense account</b>			
Advance against bills, new branches		16,863,890	15,970,230
Advance against TA / DA		2,276,340	932,640
Law charges		184,012,612	157,187,734
Sanchayapatra paid		606,941,080	366,370,584
Wage earners development bond paid		44,468,281	13,180,454
Investment bond paid		22,305,287	914,721
Sundry debtors		123,930,599	120,221,016
CIB charge recovery		401,744	254,154
Cash incentive audit fees		110,400	110,400
EFTN receivable		959,133	531,429
VISA card		603,355	864,155
		<b>1,002,872,721</b>	<b>676,537,516</b>
<b>10.2 Advance, deposit and prepayments</b>			
Rent		289,314,164	270,305,144
Income tax	10.2.1	6,225,321,335	2,604,728,491
Security deposit including demand note		12,966,474	13,230,006
Car purchase		133,852,149	192,224,594
Insurance premium		9,975,024	385,310
Protested bills		23,740,892	22,478,394
Cash remittance		98,761,562	86,280,028
Supplier		9,214,902	18,045,350
Fixed assets		240,000	460,000
Lease vehicle		896,021	896,021
		<b>6,804,282,523</b>	<b>3,209,033,338</b>
<b>10.2.1 Advance income tax</b>			
Opening balance on 1 January		2,604,728,491	1,578,711,636
Add: Payment made during the year		796,454,642	1,026,016,855
Add: Prior years adjustment made during the year *		2,824,138,202	-
<b>Closing balance</b>		<b>6,225,321,335</b>	<b>2,604,728,491</b>
<b>Year wise break up of Advance income tax:</b>			
Previous years (2003 to 2009)		-	427,452,521
Year 2010		1,385,538,554	1,385,538,554
Year 2013		1,119,224,008	1,011,147,127
Year 2014		1,215,276,325	1,215,276,325
Year 2015		951,376,970	951,376,970
Year 2016		912,690,222	438,075,196
Year 2017		641,215,256	-
Set off with provision - earlier years *		-	(2,824,138,202)
		<b>6,225,321,335</b>	<b>2,604,728,491</b>

\* In earlier years, advance income tax was presented on net-basis which is shown in gross basis in 2017. As such necessary adjustments of Tk. 2,824,138,202 has been made under the head of Advance income tax in the year 2017.

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>10.3 Accrued interest &amp; other income receivable</b>			
Treasury bonds and bills		410,601,747	440,909,952
Receivables from Government		41,272,375	41,272,375
Interest accrued on loans and advances		349,168,073	324,134,083
Investment on term and call		100,932,778	43,158,333
		<b>901,974,973</b>	<b>849,474,743</b>
<b>10.4 Investment in subsidiaries</b>			
IFIC Securities Limited		2,199,994,000	2,199,994,000
IFIC Money Transfer (UK) Limited		33,237,960	28,866,390
		<b>2,233,231,960</b>	<b>2,228,860,390</b>
<b>10.5 Deferred tax assets</b>			
Deferred tax assets have been recognized and measured as per Bangladesh Accounting Standards 12: <i>Income Taxes</i> and BRPD Circular no. 11 dated 12 December 2011 based on 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		1,334,667,576	862,970,743
Deferred tax liabilities		(221,718,666)	(191,187,312)
<b>Deferred tax assets/(liabilities)</b>		<b>1,112,948,910</b>	<b>671,783,431</b>
<b>i) Deferred tax on provision for loans and advances classified as doubtful and bad &amp; loss</b>			
Carrying amount		3,336,668,941	2,157,426,858
Tax base		-	-
Deductible/(taxable) temporary difference		3,336,668,941	2,157,426,858
Tax rate		40.00%	40.00%
<b>Closing deferred tax assets/(liabilities)</b>		<b>1,334,667,576</b>	<b>862,970,743</b>
Opening deferred tax assets/(liabilities)		862,970,743	1,041,964,428
<b>Deferred tax (expense)/income (A)</b>		<b>471,696,833</b>	<b>(178,993,685)</b>
<b>ii) Deferred tax on fixed assets</b>			
Carrying amount		2,792,370,798	2,846,285,277
Tax base		2,238,074,133	2,368,316,998
Deductible/(Taxable) temporary difference		<b>554,296,665</b>	<b>477,968,279</b>
Tax rate		40.00%	40.00%
<b>Closing deferred tax assets/(liabilities)</b>		<b>(221,718,666)</b>	<b>(191,187,312)</b>
Opening deferred tax assets/(liabilities)		(191,187,312)	(200,661,955)
<b>Deferred tax (expense)/income (B)</b>		<b>(30,531,355)</b>	<b>9,474,643</b>
<b>Deferred tax (expense)/income (A+B)</b>		<b>441,165,478</b>	<b>(169,519,042)</b>
<b>10.6 Income generating other assets</b>			
Investment in subsidiary-IFIC Securities Limited	10.4	2,199,994,000	2,199,994,000
Investment in subsidiary-IFIC Money Transfer (UK) Limited	10.4	33,237,960	28,866,390
		<b>2,233,231,960</b>	<b>2,228,860,390</b>
<b>10.7 Non-Income generating other assets</b>			
Stationery and stamps		35,525,576	23,519,852
Advance against bills, new branches		16,863,890	15,970,230
Advance against TA / DA		2,276,340	932,640
Law charges		184,012,612	157,187,734
Advance against insurance premium		9,975,024	385,310
Investment bond		22,305,287	914,721
Advance against rent		289,314,164	270,305,144
Advance income tax		6,225,321,335	2,604,728,491
Sundry debtors		123,930,599	120,221,016
Sanchaya patra paid		606,941,080	366,370,584
Wage earners development bond paid		44,468,281	13,180,454
Security deposit including demand note		12,966,474	13,230,006
Advance against car purchase		133,852,149	192,224,594
Protested bills		23,740,892	22,478,394
Accrued interest & other income receivable	10.3	901,974,973	849,474,743

Amount in BDT

	Note	31 December 2017	31 December 2016
CIB charge recovery		401,744	254,154
Deferred tax assets	10.5	1,112,948,910	671,783,431
Cash remittance		98,761,562	86,280,028
Revaluation account FDBP		1,791,292	1,791,292
Accounts receivable others		38,742,987	38,000,578
		<b>9,886,115,171</b>	<b>5,449,233,396</b>
Off-shore banking unit		161,070,610	91,542,983
		<b>10,047,185,781</b>	<b>5,540,776,379</b>
<b>10.a Consolidated other assets</b>			
IFIC Bank Limited	10	12,292,441,552	7,790,544,123
Less: Investment in IFIC Securities Limited	10.4	2,199,994,000	2,199,994,000
Less: Investment in IFIC Money Transfer (UK) Limited	10.4	33,237,960	28,866,390
		<b>10,059,209,592</b>	<b>5,561,683,733</b>
IFIC Securities Limited		217,744,800	189,954,390
IFIC Money Transfer (UK) Limited		637,061	553,272
		<b>10,277,591,453</b>	<b>5,752,191,395</b>
<b>11 Non-banking assets</b>			
Through the verdict of honorable court under section 33(7) of the Artharin Adalat Act 2003, the Bank has got an 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 Borrowing from other banks, financial institutions and agents</b>			
In Bangladesh	12.1	6,404,087,443	5,276,253,523
Outside Bangladesh	12.2	2,069,493,305	550,915,400
		<b>8,473,580,748</b>	<b>5,827,168,923</b>
<b>12.1 In Bangladesh</b>			
Obligation under lease finance		26,773,597	32,937,677
		<b>26,773,597</b>	<b>32,937,677</b>
<b>Refinance from Bangladesh Bank</b>			
Export Development Fund (EDF)		5,467,225,444	4,494,212,546
Small and Medium Enterprise (SME)		832,119,174	749,103,300
Long Term Financing Facility (LTFF)		77,969,228	-
		<b>6,377,313,846</b>	<b>5,243,315,846</b>
		<b>6,404,087,443</b>	<b>5,276,253,523</b>
<b>12.2 Outside Bangladesh</b>			
Nepal Bangladesh Bank Limited		1,984,800,000	550,915,400
Standard Chartered Bank (Singapore)		84,693,305	-
		<b>2,069,493,305</b>	<b>550,915,400</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		8,473,580,748	5,827,168,923
		<b>8,473,580,748</b>	<b>5,827,168,923</b>
<b>12.4 Maturity grouping of borrowing from other banks, financial institutions and agents</b>			
Payable			
On demand		38,666,411	22,395,111
Up to 1 month		912,261,781	805,217,782
Over 1 month but not more than 3 months		3,069,002,175	2,576,550,529
Over 3 months but not more than 1 year		4,014,232,069	2,054,666,454
Over 1 year but not more than 5 years		439,418,312	368,339,047
Over 5 years		-	-
		<b>8,473,580,748</b>	<b>5,827,168,923</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>12.a Consolidated borrowing from other banks, financial institutions and agents</b>			
<b>In Bangladesh</b>			
IFIC Bank Limited	12.1	6,404,087,443	5,276,253,523
IFIC Securities Limited		-	334,565,573
IFIC Money Transfer (UK) Limited		-	-
		<b>6,404,087,443</b>	<b>5,610,819,096</b>
Less: Inter -company transactions		-	-
		<b>6,404,087,443</b>	<b>5,610,819,096</b>
<b>Outside Bangladesh</b>			
IFIC Bank Limited	12.2	2,069,493,305	550,915,400
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		2,069,493,305	550,915,400
		<b>8,473,580,748</b>	<b>6,161,734,496</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 2017	Outstanding 31 December 2016
Sonali Bank Limited	1,000,000,000	-	1,000,000,000	1,000,000,000
Janata Bank Limited	1,000,000,000	-	1,000,000,000	1,000,000,000
Rupali Bank Limited	1,000,000,000	-	1,000,000,000	1,000,000,000
Agrani Bank Limited	500,000,000	-	500,000,000	500,000,000
	<b>3,500,000,000</b>	-	<b>3,500,000,000</b>	<b>3,500,000,000</b>

\* Details of Subordinated debt are explained in note: 2.2.6.9.

**14 Deposits and other accounts**

Current deposit and other accounts	14.1	30,668,116,838	20,062,650,490
Bills payable	14.2	2,238,152,090	2,075,645,107
Savings bank deposits	14.3	27,058,321,723	27,886,177,596
Fixed deposits	14.4	140,241,074,828	110,130,532,901
		<b>200,205,665,479</b>	<b>160,155,006,094</b>

**14.1 Current deposit and other accounts**

Current accounts		16,097,196,971	10,159,614,547
IFIC AAMAR account		5,838,655,265	1,816,117,096
Foreign currency deposit		972,467,714	697,452,479
Resident foreign currency deposit		45,830,669	41,585,730
Exporters foreign currency account		5,410,636,302	5,154,508,496
Margin on letters of credit		1,611,822,555	1,460,771,373
Margin on letters of guarantee		332,769,212	338,047,232
Investors' account credit balance		549,350	549,350
Q-cash, prepaid, cheque card		1,093,075	2,975,276
Sundry deposit	14.1.1	357,095,725	391,028,911
		<b>30,668,116,838</b>	<b>20,062,650,490</b>

**14.1.1 Sundry deposit**

Sundry creditor		135,646,439	139,645,741
Lease deposit		25,383,032	26,023,913
Risk fund-lease, CCS & others		510,971	582,172
Clearing collection		40,287,044	49,022,752
Visa credit card		65,863,557	44,505,663
Sundry deposit BFF		25,912,400	25,912,400
FDD issued but not presented		13,001,395	12,739,055
IBC lodgment		62,595	62,595
Key deposit		5,664,500	4,712,500
CIB Charges		2,768,941	2,007,885
Credit report charge		1,847,368	-
Other sundry deposits		40,147,483	85,814,235
		<b>357,095,725</b>	<b>391,028,911</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>14.2 Bills payable</b>			
Payment order		2,230,597,345	2,067,975,012
Demand draft		5,737,767	5,745,117
Security deposit receipt		1,816,978	1,924,978
		<b>2,238,152,090</b>	<b>2,075,645,107</b>
<b>14.3 Savings bank deposit</b>			
Savings account		18,222,098,068	18,017,628,404
Super savings plus		7,270,200,846	8,340,057,011
Payroll savings		325,373,793	317,333,284
Sanchita-female savings		1,082,972,982	1,083,828,762
Student savings - duronto		157,445,075	127,081,696
Interest payable on savings deposit		230,959	248,439
		<b>27,058,321,723</b>	<b>27,886,177,596</b>
<b>14.4 Fixed deposit</b>			
Special notice deposit (SND)		19,779,157,220	22,878,541,220
Term deposit	14.4.1	112,267,520,646	80,325,286,909
Recurring deposit	14.4.2	8,154,214,626	6,884,738,242
Non resident foreign currency deposit (NFGD)		8,928,117	8,455,327
Export retention quota (ERQ)		31,254,219	33,511,203
		<b>140,241,074,828</b>	<b>110,130,532,901</b>
<b>14.4.1 Term deposit</b>			
Fixed deposits		95,864,403,286	62,879,550,900
Double return deposit scheme		9,183,547,333	9,943,130,477
Three years deposit plus		5,323,766	4,200,000
Monthly income scheme		5,415,049,683	6,113,136,155
Monthly income scheme - Arjon		122,372,295	144,822,295
Interest payable on term deposit		1,676,824,283	1,240,447,082
		<b>112,267,520,646</b>	<b>80,325,286,909</b>
<b>14.4.2 Recurring deposit</b>			
Pension savings scheme (PSS)		6,614,966,251	5,668,282,309
Pension savings scheme - Joma		17,760,200	12,103,335
Flexi DPS - Freedom		755,196,423	471,326,321
Millionaire dream plan		455,980,489	457,540,080
School savings plan		43,205,010	41,097,344
IFIC AGAMI		23,170,518	-
Interest payable on recurring deposit		243,935,735	234,388,853
		<b>8,154,214,626</b>	<b>6,884,738,242</b>
<b>14.5 Deposit and other accounts of the banks</b>			
Deposit from banks	14.9	20,607,563,000	382,920,000
Deposit from customers		179,598,102,479	159,772,086,094
		<b>200,205,665,479</b>	<b>160,155,006,094</b>
<b>14.6 Payable on demand and time deposit</b>			
<b>Demand deposits</b>			
Current deposits		21,960,064,868	11,979,256,269
Savings deposits		2,435,228,168	2,509,733,624
Security deposits		1,816,978	1,924,978
Sundry deposit		5,227,334,761	4,412,425,427
Bills payable		2,236,335,112	2,073,720,129
		<b>31,860,779,887</b>	<b>20,977,060,427</b>
<b>Time deposits</b>			
Savings deposits		30,033,498,898	30,530,704,027
Fixed deposits		105,047,950,619	72,822,681,377
Special notice deposits		19,810,411,439	22,912,052,423
Deposits under schemes		13,453,024,636	12,912,507,840
		<b>168,344,885,592</b>	<b>139,177,945,667</b>
		<b>200,205,665,479</b>	<b>160,155,006,094</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>14.7 Sector-wise concentration of deposits and other accounts</b>			
Government deposits		3,714,695,000	4,370,619,000
Other public sector		24,735,873,000	23,972,431,000
Deposit for banks		20,607,563,000	382,920,000
Foreign currency deposits		6,437,862,802	697,452,479
Private sectors		144,709,671,677	130,731,583,615
		<b>200,205,665,479</b>	<b>160,155,006,094</b>
<b>14.8 Unclaimed deposits</b>			
Current deposits		8,876,209	559,386
Savings deposits		26,276,492	9,884,707
Special notice deposits		11,021,134	791,814
Pay order		4,813,581	4,511,142
Demand Draft		583,710	477,421
Security deposit receipt		235,163	220,763
		<b>51,806,289</b>	<b>16,445,233</b>
<b>14.9 Residual maturity grouping of deposits and other accounts</b>			
<b>Maturity grouping of deposit from banks</b>			
On demand		162,729,000	382,920,000
Up to 1 month		11,250,000,000	-
Over 1 month but not more than 3 months		9,194,834,000	-
Over 3 months but not more than 1 year		-	-
Over 1 year but not more than 5 years		-	-
Over 5 years		-	-
		<b>20,607,563,000</b>	<b>382,920,000</b>
<b>Maturity grouping of deposit from customers excluding bills payable</b>			
On demand		1,215,437,463	2,071,698,108
Up to 1 month		21,314,463,719	22,937,667,765
Over 1 month but not more than 3 months		42,723,480,810	36,523,712,977
Over 3 months but not more than 1 year		41,637,846,343	28,807,877,436
Over 1 year but not more than 5 years		68,509,993,273	55,283,786,593
Over 5 years		1,958,728,781	12,071,698,108
		<b>177,359,950,389</b>	<b>157,696,440,987</b>
<b>Maturity grouping of bills payable</b>			
On demand		223,815,208	103,802,255
Up to 1 month		447,630,418	518,911,277
Over 1 month but not more than 3 months		447,630,418	415,109,021
Over 3 months but not more than 1 year		223,815,210	207,604,512
Over 1 year but not more than 5 years		447,630,418	415,109,021
Over 5 years		447,630,418	415,109,021
		<b>2,238,152,090</b>	<b>2,075,645,107</b>
		<b>200,205,665,479</b>	<b>160,155,006,094</b>
<b>14.a Consolidated deposits and other accounts</b>			
<b>Current deposits and other accounts</b>			
IFIC Bank Limited	14.1	30,668,116,838	20,062,650,490
IFIC Securities Limited		38,256,850	64,103,712
IFIC Money Transfer (UK) Limited		-	-
		<b>30,706,373,688</b>	<b>20,126,754,202</b>
Less: Inter -company transactions		95,242,494	86,488,370
		<b>30,611,131,194</b>	<b>20,040,265,832</b>
<b>Bills payable</b>			
IFIC Bank Limited	14.2	2,238,152,090	2,075,645,107
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>2,238,152,090</b>	<b>2,075,645,107</b>
<b>Savings bank deposit</b>			
IFIC Bank Limited	14.3	27,058,321,723	27,886,177,596
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>27,058,321,723</b>	<b>27,886,177,596</b>



Amount in BDT

	Note	31 December 2017	31 December 2016	
<b>Fixed deposits</b>				
IFIC Bank Limited	14.4	140,241,074,828	110,130,532,901	
IFIC Securities Limited		-	-	
IFIC Money Transfer (UK) Limited		-	-	
		<b>140,241,074,828</b>	<b>110,130,532,901</b>	
		<b>200,148,679,835</b>	<b>160,132,621,436</b>	
<b>15 Other liabilities</b>				
Specific provision for classified loans and advance	15.1	3,594,107,146	2,354,935,029	
General provision for unclassified loans and advances	15.2	1,715,857,694	1,783,141,092	
Provision for off balance sheet items	15.3	598,707,834	538,530,890	
Provision for diminution in value of investments	15.4	339,557,533	445,923,927	
Provision for nostro account	15.5	10,382,985	9,881,061	
Provision for other assets	15.6	339,541,220	320,517,670	
Provision for taxation	15.7	7,972,933,786	4,398,795,584	
Interest suspense accounts	15.8	4,953,004,400	4,195,820,550	
Incentive bonus	15.9	251,000,000	201,000,000	
Payable to good borrowers	15.10	51,870,000	41,870,000	
Interest payable on borrowing and bond		53,840,584	48,970,537	
Accrued expenses		37,845,053	21,673,765	
Withholding Tax payable to government *		244,417,451	104,629,547	
Withholding VAT payable to government *		56,486,370	34,127,139	
Excise duty payable to government *		164,385,378	121,419,858	
Dividend		2,814,447	2,814,447	
Revaluation of investment abroad		30,946,297	30,946,297	
Oman Exchange LLC		1,656,242	676,659	
Sale proceeds of PSP & TC		1,527,464	515,971	
Buying house commission		20,535,151	14,047,766	
Recovery on court cases		7,170,350	4,346,521	
Matured deposits		32,564,985	80,981	
Govt. RMG fund *		1,123,970	1,897,019	
Others		47,979,234	51,652,879	
		<b>20,530,255,574</b>	<b>14,728,215,189</b>	
Interest payable to SCB for OBU		319,349	-	
		<b>20,530,574,923</b>	<b>14,728,215,189</b>	
* Subsequently deposited to government exchequer.				
<b>15.1 Specific provision for classified loans and advances</b>				
Provision held at the beginning of the year		2,354,935,029	2,699,917,003	
Less: Fully provided debts written off		(998,762,158)	(1,477,713,927)	
Add: Recoveries of amounts previously written off		106,277,295	433,046,280	
Add: Specific provision for the year	41	2,131,656,980	699,685,673	
		<b>3,594,107,146</b>	<b>2,354,935,029</b>	
<b>15.1.1 Specific provision required for classified loans and advances</b>				
Status of loans and advances	Base for provision	Rate(%)	Required provision	
			31 December 2017	31 December 2016
Sub-standard	1,282,626,452	20.00%	256,525,291	196,324,818
Sub-standard- Short term agri. credit	18,258,280	5.00%	912,914	1,183,353
Doubtful	224,733,940	50.00%	112,366,970	77,597,868
Doubtful- Short term agri. credit	4,529,276	5.00%	226,464	83,914
Bad/loss	3,224,075,507	100.00%	3,224,075,507	2,079,745,076
	<b>4,754,223,455</b>		<b>3,594,107,146</b>	<b>2,354,935,029</b>
Specific provision maintained (note-15.1)			3,594,107,146	2,354,935,029
<b>Excess/(short)</b>			-	-
Provision for loans and advances has been kept as per Bangladesh Bank letter reference no: DBI-1/32/2018-1082 dated 22 March 2018.				
<b>15.2 General provision for un-classified loans &amp; advances</b>				
Provision held at the beginning of the year			1,768,754,055	1,263,200,000
Provision made/(release) during the year	41		(80,431,752)	505,554,055
			<b>1,688,322,303</b>	<b>1,768,754,055</b>
<b>Off-shore Banking Unit (OBU)</b>				
Provision held at the beginning of the year			14,387,037	19,100,000
Provision made/(release) during the year	41		13,148,354	(4,712,963)
			<b>27,535,391</b>	<b>14,387,037</b>
			<b>1,715,857,694</b>	<b>1,783,141,092</b>

	Note	31 December 2017	31 December 2016	
<b>15.2.1 General provision required for un-classified loans and advances</b>				
Status of loans and advances	Base for provision	Rate(%)	Required provision	
			31 December 2017	31 December 2016
<b>Standard</b>				
Small and medium enterprise	23,386,622,101	0.25%	58,466,555	59,690,478
Consumer finance (house building)	24,274,674,360	1.00%	242,746,744	244,039,572
Loans to LP/BHs/MBs/SDs share etc.	426,451,203	2.00%	8,529,024	5,656,726
Consumer finance	4,546,545,842	5.00%	227,327,292	195,626,773
Consumer finance (card)	137,898,297	2.00%	2,757,966	-
Short term agri. and micro-credit	3,718,186,161	1.00%	37,181,862	85,468,352
Staff loan	1,757,091,255	0.00%	-	-
Other unclassified loan	98,895,965,711	1.00%	988,959,657	735,219,992
	<b>157,143,434,930</b>		<b>1,565,969,100</b>	<b>1,325,701,893</b>
<b>Special Mention Account (SMA)</b>				
Small and medium enterprise	490,543,232	0.25%	1,226,358	807,597
Consumer finance (house building)	755,607,363	1.00%	7,556,074	4,296,940
Loans to LP/BHs/MBs/SDs share etc.	415,432	2.00%	8,309	-
Consumer finance	56,275,912	5.00%	2,813,796	1,765,300
Consumer finance (card)	4,042,622	2.00%	80,852	-
Other unclassified loan *	6,582,468,470	1.00%	100,667,815	132,917,451
	<b>7,889,353,031</b>		<b>112,353,204</b>	<b>139,787,288</b>
<b>Off-shore banking unit</b>				
Un-classified loans	2,753,539,110	1.00%	27,535,391	14,387,037
	<b>2,753,539,110</b>		<b>27,535,391</b>	<b>14,387,037</b>
			<b>1,705,857,695</b>	<b>1,479,876,218</b>
<b>General provision maintained (note-15.2)</b>			1,715,857,694	1,783,141,092
<b>Excess/(short)</b>			<b>10,000,000</b>	<b>303,264,874</b>
* 1% additional provision has been maintained against restructured loan in line with the BRPD Circular No. 04 dated 29 January 2015. Details Restructured Loan are shown in Annexure-I.				
<b>15.3 Provision for off-balance sheet</b>				
Provision held at the beginning of the year			538,530,890	478,720,000
Provision made/(release) during the year		41	60,176,944	59,810,890
			<b>598,707,834</b>	<b>538,530,890</b>
<b>15.3.1 Provision required for off-balance sheet exposure</b>				
Status	Base for provision	Rate(%)	Required provision	
			31 December 2017	31 December 2016
Acceptances and endorsements	19,010,992,711	1.00%	190,109,927	155,243,651
Letters of guarantee *	10,475,384,676	1.00%	117,259,878	109,932,413
Irrevocable letters of credit	19,364,242,284	1.00%	193,642,423	175,350,598
Bills for collection	9,769,560,590	1.00%	97,695,606	98,004,228
<b>Required provision</b>	<b>58,620,180,261</b>		<b>598,707,834</b>	<b>538,530,890</b>
Provision maintained (note-15.3)			598,707,834	538,530,890
<b>Excess/(short)</b>			<b>-</b>	<b>-</b>
* Additional provision of BDT 12,506,032 maintained for letter of guarantee as per Bangladesh Bank instruction.				
<b>15.4 Provision for diminution in value of investments</b>				
Provision held at the beginning of the year			445,923,927	394,000,000
Provision made/(release) during the year		41	(106,366,394)	51,923,927
			<b>339,557,533</b>	<b>445,923,927</b>
<b>15.5 Provision for nostro account</b>				
Provision held at the beginning of the year			9,881,061	9,862,000
Provision made/(release) during the year		41.1	501,924	19,061
			<b>10,382,985</b>	<b>9,881,061</b>
<b>15.6 Provision for other assets</b>				
Provision held at the beginning of the year			320,517,670	296,416,223
Provision made/(release) during the year		41.1	19,023,550	24,101,447
			<b>339,541,220</b>	<b>320,517,670</b>

	Note	31 December 2017	31 December 2016	
<b>15.6.1 Particulars of required provision for other assets</b>				
Status	Base for provision	Rate(%)	Required provision	
			31 December 2017	31 December 2016
Other assets for 6-12 months	20,614,865	50%	10,307,433	13,266,802
Other assets for more than 12 months	303,992,895	100%	303,992,895	276,480,940
Protested bills	23,740,892	100%	23,740,892	22,478,394
Required provision			<b>338,041,220</b>	<b>312,226,136</b>
Provision maintained (note-15.6)			339,541,220	320,517,670
Excess/(Short)			<b>1,500,000</b>	<b>8,291,534</b>
<b>15.7 Provision for taxation</b>				
Provision held at the beginning of the year			4,398,795,584	3,698,795,584
Provision made during the year			750,000,000	700,000,000
			<b>5,148,795,584</b>	<b>4,398,795,584</b>
Adjustment made during the year			2,824,138,202	-
			<b>7,972,933,786</b>	<b>4,398,795,584</b>
The provision for corporate tax has been made as per Income Tax Ordinance 1984 and the Bank has made current tax provision in the books of accounts of 2017 after considering the prior years' excess tax provisions. Assessments up to year 2012 (other than 2005 and 2010) have been completed by the tax authority and there is no tax liability remained outstanding up to year 2012. Overall tax position/status of the Bank are shown in Annexure - "J".				
<b>Year wise break up of Provision for taxation:</b>				
Previous years (up to Y2012 except Y2005 and Y2010)			1,597,680,869	1,597,680,869
Year 2005			140,397,922	140,397,922
Year 2010			1,454,854,995	1,454,854,995
Year 2013			1,090,000,000	1,090,000,000
Year 2014			1,290,000,000	1,290,000,000
Year 2015			950,000,000	950,000,000
Year 2016			700,000,000	700,000,000
Year 2017			750,000,000	-
Set of with "advance tax - earlier years *			-	(2,824,138,202)
<b>Total</b>			<b>7,972,933,786</b>	<b>4,398,795,584</b>
* In earlier years, advance income tax was presented on net-basis which is shown in gross basis in 2017. As such necessary adjustments of Tk. 2,824,138,202 has been made under the head of Provision for tax in the year 2017.				
<b>15.8 Interest suspense account</b>				
Balance at the beginning of the year			4,195,820,550	3,217,989,895
Add: Amount transferred to interest suspense account during the year			2,302,722,641	2,591,920,936
Less: Amount transferred to interest income account during the year			(1,272,316,865)	(1,264,170,008)
Less: Amount written-off during the year			(273,221,927)	(349,920,273)
			<b>4,953,004,400</b>	<b>4,195,820,550</b>
<b>15.9 Incentive bonus</b>				
Balance at the beginning of the year			201,000,000	130,000,000
Add: Provision made during the year			250,000,000	200,000,000
Less: Paid during the year			(176,718,154)	(104,284,362)
Less: Transfer to income during the year			(23,281,846)	(24,715,638)
			<b>251,000,000</b>	<b>201,000,000</b>
<b>15.10 Rebate to good borrowers</b>				
Balance at the beginning of the year			41,870,000	10,000,000
Add: Provision made during the year			10,000,000	31,870,000
			<b>51,870,000</b>	<b>41,870,000</b>
As per BRPD Circular No.-06 dated 19 March 2015, Circular No.-03 dated 16 February 2016 and Letter no.- BRPD(P-1)/661/13/2016-6567 dated 08 October 2017, required provision regarding rebate to good borrower has been maintained.				
<b>15.a Consolidated other liabilities</b>				
IFIC Bank Limited	15		20,530,574,923	14,728,215,189
IFIC Securities Limited			1,952,790,227	1,799,497,091
IFIC Money Transfer (UK) Limited			8,657,490	6,596,644
			<b>22,492,022,640</b>	<b>16,534,308,924</b>

	Note	31 December 2017	31 December 2016			
<b>16 Share Capital</b>						
<b>16.1 Authorized Capital</b>						
2,000,000,000 ordinary shares of Taka 10 each		20,000,000,000	20,000,000,000			
<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			
4,400,000 ordinary shares of Taka 10 each issued as right share	16.2.1	44,000,000	44,000,000			
563,821,907 ordinary shares of Taka 10 each issued as right share	16.2.2	5,638,219,070	-			
619,080,535 [Up to year 2016: 551,421,907] ordinary shares of Taka 10 each issued for bonus share		6,190,805,350	5,514,219,070			
		<b>11,953,024,420</b>	<b>5,638,219,070</b>			
<b>16.2.1</b> 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 share at par in the year 1989 which was completed in the month of January 1990, before change of denomination from Tk. 100 to Tk. 10 which was effected from 4 December 2011.						
<b>16.2.2</b> 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.						
<b>16.3 Issued, subscribed and fully paid up capital</b>						
Balance at the beginning of the year		5,638,219,070	5,034,124,170			
Add: Bonus share issued		676,586,280	604,094,900			
Add: Right share issued 1R:1		5,638,219,070	-			
<b>Closing at the end of the year</b>		<b>11,953,024,420</b>	<b>5,638,219,070</b>			
<b>16.4 Right share issue</b>						
IFIC Bank declared record date on 17 April 2017 and the subscriptions period from 31 May 2017 to 29 June 2017. Accordingly, the Bank has credited the Rights share to the Shareholders BO Account through CDBL and transferred of Tk. 5,638,219,070 to Paid up capital on 19 July 2017, as such, number of Ordinary Shares of the Bank stands at 1,195,302,442 and the paid-up capital stands at Tk. 11,953,024,420.						
As per approval of BSEC and implementation schedule contained in the approved Rights Share Offer Document (ROD), the Bank utilized full amount of Rights Share proceeds as per following manner:						
<b>Particulars of Capital Utilization</b>		<b>Amount</b>				
Term Loan		4,000,000,000				
Continuous Loan		1,000,000,000				
Demand Loan		638,219,070				
<b>Total</b>		<b>5,638,219,070</b>				
As per condition of the approval letter of BSEC the Rights Issue Proceeds utilization report has been audited by foreign affiliated auditors i.e. M. J. Abedin & Co. Chartered Accountants (independent member firm of 'Moore Stephens International Limited').						
<b>16.5 Issued, subscribed and fully paid up Capital-Shareholders' Category</b>						
803,858,133 [Year 2016: 379,178,365] ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.		8,038,581,330	3,791,783,650			
391,444,309 [Year 2016: 184,643,542] ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.		3,914,443,090	1,846,435,420			
		<b>11,953,024,420</b>	<b>5,638,219,070</b>			
<b>16.6 Shareholding by category</b>						
		<b>31 December 2017</b>		<b>31 December 2016</b>		
<b>Category</b>	<b>No. of Share</b>	<b>%</b>	<b>Taka</b>	<b>No. of Share</b>	<b>%</b>	<b>Taka</b>
Sponsors	46,911,623	3.92	469,116,230	36,559,051	6.48	365,590,510
Directors	23,912,781	2.00	239,127,810	11,279,614	2.00	112,796,140
Government (Director also)	391,444,309	32.75	3,914,443,090	184,643,542	32.75	1,846,435,420
	<b>462,268,713</b>	<b>38.67</b>	<b>4,622,687,130</b>	<b>232,482,207</b>	<b>41.23</b>	<b>2,324,822,070</b>
Institutions	257,334,656	21.53	2,573,346,560	137,249,426	21.44	1,372,494,260
Foreign investors	23,104,033	1.93	231,040,330	3,969,289	0.43	39,692,890
General investors	452,595,040	37.87	4,525,950,400	190,120,985	36.90	1,901,209,850
<b>Total</b>	<b>1,195,302,442</b>	<b>100.00</b>	<b>11,953,024,420</b>	<b>563,821,907</b>	<b>100.00</b>	<b>5,638,219,070</b>

Mr. Salman F Rahman is a Sponsor as well as a Director of the Bank. However his shares are shown against Directors' Category.

The Government is representing in the Board of the Bank by nominating 03 (three) Directors and as such, Sponsors & Directors are at present holding 38.67% shares of the Bank.

	Note	31 December 2017	31 December 2016
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**16.7 Distribution of paid up capital**

Holding of share	31 December 2017			31 December 2016		
	No. of holder	Total shares	%	No. of holder	Total shares	%
1 to 500 shares	18,009	2,827,397	0.24	19,518	2,318,753	0.41
501 to 5000 shares	17,138	36,030,417	3.01	9,341	15,844,947	2.81
5,001 to 10,000 shares	3,965	30,154,632	2.52	1,225	8,706,672	1.55
10,001 to 20,000 shares	2,515	37,138,693	3.11	668	9,365,861	1.66
20,001 to 30,000 shares	994	25,034,324	2.09	221	5,496,075	0.98
30,001 to 40,000 shares	421	14,855,119	1.24	111	3,899,539	0.69
40,001 to 50,000 shares	317	14,701,011	1.23	73	3,385,001	0.60
50,001 to 100,000 shares	490	35,922,430	3.01	159	12,031,720	2.13
100,001 to 1,000,000 shares	470	127,499,796	10.67	193	56,885,309	10.09
More than 1,000,000 shares	102	871,138,623	72.88	60	445,888,030	79.08
<b>Total</b>	<b>44,421</b>	<b>1,195,302,442</b>	<b>100.00</b>	<b>31,569</b>	<b>563,821,907</b>	<b>100.00</b>

**16.8 Shareholding of Directors as at 31 December 2017**

Sl.	Name of the Directors	Status	Holding %	Closing Position	Opening Position
1	Mr. Salman F Rahman	Chairman	2.00	23,912,781	11,279,614
2	Mr. Anwaruzzaman Chowdhury	Independent Director	Nil	Nil	Nil
3	Ms. Rabeya Jamali	Independent Director	Nil	Nil	Nil
4	Mr. Jalal Ahmed *	Govt. nominated Director			
5	Mr. A. R. M. Nazmus Sakib *	Govt. nominated Director	32.75	391,444,309	184,643,542
6	Ms. Quamrun Naher Ahmed*	Govt. nominated Director			
7	Mr. M. Shah Alam Sarwar	Managing Director	Nil	Nil	Nil

\* 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.

**16.9 Solo Capital Adequacy Ratio (BASEL III)**

As per section 13(2) of the Banking Companies Act, 1991 as amended 2013, BRPD circular no. 18 dated 21 December 2014, 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	11,953,024,420	5,638,219,070
Statutory reserve	17	5,124,540,729	4,649,226,843
General reserve	18	155,071,397	155,071,397
Retained earnings	21	3,184,939,855	2,269,105,114
		<b>20,417,576,401</b>	<b>12,711,622,424</b>

**Regulatory Adjustments:**

Goodwill and all other Intangible Assets <sup>1</sup>		275,108,319	282,349,995
Deduction from Tier-1 Capital (95% of deferred tax assets)		1,267,934,198	819,822,206

**Total Common Equity Tier 1 Capital** **18,874,533,885** **11,609,450,223**

**Tier-2 (Gone-Concern Capital)**

General provision		1,715,857,694	1,783,141,092
Subordinated debt that meet the qualifying criterion for Tier 2		3,500,000,000	3,500,000,000
Revaluation Reserves as on 31 December 2014 (50% of Fixed Assets and 10% of Equity Securities)		58,445,121	58,445,121

**Regulatory Adjustments:**

Revaluation reserve (60% for 2017 and 40% for 2016 of Tk. 58,445,121)		35,067,073	23,378,049
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**Total Tier-2 Capital** **5,239,235,743** **5,318,208,165**

**Total Regulatory Capital (A)** **24,113,769,628** **16,927,658,388**

Total assets including off-balance sheet items		311,869,122,066	249,653,200,599
Total risk-weighted Assets		191,772,831,281	150,522,746,675
Required capital @11.25% [Y2016: 10.625%] (B)		21,574,443,519	15,993,041,834
<b>Total capital surplus C=(A-B)</b>		<b>2,539,326,108</b>	<b>934,616,554</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>Capital to Risk-weighted Asset Ratio (CRAR):</b>			
Common Equity Tier 1 to RWA		9.84%	7.71%
Tier - 2 Capital to RWA		2.73%	3.53%
Capital to Risk-weighted Asset Ratio (CRAR)		12.57%	11.25%
<b>Details computation of risk-weighted assets are shown in "Annexure - E"</b>			
<b>16.9.a Consolidated Capital Adequacy Ratio (BASEL III)</b>			
As per section 13(2) of the Banking Companies Act, 1991 as amended 2013, BRPD circular no. 18 dated 21 December 2014, 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. The Capital to Risk-weighted Asset Ratio (CRAR) is calculated as follows:			
<b>Common Equity Tier 1 (going-concern capital)</b>			
Paid-up capital	16.2	11,953,024,420	5,638,219,070
Statutory reserve	17	5,124,540,729	4,649,226,843
General reserve	18	155,071,397	155,071,397
Retained earnings	22	4,623,795,459	3,379,031,381
		<b>21,856,432,005</b>	<b>13,821,548,691</b>
<b>Regulatory Adjustments:</b>			
Goodwill and all other Intangible Assets <sup>¶</sup>		275,108,319	282,349,995
Deduction from Tier-1 Capital (95% of deferred tax assets)		1,267,934,198	819,822,206
<b>Total Common Equity Tier 1 Capital</b>		<b>20,313,389,488</b>	<b>12,719,376,490</b>
<b>Tier-2 (Gone-Concern Capital)</b>			
General provision		1,715,857,694	1,783,141,092
Subordinated debt that meet the qualifying criterion for Tier 2		3,500,000,000	3,500,000,000
Revaluation Reserves as on 31 December 2014 (50% of Fixed Assets and 10% of Equity Securities)		58,445,121	58,445,121
<b>Regulatory Adjustments:</b>			
Revaluation reserve (60% for 2017 and 40% for 2016 of Tk. 58,445,121)		35,067,073	23,378,049
<b>Total Tier-2 Capital</b>		<b>5,239,235,743</b>	<b>5,318,208,165</b>
<b>Total Regulatory Capital (A)</b>		<b>25,552,625,232</b>	<b>18,037,584,655</b>
Total assets including off-balance sheet items		315,338,646,433	252,853,549,515
Total risk-weighted Assets		195,585,470,071	153,749,512,093
Required capital @11.25% [Y2016: 10.625%] (B)		22,003,365,383	16,335,885,660
<b>Total capital surplus C=(A-B)</b>		<b>3,549,259,849</b>	<b>1,701,698,995</b>
<b>Capital to Risk-weighted Asset Ratio (CRAR):</b>			
Common Equity Tier 1 to RWA		10.39%	8.27%
Tier – 2 Capital to RWA		2.68%	3.46%
Capital to Risk-weighted Asset Ratio (CRAR)		13.06%	11.73%
<b>17 Statutory reserve</b>			
Opening balance on 1 January		4,649,226,843	4,232,499,880
Transferred from profit during the year		475,313,886	416,726,963
		<b>5,124,540,729</b>	<b>4,649,226,843</b>
<b>18 General reserve</b>			
		<b>155,071,397</b>	<b>155,071,397</b>
General reserve also includes surplus provision of Tk. 99,300,000 against the restructured large loan of RR Holdings which was transferred from 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.			
<b>19 Revaluation reserve against securities</b>			
HTM securities	19.1	3,857,293	3,500,060
HFT securities	19.2	2,372,256	9,887,364
		<b>6,229,549</b>	<b>13,387,424</b>
<b>19.1 Revaluation reserve HTM securities</b>			
Opening balance on 1 January		3,500,060	2,074,232
Gain/(loss) from revaluation on investments		357,233	1,425,828
		<b>3,857,293</b>	<b>3,500,060</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>19.2 Revaluation reserve HFT securities</b>			
Opening balance on 1 January		9,887,364	39,317,708
Gain/(loss) from revaluation on investments		(7,515,108)	(29,430,344)
		<b>2,372,256</b>	<b>9,887,364</b>
<b>19.a Consolidated revaluation reserve against securities</b>			
IFIC Bank Limited	19	6,229,549	13,387,424
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		<b>6,229,549</b>	<b>13,387,424</b>
<b>20 Revaluation reserve against fixed assets</b>		<b>115,314,704</b>	<b>115,314,704</b>
In terms of Bangladesh Accounting Standard (BAS)-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 revaluation reserve account.			
<b>20.a Consolidated foreign currency translation reserve</b>			
IFIC Money Transfer (UK) Limited		1,747,560	4,757,721
Investment in joint venture/associate (NBBL)		123,372,642	(32,787,395)
Investment in joint venture/associate (OE LLC)		1,079,820	171,112
		<b>126,200,022</b>	<b>(27,858,562)</b>
<b>21 Surplus in profit and loss account</b>			
Opening balance on 1 January		2,269,105,114	2,075,811,205
Net profit after tax for the year		2,067,734,907	1,214,115,772
Transfer to statutory reserve during the year		(475,313,886)	(416,726,963)
Issue of bonus shares		(676,586,280)	(604,094,900)
		<b>3,184,939,855</b>	<b>2,269,105,114</b>
<b>22 Consolidated surplus in profit and loss account</b>			
IFIC Bank Limited	21	3,184,939,855	2,269,105,114
IFIC Securities Limited		245,389,187	205,641,568
IFIC Money Transfer (UK) Limited		(28,333,718)	(22,225,736)
Share of profit of investment in joint venture/associate (NBBL)		1,230,548,875	885,890,399
Share of profit of investment in joint venture/associate (OE LLC)		33,221,675	38,157,796
Exchange (gain)/loss on investment in joint venture/associate (NBBL)		(40,890,596)	2,633,352
Exchange (gain)/loss on investment in joint venture/associate (OE LLC)		(1,079,820)	(171,112)
		<b>4,623,795,459</b>	<b>3,379,031,381</b>
<b>23 Non-controlling interest (NCI)</b>			
IFIC Securities Limited	23.1	6,669	6,561
IFIC Money Transfer (UK) Limited		-	-
		<b>6,669</b>	<b>6,561</b>
<b>23.1 NCI of IFIC Securities Limited</b>			
Opening balance on 1 January		6,561	7,521
Add: Share of profit during the year		108	8
Add/(Less): Adjustment due to issuance of share during the year to parent		-	(968)
		<b>6,669</b>	<b>6,561</b>
<b>24 Contingent liabilities</b>			
Acceptances and endorsements	24.1	19,010,992,711	15,524,365,117
Letters of guarantee	24.2	10,475,384,676	9,742,638,146
Irrevocable Letters of credit	24.3	19,364,242,284	17,535,059,809
Bills for collection	24.4	9,769,560,590	9,800,422,769
		<b>58,620,180,261</b>	<b>52,602,485,841</b>

Amount in BDT

	Note	31 December 2017	31 December 2016
<b>24.1 Acceptances and endorsements</b>			
Back to back bills (local currency)		256,932,769	223,028,630
Back to back bills (foreign currency)		18,754,059,942	15,301,336,487
		<b>19,010,992,711</b>	<b>15,524,365,117</b>
<b>24.2 Letters of guarantee</b>			
Letters of guarantee (local currency)		10,395,552,720	9,525,648,442
Letters of guarantee (foreign currency)		79,831,956	216,989,704
		<b>10,475,384,676</b>	<b>9,742,638,146</b>
Money for which the bank is contingently liable in respect of guarantee issued favoring:			
Directors		-	-
Government		3,630,418,938	3,982,736,975
Banks and other financial institutions		2,064,335,316	2,221,858,468
Others		4,780,630,422	3,538,042,703
		<b>10,475,384,676</b>	<b>9,742,638,146</b>
<b>24.3 Irrevocable letters of credit</b>			
Letter of credit (LC) - cash sight		11,515,215,323	9,692,176,389
Letter of credit (LC) - back to back		7,432,527,629	7,275,304,861
Letter of credit (LC) - cash usance		416,499,332	567,578,559
		<b>19,364,242,284</b>	<b>17,535,059,809</b>
<b>24.4 Bills for collection</b>			
Inland bills collection		40,587,299	96,849,084
Foreign bills collection		-	2,396,826
Inland documentary bills for collection		3,848,706,621	4,195,862,382
Foreign documentary bills for collection		5,880,266,670	5,505,314,477
		<b>9,769,560,590</b>	<b>9,800,422,769</b>



**Notes to the Financial Statements**  
**as at and for the year ended 31 December 2017**

		Amount in BDT	
	Note	2017	2016
<b>25</b>	<b>Income statement</b>		
	<b>Income</b>		
	Interest, discount and similar income	26, 28	16,933,246,438
	Dividend income	28	57,296,849
	Fees, commission and brokerage	29.1	810,348,620
	Gains less losses arising from dealing in securities	28	2,733,354
	Gains less losses arising from investment securities	28.1	2,161,138
	Gain less losses arising from dealing in foreign currencies	29.2	856,845,543
	Income from non-banking assets		-
	Other operating income	30	534,056,027
			<b>19,196,687,969</b>
			<b>16,668,111,844</b>
	<b>Expenses</b>		
	Interest, fee and commission	27	9,434,132,813
	Losses on loan and advances		244,828,037
	Administrative expenses	31-34,36-38	3,801,221,252
	Other operating expenses	39, 40	1,014,148,208
	Depreciation on banking assets		288,078,623
			<b>14,782,408,934</b>
			<b>13,248,094,940</b>
			<b>4,414,279,035</b>
			<b>3,420,016,904</b>
<b>26</b>	<b>Interest income</b>		
	Term loan-industrial		1,398,355,771
	Term loan-consumer finance		3,827,663
	Term loan-others		3,230,479,387
	House building loan		2,216,642,276
	Staff house building loan		71,972,406
	Staff loan against PF		6,414
	Transport loan		49,504,459
	Agricultural Loan		190,201,410
	Loan general		116,452,632
	Secured overdraft		3,020,209,028
	Over draft-staff salary		9,726,475
	Over draft-garments		85,438,133
	Cash credit		2,531,324,634
	Lease finance		68,409,627
	Inland documentary bill purchased (IDBP)		142,221,082
	Foreign documentary bill purchased (FDBP)		19,036,847
	Payment against document (cash)		26,494,941
	Payment against document (forced)		71,753,043
	Payment against document (EDF)		222,973,868
	Payment against document (inland)		63,940,423
	Payment against document (others)		65,189,430
	Loan against imported merchandise		7,858,294
	Loan against trust receipt (LTR)		628,350,250
	Export cash credit		8,496,146
	Credit card		30,057,319
	Money at call on short notice		19,832,917

		Amount in BDT	
	Note	2017	2016
Balance held outside Bangladesh		100,013,974	80,517,912
Balance held inside Bangladesh		9,036,718	4,809,893
Demand loan		420,882,182	305,043,924
Overdue interest		40,773,065	27,520,887
		<b>14,869,460,814</b>	<b>12,544,169,608</b>
Off-shore banking unit		54,898,337	12,950,341
		<b>14,924,359,151</b>	<b>12,557,119,949</b>
<b>26.a Consolidated interest income</b>			
IFIC Bank Limited	26	14,924,359,151	12,557,119,949
IFIC Securities Limited		120,346,836	184,936,377
IFIC Money Transfer (UK) Limited		-	-
		<b>15,044,705,987</b>	<b>12,742,056,326</b>
Less: Inter -company interest income		(5,432,077)	(115,822,317)
		<b>15,039,273,910</b>	<b>12,626,234,009</b>
<b>27 Interest paid on deposits, borrowings etc.</b>			
<b>Interest paid on deposits</b>			
Current deposit		321,776,647	14,735,365
Saving bank deposit		955,873,590	961,011,355
Special notice deposit		764,924,134	638,028,039
Fixed deposit		4,672,235,335	4,120,199,597
Non resident FC deposit		221,260	212,898
Resident FC deposit		40,776	41,862
Pension savings scheme		605,604,171	513,629,504
Monthly income scheme		1,587,658,558	1,605,794,183
Foreign currency deposit		305,349	301,095
		<b>8,908,639,820</b>	<b>7,853,953,898</b>
<b>Interest paid on borrowings</b>			
Call deposit		60,650,439	13,127,194
Local banks accounts		420,556	22,263,889
Foreign banks accounts		18,436,308	11,164,038
Repurchase agreement (repo)		1,216,599	2,507,516
Bangladesh Bank- SME refinance		36,277,676	28,621,261
Payment against lease obligation		3,620,804	5,394,235
Interest on subordinated bond		295,989,726	167,940,068
Discount paid		1,833,440	2,947,988
Bangladesh bank- EDF		105,890,052	74,512,762
Bangladesh Bank- LTFF Refinance		1,157,394	-
		<b>525,492,994</b>	<b>328,478,951</b>
		<b>9,434,132,813</b>	<b>8,182,432,849</b>
<b>27.a Consolidated interest paid on deposits, borrowings etc.</b>			
IFIC Bank Limited	27	9,434,132,813	8,182,432,849
IFIC Securities Limited		10,377,324	154,729,027
IFIC Money Transfer (UK) Limited		-	-
		<b>9,444,510,137</b>	<b>8,337,161,876</b>
Less: Inter -company interest paid		(5,487,080)	(115,822,317)
		<b>9,439,023,057</b>	<b>8,221,339,559</b>

		Amount in BDT	
	Note	2017	2016
<b>28 Investment income</b>			
<b>Interest income</b>			
Treasury bills and bonds		1,503,843,819	1,584,345,558
Term placement		505,043,467	403,857,644
Reverse repo		2,733,354	6,085,768
Debentures		-	201,938
		<b>2,011,620,640</b>	<b>1,994,490,908</b>
<b>Non interest income</b>			
Gain from sale of shares of listed companies	28.1	2,161,138	14,731,276
Dividend income - local		41,735,208	62,871,141
Dividend income - Foreign		15,561,641	5,090,645
Prize bond		18,200	12,000
		<b>59,476,187</b>	<b>82,705,062</b>
		<b>2,071,096,827</b>	<b>2,077,195,970</b>
<b>28.1 Gain from sale of shares of listed companies</b>			
Gain on share sale		372,957,331	147,097,277
Less: Loss on sale of share		(370,796,193)	(132,366,001)
		<b>2,161,138</b>	<b>14,731,276</b>
<b>28.a Consolidated investment income</b>			
IFIC Bank Limited	28	2,071,096,827	2,077,195,970
IFIC Securities Limited		49,874,873	9,132,386
IFIC Money Transfer (UK) Limited		-	-
Less: Adjustments for investment in joint venture/associate (NBBL)		(15,561,641)	-
Less: Adjustments for investment in joint venture/associate (OE LLC)		-	(5,090,645)
		<b>2,105,410,059</b>	<b>2,081,237,711</b>
<b>29 Commission, exchange and brokerage</b>			
Commission	29.1	810,348,620	745,264,554
Exchange gain/(loss)	29.2	856,845,543	732,718,437
		<b>1,667,194,163</b>	<b>1,477,982,991</b>
<b>29.1 Commission</b>			
Bills purchased (Inland)		625,450	630,740
Bills purchased (Foreign)		3,948,515	3,784,139
Remittances (inland)		15,983,835	17,733,334
Remittances (foreign)		5,241,713	6,473,191
Letter of guarantee (LG)-local		86,085,991	109,119,227
Letter of guarantee (LG)-foreign		973,322	767,932
Letter of credit (back to back)		103,257,506	115,693,127
Letter of credit (cash)		152,677,334	148,810,388
Letter of credit (others)		8,095,098	7,196,725
Wage earners development bond		-	1,636,250
Local documentary bills collection (LDBC)		13,385,435	14,162,968
Inward foreign documentary bills collection (IFDBC)		192,834,093	187,718,499
Foreign documentary bills collection (FDBC)		7,536,363	7,097,869
Foreign bills collection (FBC)		502,500	127,300
Online charge		28,375,728	30,516,986
Add confirmation		12,855,332	13,193,748
Sanchaypatra		12,017,577	3,066,126
Foreign correspondent charges		146,426,967	52,989,857
Commission others		19,525,861	24,546,148
		<b>810,348,620</b>	<b>745,264,554</b>

		Amount in BDT	
	Note	2017	2016
<b>29.2 Exchange gain/(loss)</b>			
Rebate from foreign correspondent		65,162,291	70,816,158
Exchange gain from revaluation of FC		791,683,252	661,902,279
		<b>856,845,543</b>	<b>732,718,437</b>
<b>29.a Consolidated commission, exchange and brokerage</b>			
IFIC Bank Limited	29	1,667,194,163	1,477,982,991
IFIC Securities Limited		72,335,013	52,220,552
IFIC Money Transfer (UK) Limited		22,338,849	27,186,690
Exchange (gain)/loss for investment in joint venture/associate (NBBL)		(43,523,948)	(4,952,455)
Exchange (gain)/loss for investment in joint venture/associate (OE LLC)		(908,708)	(45,892)
		<b>1,717,435,369</b>	<b>1,552,391,886</b>
<b>30 Other operating income</b>			
Locker rent		11,501,952	10,887,897
Godown rent		2,228,720	1,849,050
Other rents		7,287,330	8,383,920
Cheque issuance fee		19,311,525	20,831,418
SWIFT charges recovery		32,697,244	54,376,909
Godown insurance recovery		620,450	564,000
Miscellaneous earning		100,144,497	165,976,383
Loan processing fees		170,340,106	143,545,451
Visa card fees and commission		37,362,147	31,921,125
Service charge on accounts		100,082,731	84,772,419
Other fees, commission & charges		29,963,248	31,815,687
Gain on sale of fixed assets	40.5	481,972	-
Management fee - Foreign*		21,682,211	506,576
		<b>533,704,133</b>	<b>555,430,835</b>
Off-shore banking unit		333,694	382,099
		<b>534,037,827</b>	<b>555,812,934</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 2017.			
<b>30.a Consolidated other operating income</b>			
IFIC Bank Limited	30	534,037,827	555,812,934
IFIC Securities Limited		1,754,994	1,611,849
IFIC Money Transfer (UK) Limited		-	-
		<b>535,792,821</b>	<b>557,424,783</b>
Less: Inter -company interest paid		55,003	-
		<b>535,737,818</b>	<b>557,424,783</b>
<b>31 Salary and allowances</b>			
Basic salary		1,035,935,571	1,035,434,344
House rent allowance		459,259,990	441,731,552
Conveyance allowance		43,488,563	32,105,831
Medical allowances		100,870,394	88,622,770
Entertainment allowance		63,328,289	66,677,941
Other allowances		90,944,067	75,386,101
Incentive bonus		250,000,000	200,000,000
Leave encashment		6,783,040	5,928,995

		Amount in BDT	
	Note	2017	2016
Festival bonus		190,502,501	180,746,207
Leave fare assistant		109,890,981	112,583,654
Provident fund- Bank's contribution		98,943,780	101,369,722
Contribution to gratuity fund		127,500,000	172,500,000
		<b>2,577,447,176</b>	<b>2,513,087,117</b>
Number of employees for the year 2017 who were paid remuneration less than Tk. 36,000 was nil ( year 2016: nil).			
Total number of employees employed in the Bank at the end of the year 2017 were 2,512 (year 2016: 2,536).			
<b>31.a Consolidated salary and allowances</b>			
IFIC Bank Limited	31	2,577,447,176	2,513,087,117
IFIC Securities Limited		14,695,803	14,966,552
IFIC Money Transfer (UK) Limited		8,265,148	8,136,241
		<b>2,600,408,127</b>	<b>2,536,189,910</b>
<b>32 Rent, taxes, insurance, electricity etc.</b>			
Rent paid		436,434,866	471,962,811
Rates & taxes		10,919,799	11,848,785
Insurance premium		153,300,228	128,739,380
Electricity & water		86,995,799	78,069,527
		<b>687,650,692</b>	<b>690,620,503</b>
<b>32.a Consolidated rent, taxes, insurance, electricity etc.</b>			
IFIC Bank Limited	32	687,650,692	690,620,503
IFIC Securities Limited		6,764,372	8,941,515
IFIC Money Transfer (UK) Limited		8,557,468	6,659,504
		<b>702,972,532</b>	<b>706,221,522</b>
<b>33 Legal expenses</b>			
Legal expenses		2,348,698	3,001,491
Professional fees		6,772,465	4,329,390
		<b>9,121,163</b>	<b>7,330,881</b>
<b>33.a Consolidated legal expenses</b>			
IFIC Bank Limited	33	9,121,163	7,330,881
IFIC Securities Limited		615,004	465,393
IFIC Money Transfer (UK) Limited		1,889,207	3,404,375
		<b>11,625,374</b>	<b>11,200,649</b>
<b>34 Postage, stamp, telecommunication etc.</b>			
Postage expenses		4,947,593	1,002,550
Telephone		21,770,071	35,149,945
Communication facilities		49,527,258	55,678,504
		<b>76,244,922</b>	<b>91,830,999</b>
<b>34.a Consolidated postage, stamp, telecommunication etc.</b>			
IFIC Bank Limited	34	76,244,922	91,830,999
IFIC Securities Limited		59,080	2,566
IFIC Money Transfer (UK) Limited		173,656	171,817
		<b>76,477,658</b>	<b>92,005,382</b>
<b>35 Stationery, printing, advertisement etc.</b>			
Printing stationery		14,195,425	12,120,476
Security stationery		16,258,486	12,879,654
Petty stationery		19,346,545	19,149,525
Computer stationery		11,892,668	11,587,234
Advertisement and publicity		371,194,397	209,845,145
		<b>432,887,521</b>	<b>265,582,034</b>

		Amount in BDT	
	Note	2017	2016
<b>35.a Consolidated stationery, printing, advertisement etc.</b>			
IFIC Bank Limited	35	432,887,521	265,582,034
IFIC Securities Limited		223,037	177,338
IFIC Money Transfer (UK) Limited		85,312	186,372
		<b>433,195,870</b>	<b>265,945,744</b>
<b>36 Managing Director's salary</b>			
Basic salary		11,700,000	11,700,000
House rent allowance		300,000	300,000
Provident fund- Bank's contribution		1,170,000	1,170,000
Festival bonus		1,950,000	1,950,000
		<b>15,120,000</b>	<b>15,120,000</b>
In addition to the above Managing Director was paid incentive bonus of Tk. 1 million in both years.			
<b>37 Directors' fees</b>			
Meeting attendance fees		1,472,000	1,352,000
		<b>1,472,000</b>	<b>1,352,000</b>
Each Director is paid Tk. 8,000 for attending each meeting as per latest BRPD letter no. 11 dated 4 October 2015.			
<b>37.a Consolidated Directors' fees</b>			
IFIC Bank Limited	37	1,472,000	1,352,000
IFIC Securities Limited		149,500	143,750
IFIC Money Transfer (UK) Limited		-	-
		<b>1,621,500</b>	<b>1,495,750</b>
<b>38 Auditors' fees</b>			
Statutory annual audit fees *		1,277,778	1,022,222
Interim audit fees		-	575,000
		<b>1,277,778</b>	<b>1,597,222</b>
* Audit fee is inclusive of tax and VAT.			
<b>38.a Consolidated Auditors' fees</b>			
IFIC Bank Limited	38	1,277,778	1,597,222
IFIC Securities Limited		338,000	275,000
IFIC Money Transfer (UK) Limited		250,918	379,705
		<b>1,866,696</b>	<b>2,251,927</b>
<b>39 Depreciation and repair of bank's assets</b>			
<b>Depreciation</b>			
Buildings and premises		46,780,427	41,135,455
Wooden furniture		19,976,448	21,798,384
Steel furniture		3,097,343	4,497,813
Computer equipment		55,337,904	109,151,004
Office equipment		18,761,600	34,182,638
Electrical & gas equipment		70,799,705	62,213,139
Leasehold improvement		17,832,559	28,375,229
Vehicles		11,620,201	18,757,045
Leased vehicles		6,164,080	5,035,562
Soft furnishing		643,907	1,111,382
Software		37,064,448	28,002,223
		<b>288,078,623</b>	<b>354,259,874</b>
<b>Repairs and maintenance</b>			
Property maintenance and repairs		133,381,449	130,305,584
Vehicles maintenance and repairs		70,974,903	69,549,048
		<b>204,356,352</b>	<b>199,854,632</b>
		<b>492,434,975</b>	<b>554,114,506</b>

		Amount in BDT	
	Note	2017	2016
<b>39.a Consolidated depreciation and repair of bank's assets</b>			
IFIC Bank Limited	39	492,434,975	554,114,506
IFIC Securities Limited		1,306,624	1,229,647
IFIC Money Transfer (UK) Limited		2,100,814	2,055,682
		<b>495,842,413</b>	<b>557,399,835</b>
<b>40 Other expenses</b>			
Entertainment		34,028,212	30,250,108
Petrol, oil and lubricants	40.1	79,253,042	99,610,607
Training and internship	40.2	25,194,463	25,796,531
Traveling expenses	40.3	58,882,991	50,481,092
Casual and contractual service	40.4	168,502,857	141,411,373
Loss on sales of fixed assets	40.5	-	3,936,407
Subscription and donation		124,372,975	10,725,086
Corporate Social Responsibility (CSR)		80,838,564	62,432,520
Books, newspapers and magazines, etc.		1,309,401	1,568,167
NID verification charge		1,847,000	161,550
Reward and recognition		3,482,625	1,051,554
Uniforms and liveries		2,932,943	1,822,500
Annual General Meeting		9,713,453	9,694,905
Business development		16,234,107	22,916,496
Crockeries		1,255,313	1,096,395
Brokerage		2,591,116	107,950
Security services		81,822,408	73,562,098
Bank charges and commission		11,588,344	10,942,219
Recovery and sales agent		5,105,152	8,540,450
Rebate to good borrowers		10,000,000	31,870,000
Visa card expense		7,361,235	6,182,180
Risk charges		16,168,368	13,434,469
Bond & Rights Share issue		42,795,579	22,068,322
Miscellaneous		24,511,709	14,191,509
		<b>809,791,856</b>	<b>643,854,488</b>
<b>** Expenses incurred by the Bank shown in these Financial Statements are inclusive of VAT where applicable as per VAT Act 1991.</b>			
<b>40.1 Petrol, oil and lubricants</b>			
Petrol, oil and lubricants - pool car		19,961,157	35,894,926
Petrol, oil and lubricants - car purchase scheme		59,291,885	63,715,681
		<b>79,253,042</b>	<b>99,610,607</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 Casual and contractual service</b>			
Driver salary - car purchase scheme		38,977,785	38,868,873
DSA salary and incentive		67,082,361	53,753,496
Casual and contractual - staff		62,442,711	48,789,004
		<b>168,502,857</b>	<b>141,411,373</b>

		Amount in BDT	
	Note	2017	2016
<b>40.5 Gain/ (loss) on sales of fixed assets</b>			
<b>Cost of fixed assets sold</b>			
Wooden furniture		4,391,089	10,580,223
Steel furniture		452,828	787,091
Computer equipment		4,444,915	6,218,073
Office equipment		2,775,800	3,392,927
Electrical & gas equipment		15,176,782	20,748,275
Leasehold improvement		6,966,467	10,325,715
Vehicles		5,936,750	3,823,750
Soft furnishing		277,649	1,831,975
		<b>40,422,279</b>	<b>57,708,028</b>
<b>Less : Accumulated depreciation</b>			
Wooden furniture		3,199,040	8,270,911
Steel furniture		272,724	610,600
Computer equipment		4,439,150	5,707,239
Office equipment		2,775,780	3,218,065
Electrical & gas equipment		13,205,372	16,745,814
Leasehold improvement		5,496,589	7,512,249
Vehicles		5,936,743	3,757,443
Soft furnishing		277,513	1,661,908
		<b>35,602,911</b>	<b>47,484,230</b>
<b>Written down value</b>		<b>4,819,368</b>	<b>10,223,798</b>
Sale proceeds of above fixed assets		5,301,340	6,287,392
<b>Gain / (loss) on sales of fixed assets</b>		<b>481,972</b>	<b>(3,936,407)</b>
<b>40.a Consolidated other expenses</b>			
IFIC Bank Limited	40	809,791,856	643,854,488
IFIC Securities Limited		12,907,076	10,695,212
IFIC Money Transfer (UK) Limited		7,124,306	13,379,972
		<b>829,823,238</b>	<b>667,929,672</b>
<b>40.b Details of investment in joint ventures/associates - under equity method</b>			
<b>i) Nepal Bangladesh Bank Limited</b>			
Opening balance		2,147,122,580	1,744,628,768
Add/ (less): New investment made during the year		1,048,347,452	-
Add/ (less): Share of post acquisition profit during the year		360,220,116	407,953,718
Add/ (less): Cash dividend received		(15,561,641)	-
Add/ (less): Effect of changes in foreign currency exchange rate		156,160,037	(5,459,906)
<b>Closing balance</b>		<b>3,696,288,544</b>	<b>2,147,122,580</b>
<b>ii) Oman Exchange LLC</b>			
Opening balance		56,046,963	86,223,917
Add/ (less): Share of post acquisition profit/(loss) during the year		(4,936,121)	(25,132,202)
Add/ (less): Effect of changes in foreign currency exchange rate		908,708	45,892
Add/ (less): Cash dividend received		-	(5,090,645)
<b>Closing balance</b>		<b>52,019,550</b>	<b>56,046,963</b>
<b>iii) Share of post acquisition profit during the year</b>			
Nepal Bangladesh Bank Limited		360,220,116	407,953,718
Oman Exchange LLC		(4,936,121)	(25,132,202)
		<b>355,283,995</b>	<b>382,821,516</b>



		Amount in BDT		
		Note	2017	2016
<b>iv) Investment in joint ventures/associates-under equity method</b>				
<b>A. Book value of investment</b>				
	Nepal Bangladesh Bank Limited		2,383,257,623	1,291,386,223
	Oman Exchange LLC		18,797,875	17,889,167
			<b>2,402,055,498</b>	<b>1,309,275,390</b>
<b>B. Cumulative share of post acquisition profit</b>				
	Nepal Bangladesh Bank Limited		1,313,030,921	855,736,357
	Oman Exchange LLC		33,221,675	38,157,796
			<b>1,346,252,596</b>	<b>893,894,152</b>
<b>Total (A+B)</b>			<b>3,748,308,094</b>	<b>2,203,169,542</b>
<b>41 Provision for loans, investments and other assets</b>				
	Specific provision	15.1	2,131,656,980	699,685,673
	General provision	15.2	(80,431,752)	505,554,055
	Provision for off-shore banking unit	15.2	13,148,354	(4,712,963)
	Provision for off-balance sheet exposure	15.3	60,176,944	59,810,890
	Provision for diminution in value of investments	15.4	(106,366,394)	51,923,927
	Other provisions	41.1	19,525,474	24,120,508
			<b>2,037,709,606</b>	<b>1,336,382,090</b>
<b>41.1 Other provisions</b>				
	Provision for other assets	15.5	19,023,550	24,101,447
	Provision for nostro account	15.6	501,924	19,061
			<b>19,525,474</b>	<b>24,120,508</b>
<b>41.a Consolidated provision for loans, investments and other assets</b>				
	IFIC Bank Limited	41	2,037,709,606	1,336,382,090
	IFIC Securities Limited		100,000,000	35,550,219
	IFIC Money Transfer (UK) Limited		-	-
			<b>2,137,709,606</b>	<b>1,371,932,309</b>
<b>42 Provision for taxation</b>				
	Current tax		750,000,000	700,000,000
	Deferred tax expense/(income)	42.1	(441,165,478)	169,519,042
			<b>308,834,522</b>	<b>869,519,042</b>
<b>42.1 Deferred tax expense/(income)</b>				
	Deferred tax on provision for loans and advances (DF & BL)	10.5	(471,696,833)	178,993,685
	Deferred tax on fixed assets	10.5	30,531,355	(9,474,643)
			<b>(441,165,478)</b>	<b>169,519,042</b>
<b>42.a Consolidated provision for current tax</b>				
	IFIC Bank Limited	42	750,000,000	700,000,000
	IFIC Securities Limited		57,210,974	17,569,284
	IFIC Money Transfer (UK) Limited		-	-
			<b>807,210,974</b>	<b>717,569,284</b>
<b>42.b Consolidated deferred tax</b>				
	IFIC Bank Limited	42.1	(441,165,478)	169,519,042
	IFIC Securities Limited		(82,805)	286,657
	IFIC Money Transfer (UK) Limited		-	-
			<b>(441,248,283)</b>	<b>169,805,699</b>

		Amount in BDT	
	Note	2017	2016
<b>43 Receipts from other operating activities</b>			
Rent received		21,018,002	21,120,867
Other receipts		513,038,025	534,704,067
Capital gain	28.1	2,161,138	14,731,276
		<b>536,217,165</b>	<b>570,556,210</b>
<b>43.a Consolidated cash received from other operating activities</b>			
IFIC Bank Limited	43	536,217,165	570,556,210
IFIC Securities Limited		43,898,581	3,294,439
IFIC Money Transfer (UK) Limited		-	-
		<b>580,115,746</b>	<b>573,850,649</b>
<b>44 Cash paid for other operating activities</b>			
Postage, stamp, telecommunication etc.		76,244,922	91,830,999
Rent paid		436,434,866	471,962,811
Rates, taxes & utilities		10,919,799	11,848,785
Insurance premium		153,300,228	128,739,380
Electricity & water		86,995,799	78,069,527
Traveling expenses		58,882,991	50,481,092
Auditors' fees		1,277,778	1,597,222
Directors' fees		1,472,000	1,352,000
Legal expenses		9,121,163	7,330,881
Repairs and maintenance		204,356,352	199,854,632
Other expenses		685,435,436	526,024,825
		<b>1,724,441,334</b>	<b>1,569,092,154</b>
<b>44.a Consolidated cash paid for other operating activities</b>			
IFIC Bank Limited	44	1,724,441,334	1,569,092,154
IFIC Securities Limited		21,056,069	20,700,774
IFIC Money Transfer (UK) Limited		18,080,867	24,181,745
		<b>1,763,578,270</b>	<b>1,613,974,673</b>
<b>45 Cash and cash equivalents</b>			
Cash in hand		2,242,987,643	2,006,140,356
Balance with Bangladesh Bank and its agent Bank (s)		13,235,784,939	12,061,014,307
Balance with other banks and financial Institutions		10,623,519,845	9,008,977,771
Money at call and on short notice		3,830,000,000	-
Prize Bonds		3,972,900	3,517,100
		<b>29,936,265,327</b>	<b>23,079,649,534</b>
<b>45.a Consolidated cash and cash equivalents</b>			
IFIC Bank Limited	45	29,936,265,327	23,079,649,534
IFIC Securities Limited		7,106	238,310
IFIC Money Transfer (UK) Limited		8,773,824	12,026,893
		<b>29,945,046,257</b>	<b>23,091,914,737</b>

		Amount in BDT	
	Note	2017	2016
<b>46 (Increase)/decrease of other assets</b>			
Stationery and stamps		35,525,576	23,519,852
Suspense account		1,002,872,721	676,537,516
Advance, deposit and prepayments		578,961,188	604,304,847
Investment in subsidiaries		2,233,231,960	2,228,860,390
Revaluation account FDBP		1,791,292	1,791,292
Receivable others		38,742,987	38,000,578
Off-shore banking unit		161,070,610	91,542,983
<b>Closing other assets</b>		<b>4,052,196,334</b>	<b>3,664,557,458</b>
<b>Opening other assets</b>		<b>3,664,557,458</b>	<b>2,122,874,625</b>
		<b>(387,638,876)</b>	<b>(1,541,682,833)</b>
<b>46.a (Increase)/decrease of consolidated other assets</b>			
IFIC Bank Limited	46	(387,638,876)	(1,541,682,833)
IFIC Securities Limited		16,549,838	17,259,167
IFIC Money Transfer (UK) Limited		(83,789)	6,134,905
		<b>(371,172,827)</b>	<b>(1,518,288,761)</b>
<b>47 Increase/(decrease) of other liabilities</b>			
Withholding Tax payable to government		244,417,451	104,629,547
Withholding VAT payable to government		56,486,370	34,127,139
Excise duty payable to government		164,385,378	121,419,858
Dividend payable		2,814,447	2,814,447
Revaluation of investment abroad		30,946,297	30,946,297
Oman Exchange LLC		1,656,242	676,659
Sale proceeds of PSP & TC		1,527,464	515,971
Buying house commission		20,535,151	14,047,766
Recovery on court cases		7,170,350	4,346,521
Matured deposits		32,564,985	80,981
Govt. RMG fund		1,123,970	1,897,019
Others		47,979,234	51,652,879
<b>Closing other liabilities</b>		<b>611,607,339</b>	<b>367,155,084</b>
<b>Opening other liabilities</b>		<b>367,155,084</b>	<b>402,743,513</b>
		<b>244,452,255</b>	<b>(35,588,429)</b>
<b>47.a Consolidated increase/(decrease) of other liabilities</b>			
IFIC Bank Limited	47	244,452,255	(35,588,429)
IFIC Securities Limited		(3,835,035)	396,517,754
IFIC Money Transfer (UK) Limited		2,060,846	(9,874,162)
		<b>242,678,067</b>	<b>351,055,163</b>

		Amount in BDT	
	Note	2017	2016
<b>48 Earnings Per Share (EPS)*</b>			
Net profit after tax		2,067,734,907	1,214,115,772
Weighted average number of ordinary shares outstanding		1,024,525,336	882,068,050
<b>Earning Per Share (EPS)</b>		<b>2.02</b>	<b>1.38</b>
<b>48.a Consolidated Earnings Per Share (EPS)*</b>			
Net profit after tax attributable to equity holders of the Bank		2,396,664,244	1,582,530,314
Weighted average number of ordinary shares outstanding		1,024,525,336	882,068,050
<b>Consolidated Earning Per Share (EPS)</b>		<b>2.34</b>	<b>1.79</b>
* Previous year's figure has been restated.			
Earnings Per Share (EPS) as shown in the face of the Profit and Loss Account is calculated in accordance with Bangladesh Accounting Standards (BAS) 33: Earnings Per Share.			
As the Bank issued Rights Share in July 2017, to calculate EPS, necessary adjustments have been made to the weighted average number of shares to reflect Theoretical Ex Rights Share Price (TERP) for both years 2017 and 2016.			
<b>49 Net Operating Cash Flow per Share</b>			
Net cash flows from operating activities		1,326,848,448	757,575,787
Number of ordinary shares outstanding in respective years		1,195,302,442	563,821,907
<b>Net Operating Cash Flow per Share</b>		<b>1.11</b>	<b>1.34</b>
<b>49.a Consolidated Net Operating Cash Flow per Share</b>			
Consolidated net cash flows from operating activities		1,561,723,249	694,685,971
Number of ordinary shares outstanding in respective years		1,195,302,442	563,821,907
<b>Consolidated Net Operating Cash Flow per Share</b>		<b>1.31</b>	<b>1.23</b>
<b>50 Net Asset Value (NAV) per Share</b>			
Net assets value at the end of the year		20,539,120,655	12,840,324,552
Number of ordinary shares outstanding in respective years		1,195,302,442	563,821,907
<b>Net Asset Value (NAV) per Share</b>		<b>17.18</b>	<b>22.77</b>
<b>50.a Consolidated Net Asset Value (NAV) per Share</b>			
Net assets value at the end of the year attributable to equity holders of the Bank		22,104,176,280	13,922,392,257
Number of ordinary shares outstanding in respective years		1,195,302,442	563,821,907
<b>Consolidated Net Asset Value (NAV) per Share</b>		<b>18.49</b>	<b>24.69</b>

**51 Events after the reporting period**

Subsequent to the balance sheet date, the Board of Directors in its 724<sup>th</sup> Meeting held on 10 April 2018 recommended 12% stock dividend for the year ended 31 December 2017 which will be placed for approval of the shareholders in the forthcoming 41<sup>th</sup> Annual General Meeting of the Bank.

**Balance with other Banks and Financial Institutions-Outside Bangladesh**

as at 31 December 2017

**Annexure-A**

Name of the Bank and Financial Institutions	Account type	Currency type	31 December 2017			31 December 2016		
			FC amount	Conversion rate	Equivalent BDT	FC amount	Conversion rate	Equivalent BDT
AB Bank Ltd., Mumbai	CD	USD	877,860	82.7000	72,598,995	615,509	78.7022	48,441,886
AB Bank Ltd., Mumbai	CD	EUR	-	-	-	10,111	81.9408	828,479
Bank of Bhutan, Phuentsoling	CD	USD	28,513	82.7000	2,357,996	4,076	78.7022	320,763
Bank of Tokyo- Mitsubishi, Tokyo	CD	JPY	202,582	0.7296	147,804	2,752,032	0.6712	1,847,164
Citi Bank N.A. New York	CD	USD	3,591,194	82.7000	296,991,757	1,197,839	78.7022	94,272,584
Commerz Bank AG, Frankfurt	CD	USD	3,327,810	82.7000	275,209,900	2,142,902	78.7022	168,651,125
Commerz Bank AG, Frankfurt	CD	EUR	267,388	98.3138	26,287,960	983,403	81.9408	80,580,806
Habib Bank, New York	CD	USD	1,378,878	82.7000	114,033,197	871,311	78.7022	68,574,097
Habib Bank AG, Zurich	CD	CHF	773	83.8487	64,807	3,677	76.5288	281,393
Habib Bank UK, London	CD	GBP	-	-	-	21,621	96.2213	2,080,354
ICIC Bank Ltd., India	CD	USD	1,144,233	82.7000	94,628,081	456,227	78.7022	35,906,064
J.P. Morgan Chase Bank AG, Frankfurt	CD	EUR	78,118	98.3138	7,680,045	26,622	81.9408	2,181,444
J.P. Morgan Chase Bank, New York	CD	USD	8,969,473	82.7000	741,775,380	3,224,083	78.7022	253,742,400
J.P. Morgan Chase Bank, Sydney	CD	AUD	56,485	64.2414	3,628,695	64,610	56.4846	3,649,464
Mashreq Bank, PSC, India	CD	USD	319,387	82.7000	26,413,332	361,565	78.7022	28,456,000
Masreq Bank PSC, New York	CD	USD	1,733,307	82.7000	143,344,466	1,558,175	78.7022	122,631,818
MCB Bank Ltd, Pakistan	CD	USD	(7,890)	82.7000	(652,534)	280,523	78.7022	22,077,783
Nations Trust Bank Ltd., Colombo	CD	USD	23,285	82.7000	1,925,674	24,780	78.7022	1,950,261
Nepal Bangladesh Bank Ltd., Nepal	CD	USD	370,135	82.7000	30,610,125	163,004	78.7022	12,828,810
Sonali Bank Limited, Kolkata	CD	USD	199,118	82.7000	16,467,052	170,545	78.7022	13,422,260
Sonali Bank (UK) Limited London	CD	GBP	18,618	110.7932	2,062,736	1,792	96.2213	172,461
Sonali Bank (UK)Limited London	CD	EUR	-	-	-	119	81.9408	9,765
Sonali Bank, (UK) Limited London	CD	USD	-	-	-	1,646	78.7022	129,527
Standard Chartered Bank, New York	CD	USD	5,789,702	82.7000	478,808,327	3,236,552	78.7022	254,723,738
Standard Chartered Bank, Kolkata	CD	USD	285,189	82.7000	23,585,130	435,559	78.7022	34,279,470
Standard Chartered Bank, London	CD	GBP	350,213	110.7932	38,801,251	645,532	96.2213	62,113,969
Standard Chartered Bank, London	CD	USD	19,152	82.7000	1,583,859	211,872	78.7022	16,674,782
Wells Fargo Bank, New York	CD	USD	1,893,965	82.7000	156,630,890	1,089,551	78.7022	85,750,083
<b>Total</b>			<b>21,242,488</b>		<b>2,554,984,924</b>	<b>20,555,238.71</b>		<b>1,416,578,750</b>

**Details of investment in shares**

as at 31 December 2017

**Annexure-B**

Amount in BDT

Name of the Company	Face value	No. of share	Cost/share	Cost price	NAV or Mkt price/share	Total value	Gain/(loss)
<b>Unquoted shares</b>							
Karma Sangsthan Bank	100	200,000	100.00	20,000,000	114.25	22,849,468	2,849,468
Central Depository Bangladesh Ltd.	10	2,284,722	10.00	22,847,220	33.01	75,422,456	52,575,236
Energypack Power Co. Ltd.	10	619,500	41.90	25,960,000	24.16	14,965,381	(10,994,619)
		<b>3,104,222</b>		<b>68,807,220</b>		<b>113,237,305</b>	<b>44,430,085</b>
<b>Quoted shares</b>							
National Housing Finance & Investment Ltd.	10	4,808,100	8.11	39,010,000	47.20	226,942,320	187,932,320
Power Grid Company Ltd.	10	3,123,057	69.13	215,882,261	52.20	163,023,575	(52,858,686)
Summit Alliance Port Ltd.	10	57,044	99.79	5,692,616	34.30	1,956,609	(3,736,007)
Eastland Insurance Company Ltd.	10	182,734	43.55	7,958,672	23.80	4,349,069	(3,609,603)
TITAS Gas Transmission and Distribution Ltd.	10	5,383,325	76.60	412,348,120	44.20	237,942,965	(174,405,155)
Unique Hotel and Resorts Ltd.	10	200,000	105.15	21,029,385	56.80	11,360,000	(9,669,385)
Fareast Life Insurance Ltd.	10	979,224	125.11	122,511,641	71.50	70,014,516	(52,497,125)
		<b>14,733,484</b>		<b>824,432,695</b>		<b>715,589,055</b>	<b>(108,843,640)</b>
<b>Mutual funds</b>							
IFIC Bank 1 <sup>st</sup> Mutual Fund	10	36,347,613	6.88	250,000,000	10.22	371,363,562	121,363,562
ICB Employee 1 <sup>st</sup> Mutual Fund	10	1,339,500	13.43	17,986,473	7.51	10,053,617	(7,932,856)
		<b>37,687,113</b>		<b>267,986,473</b>		<b>381,417,179</b>	<b>113,430,706</b>
<b>Foreign Investment</b>							
<b>Investment in associate/joint venture</b>							
Nepal Bangladesh Bank Ltd.		29,543,243	80.67	2,383,257,623	215.54	6,367,744,688	3,984,487,065
Oman Exchange LLC		2,948	6,376.48	18,797,875	20,226.29	59,627,096	40,829,221
		<b>29,546,191</b>		<b>2,402,055,498</b>		<b>6,427,371,784</b>	<b>4,025,316,286</b>
<b>Other foreign investment</b>							
MCB Bank Ltd, Pakistan		175,508	2,001.49	351,277,414	159.00	27,906,523	(323,370,891)
		<b>29,721,699</b>		<b>2,753,332,912</b>		<b>6,455,278,306</b>	<b>3,701,945,394</b>
<b>Total</b>				<b>3,914,559,300</b>		<b>7,665,521,845</b>	<b>3,750,962,545</b>

**Required provision for investment in shares**

Particulars	Cost price	Total value	Req. Provision
Unquoted shares <sup>1</sup>	68,807,220	113,237,305	(10,994,619)
Quoted	824,432,695	715,589,055	(108,843,640)
Mutual funds <sup>2</sup>	267,986,473	381,417,179	(7,932,856)
<b>Sub-total</b>	<b>1,161,226,388</b>	<b>1,210,243,539</b>	<b>(127,771,115)</b>

Amount in BDT

Particulars	Cost price	Total value	Req. Provision
Investment in associate/joint venture <sup>3</sup>	2,402,055,498	6,427,371,784	-
Other foreign investment-MCB Bank Ltd. <sup>4</sup>	351,277,414	27,906,523	(211,786,418)
<b>Grand Total</b>	<b>3,914,559,300</b>	<b>7,665,521,845</b>	<b>(339,557,533)</b>

<sup>1</sup> Provision is kept against any unrealized loss for investment in unquoted shares and no unrealized gain is used to net off against the such unrealized loss.

**<sup>2</sup> Provision calculation for Investment in Mutual Funds**

Name of the Company	No. of share	Cost/Share	NAV/share	NAV x 85%	MV/share	Higher of C & D	(NAVx85%) - CP	Required Provision
	A	B	C	D	E	F=(E-B)	G=(A x F)	
IFIC Bank 1 <sup>st</sup> MF	36,347,613	6.88	12.02	10.22	6.10	10.22	-	-
ICB EP 1 <sup>st</sup> MF	1,339,500	13.43	8.83	7.51	7.10	7.51	(5.92)	(7,932,856)
<b>Total provision required</b>								<b>(7,932,856)</b>

**Note:** Provision is required if cost price is higher than 85% of NAV or MV.

**BB Circular Reference:** DOS Circular-3 Dated: 12 Mar 2015 and Circular-10 Dated: 28 June 2015.

**<sup>3</sup> Provision calculation for investment in associate/joint venture**

Name of the Company	No. of share	Cost/Share	NAV/share	Market Value (MV)/share	Lower of NAV & MV	Required Provision
Nepal Bangladesh Bank Ltd. (Quoted)	29,543,243	80.67	104.61	215.54	104.61	-
Oman Exchange LLC (Unquoted)	2,948	6,376.48	20,226.29	N/A	20,226.29	-
<b>Total provision required</b>						<b>-</b>

Provision against investment in associate/joint venture have been calculated as per instructions of Bangladesh Bank vide letter no DOS(SR)/1153/161/11/2017-1348 dated 23 March 2017. As per Bangladesh Bank instruction provision is to be maintained if cost is higher than lower of NAV and market value (if applicable).

<sup>4</sup> As per Bangladesh Bank letter no-DOS(ASR)1153/161/11/2016-4995 dated 13 November 2016 two thirds provision has been maintained upto year 2017 and remaining provision will be maintained in the year 2018.

Loans and advances allowed to each customer exceeding 10% of Bank's total capital  
as at 31 December 2017

BDT in million

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2017			Amount classified
			Funded	Non-funded	Total	
1	Banglalion	Banglalion Communication Ltd.	2,416.10	-	2,416.10	-
		<b>Sub Total:</b>	<b>2,416.10</b>	<b>-</b>	<b>2,416.10</b>	<b>-</b>
2	Bengal	Bengal Communications Ltd.	2,748.80	-	2,748.80	-
		<b>Sub Total:</b>	<b>2,748.80</b>	<b>-</b>	<b>2,748.80</b>	<b>-</b>
3		Bangladesh Rural Advance Committee	2,553.90	1,054.50	3,608.40	-
		<b>Sub Total:</b>	<b>2,553.90</b>	<b>1,054.50</b>	<b>3,608.40</b>	<b>-</b>
4	Cassiopea	Cassiopea Apparels Ltd.	979.50	1,371.60	2,351.10	-
		Cassiopea Fashion Ltd.	16.80	30.40	47.20	-
		Cassiopea Sweater Ltd.	-	115.80	115.80	-
		Elegant Accessories Ltd.	38.50	34.80	73.30	-
		Elegant Washing Plant Ltd.	-	131.10	131.10	-
		<b>Sub Total:</b>	<b>1,034.80</b>	<b>1,683.70</b>	<b>2,718.50</b>	<b>-</b>
5	Doha-Global	Dohatec Newmedia	1,373.90	8.60	1,382.50	-
		Global Voice Telecom Limited	1,122.30	2,344.20	3,466.50	-
		<b>Sub Total:</b>	<b>2,496.20</b>	<b>2,352.80</b>	<b>4,849.00</b>	<b>-</b>
6	ENA	Ena Building Products Ltd.	210.40	-	210.40	-
		Ena Dj Construction Firm Ltd.	-	544.50	544.50	-
		Ena Properties Ltd.	1,409.40	69.50	1,478.90	-
		Northern Power Solutions Limited	1,542.70	418.30	1,961.00	-
		<b>Sub Total:</b>	<b>3,162.50</b>	<b>1,032.30</b>	<b>4,194.80</b>	<b>-</b>
7		Global LPG Ltd.	3,429.00	511.10	3,940.10	-
		<b>Sub Total:</b>	<b>3,429.00</b>	<b>511.10</b>	<b>3,940.10</b>	<b>-</b>
8		Habib Hotel International Ltd.	2,298.80	333.20	2,632.00	-
		<b>Sub Total:</b>	<b>2,298.80</b>	<b>333.20</b>	<b>2,632.00</b>	<b>-</b>
9	Islam	Armor Bangladesh Ltd	32.40	-	32.40	-
		Islam Garments Ltd.	1,056.50	2,260.10	3,316.60	-
		Islam Knit Designs Ltd.	151.40	787.50	938.90	-
		<b>Sub Total:</b>	<b>1,240.30</b>	<b>3,047.60</b>	<b>4,287.90</b>	<b>-</b>
10	Knit Concern	Jmj Mollah Cold Storage Ltd	104.30	-	104.30	-
		Kc Apparels Ltd	145.00	496.60	641.60	-
		Kc Lingerie Ltd	14.90	84.20	99.10	-
		Knit Concern Ltd.	467.60	1,299.60	1,767.20	-
		Pack Concern Ltd.	37.50	24.30	61.80	-
		Zas Concern Ltd	7.10	2.60	9.70	-
		<b>Sub Total:</b>	<b>776.40</b>	<b>1,907.30</b>	<b>2,683.70</b>	<b>-</b>
11	Phonix	Appollo Ispat Complex Limited	1,808.70	1,113.80	2,922.50	28.56
		<b>Sub Total:</b>	<b>1,808.70</b>	<b>1,113.80</b>	<b>2,922.50</b>	<b>28.56</b>
12		Quick Real Estate Ltd.	3,404.90	-	3,404.90	-
		<b>Sub Total:</b>	<b>3,404.90</b>	<b>-</b>	<b>3,404.90</b>	<b>-</b>
13	Sikder	Powerpac Mutiara Keraniganj (Pvt) Ltd.	1,885.50	-	1,885.50	-
		R & R Holdings	1,696.80	-	1,696.80	-
		<b>Sub Total:</b>	<b>3,582.30</b>	<b>-</b>	<b>3,582.30</b>	<b>-</b>



14	Silver Line	Silver Composite Textile Mills Ltd.	1,798.40	43.10	1,841.50	-
		Silver Line Composit Textile Mill Ltd.	491.00	952.40	1,443.40	-
<b>Sub Total:</b>			<b>2,289.40</b>	<b>995.50</b>	<b>3,284.90</b>	<b>-</b>
15		SQ Celsius Ltd.	1,819.20	869.80	2,689.00	-
<b>Sub Total:</b>			<b>1,819.20</b>	<b>869.80</b>	<b>2,689.00</b>	<b>-</b>
16		Uttara Traders(Pvt.) Ltd.	1,795.40	1,461.30	3,256.70	-
<b>Sub Total:</b>			<b>1,795.40</b>	<b>1,461.30</b>	<b>3,256.70</b>	<b>-</b>
17		Wisdom Attires Ltd.	2,448.80	342.70	2,791.50	-
<b>Sub Total:</b>			<b>2,448.80</b>	<b>342.70</b>	<b>2,791.50</b>	<b>-</b>
18		Raj Housing Ltd	3,526.00	-	3,526.00	-
<b>Sub Total:</b>			<b>3,526.00</b>	<b>-</b>	<b>3,526.00</b>	<b>-</b>
<b>Grand Total:</b>			<b>42,831.50</b>	<b>16,705.60</b>	<b>59,537.10</b>	<b>28.56</b>

Schedule of fixed assets including premises, furniture and fixture

Annexure - D

as at 31 December 2017

Particulars	Cost						Depreciation/Amortization					Written down value as at 31 December 2017
	Balance as at 1 January 2017	Addition during the year	Transfer from CWIP	Adjustment during the year	Disposal during the year	Balance as at 31 December 2017	Balance as at 1 January 2017	Charged during the year	Adjustment during the year	Disposal during the year	Balance as at 31 December 2017	
Land	475,118,759	-	-	-	-	475,118,759	-	-	-	-	-	475,118,759
Buildings and premises	1,891,680,528	187,369	10,749,307	-	-	1,902,617,204	233,962,477	46,780,427	-	-	280,742,904	1,621,874,300
Wooden furniture	248,371,766	5,328,489	4,853,556	4,216,908	4,391,089	249,945,814	86,660,635	19,976,448	247,232	3,199,040	103,190,810	146,755,004
Steel furniture	62,300,831	3,357,632	-	-	452,828	65,205,635	37,607,891	3,097,343	-	272,724	40,432,510	24,773,124
Computer equipment	715,903,279	26,350,285	-	-	4,444,915	737,808,649	562,370,246	55,337,904	-	4,439,150	613,268,999	124,539,650
Office equipment	204,176,631	18,196,355	-	-	2,775,800	219,597,186	167,878,867	18,761,600	-	2,775,780	183,864,687	35,732,499
Electrical & gas equipment	703,698,482	60,106,401	47,718,485	-	15,176,782	796,346,586	293,728,761	70,799,705	-	13,205,372	351,323,094	445,023,492
Leasehold improvement	254,466,084	14,021,059	-	-	6,966,467	261,520,676	156,372,806	17,832,559	-	5,496,589	168,708,776	92,811,900
Vehicles	111,849,395	13,856,115	-	-	5,936,750	119,768,760	87,471,247	11,620,201	-	5,936,743	93,154,705	26,614,055
Leased vehicles	47,600,000	-	-	-	-	47,600,000	14,662,323	6,164,080	-	-	20,826,403	26,773,597
Soft furnishing	11,369,205	376,635	-	-	277,649	11,468,191	10,499,503	643,907	-	277,513	10,865,897	602,295
Software	513,048,657	4,023,954	25,798,819	-	-	542,871,430	230,698,662	37,064,448	-	-	267,763,110	275,108,319
	<b>5,239,583,617</b>	<b>145,804,293</b>	<b>89,120,167</b>	<b>4,216,908</b>	<b>40,422,279</b>	<b>5,429,868,890</b>	<b>1,881,913,418</b>	<b>288,078,623</b>	<b>247,232</b>	<b>35,602,911</b>	<b>2,134,141,897</b>	<b>3,295,726,994</b>
Capital work in progress *	130,257,471	191,519,741	(89,120,167)	-	-	232,657,045	-	-	-	-	-	232,657,045
<b>Total</b>	<b>5,369,841,088</b>	<b>337,324,034</b>	<b>-</b>	<b>4,216,908</b>	<b>40,422,279</b>	<b>5,662,525,935</b>	<b>1,881,913,418</b>	<b>288,078,623</b>	<b>247,232</b>	<b>35,602,911</b>	<b>2,134,141,897</b>	<b>3,528,384,037</b>

\* Capital work in progress represents the amount paid for fire protection system, Data centre, Data Management System and Fusion Banking Essence.

Particulars	Cost						Depreciation/Amortization					Written down value as at 31 December 2016
	Balance as at 1 January 2016	Addition during the year	Transfer from CWIP	Adjustment during the year	Disposal during the year	Balance as at 31 December 2016	Balance as at 1 January 2016	Charged during the year	Adjustment during the year	Disposal during the year	Balance as at 31 December 2016	
Land	475,118,759	-	-	-	-	475,118,759	-	-	-	-	-	475,118,759
Buildings and premises	1,337,951,477	-	553,729,051	-	-	1,891,680,528	192,827,022	41,135,455	-	-	233,962,477	1,657,718,051
Wooden Furniture	118,694,149	5,096,569	135,161,271	-	10,580,223	248,371,766	73,133,162	21,798,384	-	8,270,911	86,660,635	161,711,131
Steel Furniture	59,242,462	3,785,765	59,695	-	787,091	62,300,831	33,720,678	4,497,813	-	610,600	37,607,891	24,692,940
Computer equipment	668,481,187	53,640,165	-	-	6,218,073	715,903,279	458,926,481	109,151,004	-	5,707,239	562,370,246	153,533,033
Office Equipment	196,964,697	10,604,860	-	-	3,392,926	204,176,631	136,914,295	34,182,638	-	3,218,066	167,878,867	36,297,764
Electrical & Gas Equipment	394,944,685	36,138,704	293,363,368	-	20,748,275	703,698,482	248,261,436	62,213,139	-	16,745,814	293,728,761	409,969,721
Leasehold improvement	237,653,740	27,138,059	-	-	10,325,715	254,466,084	135,509,829	28,375,229	-	7,512,252	156,372,806	98,093,278
Vehicles	115,673,145	-	-	-	3,823,750	111,849,395	72,471,645	18,757,045	-	3,757,443	87,471,247	24,378,148
Leased vehicles	47,600,000	-	-	-	-	47,600,000	9,626,761	5,035,562	-	-	14,662,323	32,937,677
Soft Furnishing	12,653,637	547,543	-	-	1,831,975	11,369,205	11,050,029	1,111,382	-	1,661,908	10,499,503	869,702
Software	293,931,990	35,451,020	183,665,647	-	-	513,048,657	202,696,439	28,002,223	-	-	230,698,662	282,349,995
	<b>3,958,909,928</b>	<b>172,402,685</b>	<b>1,165,979,032</b>	<b>-</b>	<b>57,708,028</b>	<b>5,239,583,617</b>	<b>1,575,137,777</b>	<b>354,259,874</b>	<b>-</b>	<b>47,484,233</b>	<b>1,881,913,418</b>	<b>3,357,670,199</b>
Capital work in progress *	846,594,774	449,641,729	(1,165,979,032)	-	-	130,257,471	-	-	-	-	-	130,257,471
<b>Total</b>	<b>4,805,504,702</b>	<b>622,044,414</b>	<b>-</b>	<b>-</b>	<b>57,708,028</b>	<b>5,369,841,088</b>	<b>1,575,137,777</b>	<b>354,259,874</b>	<b>-</b>	<b>47,484,233</b>	<b>1,881,913,418</b>	<b>3,487,927,670</b>

\* Capital work in progress represents the amount paid for data warehouse.

**Computation of Risk Weighted Assets**
**Annexure -E**

Solo Basis

as at 31 December 2017

**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	2,242.99	-
b.	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank		0	26,108.70	-
c.	Claims on other Sovereigns & Central Banks		0.5	-	-
d.	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0	-	-
e.	Claims on Multilateral Development Banks (MDBs):			-	
	i) IBRD, IFC, ADB, 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	-	-
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	303.91	60.78
		2,3	0.50	119.07	59.54
		4,5	1.00	-	-
		6	1.50	-	-
		Unrated	1.00	77.69	77.69
	ii) Maturity less than 3 months		0.20	15,783.06	3,156.61
h.	Claims on Corporate (excluding equity exposure)	1	0.20	3,475.14	695.03
		2	0.50	15,818.00	7,909.00
		3,4	1.00	23,454.64	23,454.64
		5,6	1.50	-	-
		Unrated	1.25	23,022.76	28,778.44
h(1)	Claims on SME	SME 1	0.20	-	-
		SME 2	0.40	95.87	38.35
		SME 3	0.60	644.24	386.54
		SME 4	0.80	76.31	61.05
		SME 5	1.20	-	-
		SME 6	1.50	-	-
		Unrated (small enterprise & <BDT 3m)	0.75	2,694.01	2,020.51
		Unrated (small enterprise having ≥ BDT 3m&Medium enterprise)	1.00	15,421.12	15,421.12

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
i.	Claims under Credit Risk Mitigation	PSE		-	-
		Banks & NBFIs		-	-
		Corporate		4,414.72	2,916.46
		Retail		414.10	4.94
		SME		587.16	157.94
		Consumer finance		2,497.94	59.62
		Residential property		-	-
		Commercial real estate		-	-
j.	Claims categorized as retail portfolio (excluding SME, Consumer Finance and Staff loan) upto 1 crore		0.75	419.98	314.98
k.	Consumer finance		1.00	1,781.62	1,781.62
l.	Claims fully secured by residential property		0.50	40,144.41	20,072.20
m.	Claims fully secured by Commercial real estate		1.00	21,390.39	21,390.39
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	3,860.50	5,790.75
	ii) Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim		1.00	4,304.90	4,304.90
	iii) Where specific provisions are more than 50 percent of the outstanding amount of the past due claim		0.50	920.40	460.20
	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	1,073.90	1,073.90
	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	94.30	70.73
	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	67.61	84.51
q.	Investments in venture capital		1.50	-	-
r.	Investments in premises, plant and equipment and all other fixed assets		1.00	3,253.28	3,253.28
s.	Claims on all fixed assets under operating lease		1.00	538.84	538.84
t.	All other assets			-	-
	i) Claims on GoB & BB		0.00	7,328.60	-
	ii) Staff loan/Investment		0.20	1,757.09	351.42
	iii) Cash items in Process of Collection		0.20	-	-
	iv) Claims on Off-shore Banking Units (OBU)		1.00	2,914.61	2,914.61
	v) Other assets (net off specific provision, if any)		1.00	6,303.30	6,303.30
<b>Sub-Total</b>				<b>233,425.16</b>	<b>153,973.89</b>

## 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	3,269.78	653.96
		2	0.50	6,137.74	3,068.87
		3,4	1.00	1,742.08	1,742.08
		5,6	1.50	-	-
		Unrated	1.25	10,405.87	13,007.34
h)	Claims under retail exposure		0.75	10.31	7.73
h(1)		1	0.20	-	-
		2	0.40	5.80	2.32
		3	0.60	56.25	33.75
		4	0.80	9.01	7.21
		5	1.20	-	-
		6	1.50	-	-
	Claims under SME Credit Rating-wise exposure	Unrated (small enterprise & <BDT 3.00m)	0.75	61.68	46.26
		Unrated (small enterprise having ≥ BDT 3.00m & Medium enterprise)	1.00	2,373.03	2,373.03
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>24,071.56</b>	<b>20,942.55</b>

**3.0 Capital Charge for Market Risk (Balance Sheet Exposures)**

BDT in Million

Sl. No.	Market Risk	Capital Charge	Risk Weight	Risk Weighted Asset
a	Interest Rate Related Instruments	18.61	10.00	186.06
b	Equities	189.36	10.00	1,893.64
c	Foreign Exchange Position	160.56	10.00	1,605.60
d	Commodities	-	-	-
<b>Sub-Total</b>		<b>368.53</b>		<b>3,685.30</b>

**4.0 Capital Charge for Operational Risk (Basic Indicator Approach)**

Sl. No.	Operational Risk	Capital Charge	Risk Weight	Risk Weighted Asset
a	Gross Income	1,317.11	10.00	13,171.07
<b>Sub-Total</b>		<b>1,317.11</b>	10.00	<b>13,171.07</b>
<b>Grand Total Risk Weighted Assets</b>				<b>191,772.82</b>

## Related party disclosures

## Annexure -F

Name of Directors and their interest in different entities  
as at 31 December 2017

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	GMG Airlines Limited
			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 Engineering Ltd.
			Vice Chairman	Beximco Pharma Center for Bio & Industrial Research Ltd.
			Vice Chairman	Beximco Fashions Ltd.
			Vice Chairman	Beximco Property Development and Management Ltd.
			Vice Chairman	RR Washing Ltd.
			Vice Chairman	International Knitwear and Apparels Ltd.
			Vice Chairman	Sonali Ansh Limited
			Vice Chairman	Esses Exporters Ltd.
2	Mr. Monirul Islam	Independent Director (Up to 20/12/2017)	Chairman (Nominated by IFIC Bank Ltd.)	IFIC Securities Ltd.
			Director (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Director (Nominated by IFIC Bank Ltd.)	Nepal Bangladesh Bank Ltd., Nepal
			Chairman	Monir Associates Ltd.
			Managing Director	Cosmo Sizing & Weaving Mills Ltd.
			Proprietor	Pano Sourcing
3	Ms. Rabeya Jamali	Independent Director (From 21/12/2017)	Director (Nominated by IFIC Bank Ltd.)	IFIC Securities Ltd.
			Director (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Alternate Director (Nominated by IFIC Bank Ltd.)	Nepal Bangladesh Bank Ltd., Nepal
			Partner	Jamali & Morshed

4	Mr. Anwaruzzaman Chowdhury	Independent Director	Director (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Director (Nominated by IFIC Bank Ltd.)	IFIC Securities Ltd.
			Alternate Director (Nominated by IFIC Bank Ltd.)	Oman Exchange LLC
			Chairman	Kipling
5	Mr. Jalal Ahmed	Govt. nominated Director	Chairman (Nominated by IFIC Bank Ltd.)	Nepal Bangladesh Bank Ltd., Nepal
			Chairman (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Director (Nominated by IFIC Bank Ltd.)	IFIC Securities Ltd.
			Alternate Director (Nominated by IFIC Bank Ltd.)	Oman Exchange LLC
			Additional Secretary(UN)	Economic Relations Division, Ministry of Finance, Bangladesh Secretariat, Dhaka.
			Director	Bangladesh Services Ltd.
			Director	British American Tobacco Bangladesh Co. Ltd.
			Director	Bangladesh Submarine Cable Co. Ltd.
6	Mr. A. R. M. Nazmus Sakib	Govt. nominated Director	Director (Nominated by IFIC Bank Ltd.)	Oman Exchange LLC
			Director (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Additional Secretary	Finance Division, Ministry of Finance, Bangladesh Secretariat, Dhaka.
7	Ms. Quamrun Naher Ahmed	Govt. nominated Director	Director (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Additional Secretary	Financial Institutions Division, Ministry of Finance, Bangladesh Secretariat, Dhaka.
8	Mr. M. Shah Alam Sarwar	Managing Director	Director (Nominated by Govt. of Bangladesh)	Grameen Bank
			Director (Nominated by IFIC Bank Ltd.)	Nepal Bangladesh Bank Ltd., Nepal
			Director (Nominated by IFIC Bank Ltd.)	Oman Exchange LLC
			Director (Nominated by IFIC Bank Ltd.)	IFIC Money Transfer (UK) Ltd.
			Director (Nominated by IFIC Bank Ltd.)	IFIC Securities Ltd.



## 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:

Amount in BDT

Nature of Transaction	As at and for the year ended	
	31 December 2017	31 December 2016
<b>1) Name of the Party : IFIC Securities Ltd.</b>		
Relationship with the company : Subsidiary		
A. Capital investment	2,199,994,000	2,199,994,000
B. Current & SND Account	95,498,391	87,029,931
C. BO account balance	659	6,269,312
<b>2) Name of the Party : IFIC Money Transfer (UK) Limited</b>		
Relationship with the company : Subsidiary		
A. Capital investment	33,237,960	28,866,390
<b>3) Name of the Party : Oman Exchange LLC</b>		
Relationship with the company : Associate		
A. Capital investment	18,797,875.00	17,889,167.00
B. Cash Dividend received	-	5,090,645
<b>4) Name of the Party : Nepal Bangladesh Bank Ltd.</b>		
Relationship with the company : Associate		
A. Capital investment	2,383,257,623	1,291,386,223
B. Borrowing	1,984,800,000	550,915,400
C. Cash Dividend received	15,561,641	-
D. Management fee received	21,682,211	-

- iv) Lending policies in respect of related party:  
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. 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 3,707,888 and BDT 1,701,780 to Independent Television Ltd. and Independent Publications Ltd. respectively in the year 2017.

- 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
NIL				

**Disclosure on Audit Committee of the Bank****Annexure -G**

## a) Particulars of members of the Audit Committee

Sl.	Name	Status with the Bank	Status	Educational Qualification
1	<b>Mr. Monirul Islam (Up to 20/12/2017)</b>	Independent Director	Chairman	B. A. (Hons), M. A.
2	<b>Ms. Rabeya Jamali (From 21/12/2017)</b>	Independent Director		LL.B. (Hons), LL.M. in Banking and Financial Law
3	<b>Mr. Anwaruzzaman Chowdhury</b>	Independent Director	Member	MBA
4	<b>Mr. Jalal Ahmed</b>	Director	Member	B.S.S. (Hons), M. S. S. in Public Administration

\* The Audit Committee of the Board has been reconstituted by the Board of Directors of the Bank in its 720<sup>th</sup> Meeting held on 28 January 2018. Mr. Monirul Islam was the Chairman upto 20 December 2017. Ms. Rabeya Jamali has been selected as Chairman on 28 January 2018.

## b) Particulars of meetings held by the Audit Committee during the period from 01 January to 31 December 2017

Sl.	Meeting No	Meeting held on
1	107 <sup>th</sup> Audit Committee Meeting	16.01.2017
2	108 <sup>th</sup> Audit Committee Meeting	27.02.2017
3	108 <sup>th</sup> (Adjourned) Audit Committee Meeting	20.03.2017
4	109 <sup>th</sup> Audit Committee Meeting	05.04.2017
5	110 <sup>th</sup> Audit Committee Meeting	09.05.2017
6	111 <sup>th</sup> Audit Committee Meeting	04.06.2017
7	112 <sup>th</sup> Audit Committee Meeting	19.06.2017
8	113 <sup>th</sup> Audit Committee Meeting	26.07.2017
9	114 <sup>th</sup> Audit Committee Meeting	27.09.2017
10	115 <sup>th</sup> Audit Committee Meeting	30.10.2017
11	116 <sup>th</sup> Audit Committee Meeting	13.11.2017
12	117 <sup>th</sup> Audit Committee Meeting	17.12.2017

**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 internal controls are considered 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 2017, with 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, have reviewed and evaluated.

The Committee has considered and reviewed various reports relating to various lapses and deficiencies in internal control or other similar issues relating to Bank's operational activities detected by internal and external auditors and inspectors of Bangladesh Bank and other regulatory authorities.

During discussion on some memo(s) and Compliance Report, the Committee has advised Management to devise a system for arresting occurrence of the irregularities on 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 matrix/format to monitor status of compliance on 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 2017 have been explained and endorsed to the Audit Committee whether the statements reflect the complete and concrete information and whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank.

The Committee has submitted compliance report to the Board on quarterly basis during 2017 regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

**Financial highlights of the Bank  
as at and for the year ended 31 December 2017**

Sl.	Particulars	Currency/ percentage	31 December 2017	31 December 2016
1	Paid up capital	BDT	11,953,024,420	5,638,219,070
2	Total capital	BDT	24,113,769,628	16,927,658,388
3	Capital surplus	BDT	2,539,326,108	934,616,554
4	Total assets	BDT	253,248,941,805	197,050,714,758
5	Total deposits	BDT	200,205,665,479	160,155,006,094
6	Total loan & advances	BDT	179,264,206,747	137,118,111,549
7	Total contingent liabilities & commitments	BDT	58,620,180,261	52,602,485,841
8	Credit deposit ratio	%	85.04	81.64
9	Percentage of classified loan against total loans & advances	%	6.40	5.29
10	Profit after tax & provision	BDT	2,067,734,907	1,214,115,772
11	Amount of classified loans	BDT	11,477,879,667	7,250,942,884
12	Provision kept against classified loans	BDT	3,594,107,146	2,354,935,029
13	Provision surplus/deficit	BDT	11,500,000	311,556,408
14	Cost of fund	%	4.22	4.21
15	Interest earning assets	BDT	216,239,475,667	166,860,268,961
16	Non-interest earning assets	BDT	37,009,466,138	30,190,445,797
17	Return on Investment (ROI)	%	7.81	6.73
18	Return on Assets (ROA)	%	0.92	0.65
19	Income from investment	BDT	2,071,096,827	2,077,195,970
20	Earnings per share	BDT	2.02	1.38
21	Net income per share	BDT	2.02	1.38
22	Net Asset Value (NAV)	BDT	20,539,120,655	12,840,324,552
23	Net Asset Value (NAV) per share	BDT	17.18	22.77
24	Net Operating Cash Flow Per Share (NOCFPS)	BDT	1.11	1.34
25	Price earning ratio	Times	8.92	15.18

**Disclosure of Restructured Loan**

as at and for the year ended 31 December 2017

BDT in Million

Sl. No.	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 2017		Present status	Outstanding as at 31 December 2016
				Required	Realized		At the time of taking NOC from BB	New/fresh disbursement amount after NOC	Outstanding as at 31 December 2017	Required	Maintained		
1	Power Pac - Mutiara KPP Plant Ltd.	TL (O)	07.12.2015	16.90	16.90	07.03.2017	1,546.10	Nil	1,787.51	35.75	35.75	SMA(RST)	1,905.62
2	M/s R&R Holdings	TL (O)-1	07.12.2015	8.20	8.20	07.03.2017	746.00	Nil	913.13	18.26	18.26	SMA(RST)	925.73
3	M/s R&R Holdings	TL (O)-2	07.12.2015	7.70	7.70	07.03.2017	702.00	Nil	783.67	15.67	15.67	SMA(RST)	867.06
<b>Total</b>				<b>32.80</b>	<b>32.80</b>		<b>2,994.10</b>		<b>3,484.31</b>	<b>69.69</b>	<b>69.69</b>		<b>3,698.41</b>

## Statement of Tax position

As at 31 December 2017

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 Y2012 (except Y2005 & Y2010)		1,597,680,869	-	1,597,680,869	-	Assessments up to Y2012 (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 Assessment was completed with loss, however, advance tax paid for 2005 amounting to Tk. 90.27 mln was adjusted in subsequent years.
2010	2011-2012	1,454,854,995	1,508,170,344	(53,315,349)	1,385,538,554	Honorable High Court Division of Supreme Court
2013	2014-2015	1,090,000,000	1,122,148,439	(32,148,439)	1,119,224,008	Bank received the order from Taxes Appellate Tribunal which are under review of the Management for next course of action.
2014	2015-2016	1,290,000,000	1,339,332,883	(49,332,883)	1,215,276,325	Bank received the order from Taxes Appellate Tribunal which are under review of the Management for next course of action.
2015	2016-2017	950,000,000	1,029,797,191	(79,797,191)	951,376,970	The Commissioner of Taxes (Appeals)
2016	2017-2018	700,000,000	-	-	912,690,222	Assessment yet to be completed by the Tax authority
2017	2018-2019	750,000,000	-	-	641,215,256	Not yet due

**Off-shore Banking Unit**  
Balance Sheet  
as at 31 December 2017

Particulars	Note	31 December 2017		31 December 2016	
		USD	Taka	USD	Taka
<b>PROPERTY AND ASSETS</b>					
<b>Cash</b>		-	-	-	-
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>		-	-	-	-
In Bangladesh		-	-	-	-
Outside Bangladesh		-	-	-	-
<b>Money at call and on short notice</b>		-	-	-	-
<b>Investments</b>		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
<b>Loans and advances</b>	<b>3</b>	<b>33,295,515</b>	<b>2,753,539,110</b>	<b>18,280,349</b>	<b>1,438,703,682</b>
Loans, cash credits, overdrafts etc.	3.1	6,762,333	559,244,903	11,448,845	901,049,291
Bills purchased and discounted	3.2	26,533,182	2,194,294,207	6,831,504	537,654,391
<b>Fixed assets including premises, furniture and fixtures</b>		-	-	-	-
<b>Other assets</b>	<b>4</b>	<b>1,947,650</b>	<b>161,070,610</b>	<b>1,163,157</b>	<b>91,542,983</b>
<b>Non banking assets</b>		-	-	-	-
<b>Total assets</b>		<b>35,243,165</b>	<b>2,914,609,720</b>	<b>19,443,506</b>	<b>1,530,246,665</b>
<b>LIABILITIES AND CAPITAL</b>					
<b>Liabilities</b>					
<b>Borrowing from other banks, financial Institutions and agents</b>	<b>5</b>	<b>34,028,915</b>	<b>2,814,191,232</b>	<b>18,984,396</b>	<b>1,494,113,753</b>
<b>Deposit and other accounts</b>		-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed Deposits		-	-	-	-
<b>Other liabilities</b>	<b>6</b>	<b>558,920</b>	<b>46,222,673</b>	<b>301,525</b>	<b>23,730,656</b>
<b>Total liabilities</b>		<b>34,587,834</b>	<b>2,860,413,905</b>	<b>19,285,921</b>	<b>1,517,844,409</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	655,330	54,195,815	157,585	12,402,256
<b>Total shareholders' equity</b>		<b>655,330</b>	<b>54,195,815</b>	<b>157,585</b>	<b>12,402,256</b>
<b>Total liabilities and shareholders' equity</b>		<b>35,243,165</b>	<b>2,914,609,720</b>	<b>19,443,506</b>	<b>1,530,246,665</b>

**OFF BALANCE SHEET ITEMS**

<b>Contingent liabilities</b>	-	-	-	-
Acceptances and endorsements	-	-	-	-
Letters of guarantee	-	-	-	-
Irrevocable letters of credit	-	-	-	-
Bills for collection	-	-	-	-
Other contingent liabilities	-	-	-	-
<b>Other Commitments</b>				
Documents 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>	-	-	-	-

These financial statements should be read in conjunction with the annexed notes.

**Off-shore Banking Unit**  
Profit and Loss Account  
for the year ended 31 December 2017

Particulars	Note	31 December 2017		31 December 2016	
		USD	Taka	USD	Taka
Interest income	8	1,801,879	149,015,399	1,169,367	92,031,779
Interest paid on deposits, borrowings etc.	9	1,138,054	94,117,062	1,004,819	79,081,438
<b>Net interest income</b>		<b>663,825</b>	<b>54,898,337</b>	<b>164,549</b>	<b>12,950,341</b>
Investment Income		-	-	-	-
Commission, exchange and brokerage		-	-	-	-
Other operating income		4,035	333,694	4,855	382,099
<b>Total operating income</b>		<b>667,860</b>	<b>55,232,031</b>	<b>169,404</b>	<b>13,332,440</b>
Salaries and allowances		12,530	1,036,216	11,819	930,184
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>12,530</b>	<b>1,036,216</b>	<b>11,819</b>	<b>930,184</b>
<b>Profit/(Loss) before provision</b>		<b>655,330</b>	<b>54,195,815</b>	<b>157,585</b>	<b>12,402,256</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>655,330</b>	<b>54,195,815</b>	<b>157,585</b>	<b>12,402,256</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 2017**

**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 from 10 May 2010. Presently the Bank has 1 (one) unit in Dhaka. The principal activities 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, Bangladesh Accounting Standards 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 BAS 21: *The Effects of Changes in Foreign Exchange Rates*.

Particulars	Note	31 December 2017		31 December 2016	
		USD	Taka	USD	Taka
<b>3 Loans and advances</b>					
<b>3.1 Loans, cash credits, overdrafts etc.</b>					
Term loan		6,762,333	559,244,903	11,448,845	901,049,291
		<b>6,762,333</b>	<b>559,244,903</b>	<b>11,448,845</b>	<b>901,049,291</b>
<b>3.2 Bills purchased and discounted</b>					
Inside Bangladesh		26,533,182	2,194,294,207	6,831,504	537,654,391
		<b>26,533,182</b>	<b>2,194,294,207</b>	<b>6,831,504</b>	<b>537,654,391</b>
		<b>33,295,515</b>	<b>2,753,539,110</b>	<b>18,280,349</b>	<b>1,438,703,682</b>
<b>4 Other assets</b>					
Interest receivable on term loan		1,533,898	126,853,397	1,100,563	86,616,736
Interest receivable on bills discount		413,752	34,217,213	62,594	4,926,247
		<b>1,947,650</b>	<b>161,070,610</b>	<b>1,163,157</b>	<b>91,542,983</b>
<b>5 Borrowing from other banks, financial Institutions and its agents</b>					
<b>In Bangladesh:</b>					
IFIC Bank Limited		33,004,812	2,729,497,927	18,984,396	1,494,113,753
		<b>33,004,812</b>	<b>2,729,497,927</b>	<b>18,984,396</b>	<b>1,494,113,753</b>
<b>Outside Bangladesh</b>		1,024,103	84,693,305	-	-
		<b>34,028,915</b>	<b>2,814,191,232</b>	<b>18,984,396</b>	<b>1,494,113,753</b>
<b>6 Other liabilities</b>					
Interest on borrowing from abroad		3,862	319,349	-	-
Due to Head Office		555,058	45,903,324	301,525	23,730,656
		<b>558,920</b>	<b>46,222,673</b>	<b>301,525</b>	<b>23,730,656</b>
<b>7 Surplus in profit and loss account</b>					
Opening balance		157,585	12,402,256	106,687	8,374,971
Less: Adjustment/ payment for the year		(157,585)	(12,402,256)	(106,687)	(8,374,971)
Add: Addition during the year		655,330	54,195,815	157,585	12,402,256
		<b>655,330</b>	<b>54,195,815</b>	<b>157,585</b>	<b>12,402,256</b>

Particulars	Note	2017		2016	
		USD	Taka	USD	Taka
<b>8 Interest income</b>					
Term Loan		1,011,120	83,619,631	516,884	40,679,911
Bills discount		790,759	65,395,768	652,483	51,351,868
<b>Interest on loans and advances</b>		<b>1,801,879</b>	<b>149,015,399</b>	<b>1,169,367</b>	<b>92,031,779</b>
<b>9 Interest paid on deposits, borrowings etc.</b>					
Interest paid on IFIC Bank Limited		1,138,054	94,117,062	1,004,819	79,081,438
		<b>1,138,054</b>	<b>94,117,062</b>	<b>1,004,819</b>	<b>79,081,438</b>