

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Audited Financial Statements

as at and for the year ended 31 December 2019

Independent Auditor's Report
To the Shareholders of IFIC Bank Limited
Report on the Audit of the Consolidated and Separate Financial Statements

Howladar Yunus & Co.

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Opinion

We have audited the 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 and separate Balance Sheet as at 31 December 2019, consolidated and separate Profit and Loss Accounts, consolidated and separate Cash Flow Statement, consolidated and separate statement of Changes in Equity for the year then ended, and notes to consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated Balance Sheet of the Group and the separate Balance Sheet of the Bank as at 31 December 2019, and its consolidated and separate Profit and Loss Accounts and its consolidated and separate Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 02.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.



1. Measurement of provision for Loans and Advances	
See notes no. 7, 8, and 15.1 to 15.3 to the financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
<p>The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> • Future business performance of the borrower; • Key assumptions relating to the further business performance of the borrower; • The market value of the collateral; and • Ability to repossess the collateral. <p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.</p> <p>Due to the high level of judgment involved and using some manual process in estimating the provision for loans and advance, we considered this to be a key audit matter.</p> <p>At the year end, the Bank reported total loans and advances of BDT 228,588 million (2018: BDT 206,930 million) and provision for loans and advances of BDT 6,034 million (2018: BDT 5,954 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Reviewed quarterly Classification of Loans (CL). <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the companies general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
2. Valuation of Treasury Bill and Treasury Bond	
See note no. 6 to the financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
<p>The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.</p>	<p>We tested the operating effectiveness of key controls focusing on the classification and measurement of Treasury Bills and Treasury Bonds.</p>



<p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models.</p>	<p>We tested a sample of the valuation models and the inputs used in those models using a variety of techniques. Applied in the circumstances.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>3. Measurement of Deferred Tax Assets</p>	
<p>See note no. 10.5 to the financial statements.</p>	
<p>The Key Audit Matter</p>	<p>How the matter was addressed in our audit</p>
<p>The Bank has reported net deferred tax assets to total BDT 870 million (2018: BDT 904 million) as at 31 December 2019.</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding of the Group and the Bank's key controls over the recognition and measurement of deferred tax assets and the assumptions used in estimating the Group and Bank's future taxable income. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition, and measurement of DTA's.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures as per IAS 12 Income Tax.</p>
<p>4. Legal and Regulatory matters</p>	
<p>The Key Audit Matter</p>	<p>How the matter was addressed in our audit</p>
<p>We focused on legal and regulatory matters because the Group and the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.</p>	<p>We obtained an understanding of the Group and The Bank's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsels.</p>



	<p>We assessed the methodologies on which the provision amounts are based, recalculated the provision, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>
5. IT Systems and Controls	
The Key Audit Matter	How the matter was addressed in our audit
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volumes of transactions processed in numerous locations daily and are reliance on automated and manual with automated (IT Dependent) controls.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT General Controls (Logical Access, Changes in management, and aspects of IT Operational Controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p>
6. Carrying value of Investments in Subsidiaries by the Bank	
See note no. 10.4 to the financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
<p>The Bank has invested in equity shares of its subsidiaries namely IFIC Securities Limited and IFIC Money Transfer (UK) Limited. As of 31 December 2019, the carrying value of these investments is BDT 2,233 million (2018: BDT 2,232 million).</p> <p>At the time of conducting our audit of the separate financial statements of the Bank, we have considered the recoverable value of the Bank's investments in IFIC Securities Limited and IFIC Money Transfer (UK) Limited stated at cost.</p>	<p>We have reviewed management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36: Impairment of Assets.</p> <p>We have analyzed the appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p>



Other Information

Management of the Bank is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the bank.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management of the Bank is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2.1.1, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991, and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control, and risk management functions of the Bank.

The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to Going Concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

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

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section informing the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities.
- (iii) financial statements of two subsidiaries namely, IFIC Securities Limited and IFIC Money Transfer (UK) Limited has been audited by Howladar Yunus & Co., Chartered Accountants and Ahmed & Co. respectively and have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;



- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery as explained in note-15.1.
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4,350 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Muhammad Farooq FCA
Managing Partner
Howladar Yunus & Co.
Chartered Accountants

Dated: Dhaka
24 June 2020

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Balance Sheet
as at 31 December 2019

Particulars	Note	Amount in BDT	
		31 December 2019	31 December 2018
PROPERTY AND ASSETS			
Cash		18,056,029,773	16,020,741,583
Cash in hand (including foreign currency)	3.a	2,872,338,679	2,899,030,289
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.b	15,183,691,094	13,121,711,294
Balance with other banks and financial institutions	4.a	5,637,834,204	8,118,980,917
In Bangladesh	4.a(i)	4,014,719,294	6,823,590,588
Outside Bangladesh	4.a(ii)	1,623,114,910	1,295,390,329
Money at call and on short notice	5	910,000,000	3,970,000,000
Investments		47,216,443,756	32,664,400,101
Government securities	6.a	41,369,255,890	27,258,506,647
Other investments	6.b	5,847,187,866	5,405,893,454
Loans and advances		232,523,441,067	210,932,291,735
Loans, cash credit, overdrafts etc.	7.a	221,562,693,268	198,670,768,028
Bills purchased and discounted	8.a	10,960,747,799	12,261,523,707
Fixed assets including premises, furniture and fixtures	9.a	6,430,431,620	5,445,835,394
Other assets	10.a	9,606,537,605	9,003,060,522
Non-banking assets	11	373,474,800	373,474,800
Total assets		320,754,192,825	286,528,785,052
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial institutions and agents	12.a	8,215,860,335	9,969,432,278
Subordinated debt	13	2,800,000,000	3,500,000,000
Deposits and other accounts	14.a	258,180,418,372	226,259,493,148
Current deposit and other accounts		56,902,055,915	40,880,141,888
Bills payable		1,840,433,536	2,066,079,056
Savings bank deposits		23,299,407,700	24,711,065,947
Fixed deposits		176,138,521,221	158,602,206,257
Other liabilities	15.a	25,014,936,765	23,122,200,254
Total liabilities		294,211,215,472	262,851,125,680
Capital/Shareholders' equity			
Paid up capital	16.2	14,726,126,080	13,387,387,350
Statutory reserve	17	6,531,903,475	5,696,418,313
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19.a	50,121,137	13,108,847
Revaluation reserve against fixed assets	20	115,314,704	115,314,704
Foreign currency translation reserve	20.a	43,867,936	43,292,875
Surplus in profit and loss account	22	4,920,565,744	4,267,059,068
Attributable to equity holders		26,542,970,473	23,677,652,554
Non-controlling interest	23	6,880	6,818
Total shareholders' equity		26,542,977,353	23,677,659,372
Total liabilities and shareholders' equity		320,754,192,825	286,528,785,052

OFF-BALANCE SHEET ITEMS

Contingent liabilities	24	51,095,166,712	60,435,601,239
Acceptances and endorsements	24.1	17,978,428,515	23,224,423,401
Letters of guarantee	24.2	9,274,250,539	10,228,543,056
Irrevocable letters of credit	24.3	14,673,137,826	15,475,413,131
Bills for collection	24.4	9,169,349,832	11,507,221,651
Other contingent liabilities		-	-
Other commitments		-	-
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		-	-
Total off-balance sheet exposures including contingent liabilities		51,095,166,712	60,435,601,239

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

S/d

S/d

S/d

S/d

Managing Director & CEO

Director

Director

Director

Signed as per our annexed report of same date

24 June 2020
Dhaka

S/d
Howladar Yunus & Co.
Chartered Accountants

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Profit and Loss Account
for the year ended 31 December 2019

Particulars	Note	Amount in BDT	
		2019	2018
Interest income	26.a	24,478,436,655	19,011,904,653
Interest paid on deposits, borrowings etc.	27.a	18,029,060,333	14,404,699,530
Net interest income		6,449,376,322	4,607,205,123
Investment income	28.a	2,458,206,971	2,044,196,628
Commission, exchange and brokerage	29.a	1,685,517,458	1,616,290,324
Other operating income	30.a	447,054,559	491,185,391
		4,590,778,988	4,151,672,343
Total operating income		11,040,155,310	8,758,877,466
Salary and allowances	31.a	2,587,806,203	2,580,872,443
Rent, taxes, insurance, electricity etc.	32.a	579,414,593	780,871,636
Legal expenses	33.a	10,070,710	12,493,496
Postage, stamp, telecommunication etc.	34.a	63,669,117	63,263,272
Stationery, printing, advertisement etc.	35.a	440,222,770	377,063,537
Managing Director's salary	36	15,720,000	15,120,000
Directors' fees	37.a	1,854,500	1,911,000
Auditors' fees	38.a	3,509,093	1,990,133
Charges on loan losses		758,054,030	109,642,716
Depreciation and repair of bank's assets	39.a	739,709,049	484,602,840
Other expenses	40.a	862,957,110	736,982,153
Total operating expenses		6,062,987,175	5,164,813,226
Operating profit		4,977,168,135	3,594,064,240
Share of profit of joint ventures/associates	40.b.(iii)	553,833,085	400,125,308
Profit before provision		5,531,001,220	3,994,189,548
Provision for loans, investments & other assets	41.a		
Provision for loans and advance		774,041,752	820,009,910
Provision for diminution in value of investments		130,186,221	178,461,306
Provision for other assets		42,052,379	36,959,400
Total provision		946,280,352	1,035,430,616
Profit/(Loss) before taxes		4,584,720,868	2,958,758,932
Provision for taxation			
Current tax	42.a	1,721,922,569	1,100,427,296
Deferred tax expense/(income)	42.b	35,067,669	208,827,364
		1,756,990,238	1,309,254,660
Net profit after taxation		2,827,730,630	1,649,504,272
Net profit after tax attributable to:			
Equity holders of the Bank		2,827,730,568	1,649,504,123
Non-controlling interest	23.1	62	149
Retained earnings brought forward from previous year		4,267,059,068	4,623,795,459
Add: Net profit after tax (attributable to equity holders of the Bank)		2,827,730,568	1,649,504,123
Profit available for appropriation		7,094,789,635	6,273,299,582
Appropriations:			
Statutory reserve		835,485,162	571,877,584
General reserve		-	-
Dividend		1,338,738,730	1,434,362,930
		2,174,223,892	2,006,240,514
Retained surplus		4,920,565,744	4,267,059,068
Earnings Per Share (EPS)	51.a	1.92	1.12

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

S/d	S/d	S/d	S/d
_____ Managing Director & CEO	_____ Director	_____ Director	_____ Director

Signed as per our annexed report of same date

S/d

24 June 2020
Dhaka

Howladar Yunus & Co.
Chartered Accountants

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Cash Flow Statement
for the year ended 31 December 2019

Particulars	Amount in BDT	
	2019	2018
A. Cash flows from operating activities		
Interest received	26,971,611,707	20,836,219,004
Interest payments	(16,740,005,553)	(12,955,875,376)
Dividend received	211,291,220	48,101,207
Fees and commission received	1,685,517,458	1,668,289,873
Recoveries of loans and advances previously written-off	601,783,125	165,713,392
Cash payments to employees	(2,594,026,203)	(2,606,492,443)
Cash payments to suppliers	(486,915,656)	(460,646,290)
Income taxes paid	(1,702,545,421)	(1,119,101,633)
Receipts from other operating activities	43.a 451,283,993	495,324,043
Payments for other operating activities	44.a (1,637,168,532)	(1,716,485,152)
Operating cash flows before changing in operating assets and liabilities	6,760,826,137	4,355,046,625
Increase/(decrease) in operating assets and liabilities		
Statutory deposits	-	-
Loans and advances to other banks	-	-
Loans and advances to customers	(23,122,311,754)	(27,338,068,246)
Other assets	46.a (198,632,806)	204,015,482
Deposits from other banks	(3,167,323,151)	(8,875,257,126)
Deposits from customers	33,804,194,781	33,534,508,943
Other liabilities	47.a (183,655,715)	402,549,407
	7,132,271,356	(2,072,251,540)
Net cash flows from/(used in) operating activities	13,893,097,493	2,282,795,086
B. Cash flows from investing activities		
Net proceeds/(payments) from sale/(purchase) of Government securities	(14,072,890,953)	(3,309,748,707)
Net proceeds/(payments) from sale/(purchase) of securities	(82,932,707)	(81,973,557)
Purchase of property, plant & equipment	(632,524,390)	(2,195,800,256)
Proceeds from sale of property, plant & equipment	2,609,682	2,474,163
Net cash flows from/(used in) investing activities	(14,785,738,368)	(5,585,048,358)
C. Cash flows from financing activities		
Borrowing from other banks, financial institutions and agents	(2,453,571,943)	1,495,851,530
Payment against lease obligation	(137,348,282)	(2,839,044)
Net cash flows from/(used in) financing activities	(2,590,920,225)	1,493,012,486
D. Net increase/(decrease) in cash (A+B+C)	(3,483,561,100)	(1,809,240,786)
E. Effects of exchange rate changes on cash and cash equivalents	(21,451,422)	(23,814,371)
F. Opening balance of cash and cash equivalents	28,111,991,100	29,945,046,257
G. Closing balance of cash and cash equivalents (D+E+F)	24,606,978,577	28,111,991,100
Closing cash and cash equivalents	45.a	
Cash in hand	2,872,338,679	2,899,030,289
Balance with Bangladesh Bank and its agents bank	15,183,691,094	13,121,711,294
Balance with other banks and financial institutions	5,637,834,204	8,118,980,917
Money at call and on short notice	910,000,000	3,970,000,000
Prize bonds	3,114,600	2,268,600
	24,606,978,577	28,111,991,100

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Statement of Changes in Equity
for the year ended 31 December 2019

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 2019	13,387,387,350	5,696,418,313	155,071,397	13,108,847	115,314,704	43,292,875	4,267,059,068	6,818	23,677,659,372
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2019	13,387,387,350	5,696,418,313	155,071,397	13,108,847	115,314,704	43,292,875	4,267,059,068	6,818	23,677,659,372
Surplus/(deficit) on account of revaluation of investments	-	-	-	37,012,290	-	-	-	-	37,012,290
Effect of foreign currency translation	-	-	-	-	-	575,061	-	-	575,061
Net gain and losses not recognized in the profit and loss account	13,387,387,350	5,696,418,313	155,071,397	50,121,137	115,314,704	43,867,936	4,267,059,068	6,818	23,715,246,723
Net profit for the year	-	-	-	-	-	-	2,827,730,568	62	2,827,730,630
Bonus share issued for the year 2018	1,338,738,730	-	-	-	-	-	(1,338,738,730)	-	-
Transfer to statutory reserve	-	835,485,162	-	-	-	-	(835,485,162)	-	-
Balance as at 31 December 2019	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	43,867,936	4,920,565,744	6,880	26,542,977,353
Balance as at 1 January 2018	11,953,024,420	5,124,540,729	155,071,397	6,229,549	115,314,704	126,200,022	4,623,795,459	6,669	22,104,182,949
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2018	11,953,024,420	5,124,540,729	155,071,397	6,229,549	115,314,704	126,200,022	4,623,795,459	6,669	22,104,182,949
Surplus/(deficit) on account of revaluation of investments	-	-	-	6,879,298	-	-	-	-	6,879,298
Effect of foreign currency translation	-	-	-	-	-	(82,907,147)	-	-	(82,907,147)
Transfer from provision to general reserve	-	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the profit and loss account	11,953,024,420	5,124,540,729	155,071,397	13,108,847	115,314,704	43,292,875	4,623,795,459	6,669	22,028,155,100
Net profit for the year	-	-	-	-	-	-	1,649,504,123	149	1,649,504,272
Bonus share issued for the year 2017	1,434,362,930	-	-	-	-	-	(1,434,362,930)	-	-
Transfer to statutory reserve	-	571,877,584	-	-	-	-	(571,877,584)	-	-
Balance as at 31 December 2018	13,387,387,350	5,696,418,313	155,071,397	13,108,847	115,314,704	43,292,875	4,267,059,068	6,818	23,677,659,372

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Balance Sheet
as at 31 December 2019

Amount in BDT

Particulars	Note	31 December 2019	31 December 2018
PROPERTY AND ASSETS			
Cash	3	18,054,911,164	16,007,300,116
Cash in hand (including foreign currency)	3.1	2,871,220,070	2,885,588,822
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	15,183,691,094	13,121,711,294
Balance with other banks and financial institutions	4	5,617,034,218	8,099,478,106
In Bangladesh	4.1	4,014,719,294	6,823,590,588
Outside Bangladesh	4	1,602,314,924	1,275,887,518
Money at call and on short notice	5	910,000,000	3,970,000,000
Investments	6	45,500,148,033	31,304,385,918
Government securities	6.1	41,369,255,890	27,258,506,647
Other investments	6.2	4,130,892,143	4,045,879,271
Loans and advances	7	228,588,500,237	206,929,635,707
Loans, cash credit, overdrafts etc.	7.1	217,627,752,438	194,668,112,000
Bills purchased and discounted	8	10,960,747,799	12,261,523,707
Fixed assets including premises, furniture and fixtures	9	6,384,198,894	5,437,949,308
Other assets	10	11,522,075,844	10,951,058,432
Non-banking assets	11	373,474,800	373,474,800
Total assets		316,950,343,190	283,073,282,387
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial Institutions and agents	12	8,215,860,335	9,969,432,278
Subordinated debt	13	2,800,000,000	3,500,000,000
Deposits and other accounts	14	258,368,141,236	226,363,971,908
Current deposit and other accounts	14.1	57,089,778,779	40,984,620,648
Bills payable	14.2	1,840,433,536	2,066,079,056
Savings bank deposits	14.3	23,299,407,700	24,711,065,947
Fixed deposits	14.4	176,138,521,221	158,602,206,257
Other liabilities	15	22,969,362,164	21,123,643,983
Total liabilities		292,353,363,735	260,957,048,169
Capital/Shareholders' equity			
Paid up capital	16.2	14,726,126,080	13,387,387,350
Statutory reserve	17	6,531,903,475	5,696,418,313
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	50,121,137	13,108,847
Revaluation reserve against fixed assets	20	115,314,704	115,314,704
Surplus in profit and loss account	21	3,018,442,662	2,748,933,607
Total shareholders' equity		24,596,979,455	22,116,234,218
Total liabilities and shareholders' equity		316,950,343,190	283,073,282,387

OFF-BALANCE SHEET ITEMS

Contingent liabilities	24	51,095,166,712	60,435,601,239
Acceptances and endorsements	24.1	17,978,428,515	23,224,423,401
Letters of guarantee	24.2	9,274,250,539	10,228,543,056
Irrevocable letters of credit	24.3	14,673,137,826	15,475,413,131
Bills for collection	24.4	9,169,349,832	11,507,221,651
Other contingent liabilities		-	-
Other commitments		-	-
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		-	-
Total off-balance sheet exposures including contingent liabilities		51,095,166,712	60,435,601,239

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

24 June 2020
Dhaka

S/d
Howladar Yunus & Co.
Chartered Accountants

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Profit and Loss Account
for the year ended 31 December 2019

Particulars	Note	Amount in BDT	
		2019	2018
Interest income	26	24,425,901,857	18,964,531,143
Interest paid on deposits, borrowings, etc.	27	18,028,020,880	14,404,724,629
Net interest income		6,397,880,977	4,559,806,514
Investment income	28	2,626,318,570	2,358,454,068
Commission, exchange and brokerage	29	1,649,754,740	1,592,824,756
Other operating income	30	445,787,866	489,623,536
		4,721,861,176	4,440,902,360
Total operating income		11,119,742,153	9,000,708,874
Salary and allowances	31	2,563,693,541	2,559,167,763
Rent, taxes, insurance, electricity, etc.	32	565,034,570	765,826,300
Legal expenses	33	8,599,690	10,300,630
Postage, stamp, telecommunication, etc.	34	63,430,699	62,977,318
Stationery, printing, advertisement, etc.	35	439,870,887	376,907,659
Managing Director's salary	36	15,720,000	15,120,000
Directors' fees	37	1,560,000	1,704,000
Auditors' fees	38	2,916,667	1,500,000
Charges on loan losses		758,054,030	109,642,716
Depreciation and repair of bank's assets	39	734,843,273	481,382,585
Other expenses	40	845,572,724	721,477,016
Total operating expenses		5,999,296,081	5,106,005,987
Profit/(Loss) before provision		5,120,446,072	3,894,702,887
Provision for loans, investments and other assets	41		
Provision for loans and advance		774,041,752	813,009,910
Provision for diminution in value of investments		126,926,131	185,345,656
Other provisions		42,052,379	36,959,400
Total Provision		943,020,262	1,035,314,966
Profit/(Loss) before taxes		4,177,425,810	2,859,387,921
Provision for taxation	42		
Current tax		1,700,000,000	1,080,000,000
Deferred tax expense/(income)		33,692,863	209,153,654
		1,733,692,863	1,289,153,654
Net profit after taxation		2,443,732,947	1,570,234,267
Retained earnings brought forward from previous year		2,748,933,607	3,184,939,855
		5,192,666,554	4,755,174,122
Appropriations			
Statutory reserve		835,485,162	571,877,584
Dividend		1,338,738,730	1,434,362,930
		2,174,223,892	2,006,240,514
Retained surplus		3,018,442,662	2,748,933,607
Earnings Per Share (EPS)	49	1.66	1.07

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

S/d	S/d	S/d	S/d
_____ Managing Director & CEO	_____ Director	_____ Director	_____ Director

Signed as per our annexed report of same date

S/d

24 June 2020
Dhaka

Howladar Yunus & Co.
Chartered Accountants

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Cash Flow Statement

for the year ended 31 December 2019

Amount in BDT

Particulars	2019	2018
A. Cash flows from operating activities		
Interest received	26,919,076,909	20,788,845,494
Interest payments	(16,738,966,100)	(12,955,900,475)
Dividend received	208,265,302	40,611,379
Fees and commission received	1,649,754,740	1,616,275,359
Recoveries of loans and advances previously written-off	601,783,125	165,713,392
Cash payments to employees	(2,569,913,541)	(2,584,787,763)
Cash payments to suppliers	(486,915,656)	(460,646,290)
Income taxes paid	(1,660,879,183)	(1,056,598,314)
Receipts from other operating activities	43 447,828,684	471,064,423
Payments for other operating activities	44 (1,602,455,876)	(1,682,602,848)
Operating cash flows before changing in operating assets and liabilities	6,767,578,404	4,341,974,357
Increase/(decrease) in operating assets and liabilities		
Statutory deposits	-	-
Loans and advances to other banks	-	-
Loans and advances to customers	(23,239,690,456)	(27,421,751,453)
Other assets	46 (208,344,698)	206,716,709
Deposits from other banks	(3,167,323,151)	(8,875,257,126)
Deposits from customers	33,887,438,885	33,633,872,060
Other liabilities	47 (169,972,291)	385,863,030
	7,102,108,289	(2,070,556,780)
Net cash flows from/(used in) operating activities	13,869,686,693	2,271,417,577
B. Cash flows from investing activities		
Net proceeds/(payments) from sale/(purchase) of Government securities	(14,072,890,953)	(3,309,748,707)
Net proceeds/(payments) from sale/(purchase) of securities	(85,012,872)	(97,673,892)
Purchase of property, plant & equipment	(594,177,750)	(2,198,868,226)
Proceeds from sale of property, plant & equipment	2,609,682	2,474,163
Net cash flows from/(used in) investing activities	(14,749,471,893)	(5,603,816,662)
C. Cash flows from financing activities		
Borrowing from other banks, financial institution and agents	(2,453,571,943)	1,495,851,530
Payment against lease obligation	(137,348,282)	(2,839,044)
Net cash flows from/(used in) financing activities	(2,590,920,225)	1,493,012,486
D. Net increase/(decrease) in cash (A+B+C)	(3,470,705,425)	(1,839,386,599)
E. Effects of exchange rate changes on cash and cash equivalents	(23,281,415)	(17,831,906)
F. Opening balance of cash and cash equivalents	28,079,046,822	29,936,265,327
G. Closing balance of cash and cash equivalents (D+E+F)	24,585,059,982	28,079,046,822
Closing cash and cash equivalents	45	
Cash in hand	2,871,220,070	2,885,588,822
Balance with Bangladesh Bank and its agents bank	15,183,691,094	13,121,711,294
Balance with other banks and financial institutions	5,617,034,218	8,099,478,106
Money at call and on short notice	910,000,000	3,970,000,000
Prize bonds	3,114,600	2,268,600
	24,585,059,982	28,079,046,822

Note: The reconciliation of cash flows from operating activities (solo basis) has been prepared at note 48 of the Financial Statements.

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Statement of Changes in Equity
for the year ended 31 December 2019

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 2019	13,387,387,350	5,696,418,313	155,071,397	13,108,847	115,314,704	2,748,933,607	22,116,234,218
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2019	13,387,387,350	5,696,418,313	155,071,397	13,108,846.5	115,314,704	2,748,933,607	22,116,234,218
Surplus/deficit on account of revaluation of investments	-	-	-	37,012,290	-	-	37,012,290
Net gain and losses not recognized in the income statement	13,387,387,350	5,696,418,313	155,071,397	50,121,137	115,314,704	2,748,933,607	22,153,246,508
Net profit for the year	-	-	-	-	-	2,443,732,947	2,443,732,947
Bonus share issued for the year 2018	1,338,738,730	-	-	-	-	(1,338,738,730)	-
Transfer to statutory reserve	-	835,485,162	-	-	-	(835,485,162)	-
Balance as at 31 December 2019	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	3,018,442,662	24,596,979,455
Balance as at 1 January 2018	11,953,024,420	5,124,540,729	155,071,397	6,229,549	115,314,704	3,184,939,855	20,539,120,654
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2018	11,953,024,420	5,124,540,729	155,071,397	6,229,549	115,314,704	3,184,939,855	20,539,120,654
Surplus/deficit on account of revaluation of investments	-	-	-	6,879,298	-	-	6,879,298
Net gain and losses not recognized in the income statement	11,953,024,420	5,124,540,729	155,071,397	13,108,847	115,314,704	3,184,939,855	20,545,999,952
Net profit for the year	-	-	-	-	-	1,570,234,267	1,570,234,267
Bonus share issued for the year 2017	1,434,362,930	-	-	-	-	(1,434,362,930)	-
Transfer to statutory reserve	-	571,877,584	-	-	-	(571,877,584)	-
Balance as at 31 December 2018	13,387,387,350	5,696,418,313	155,071,397	13,108,847	115,314,704	2,748,933,607	22,116,234,218

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Liquidity Statement

Maturity Analysis of Assets and Liabilities

as at 31 December 2019

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	
Assets						
Cash in hand (including Bangladesh Bank)	4,600,320,070	82,900,000	82,900,000		13,288,791,094	18,054,911,164
Balance with other banks and financial institutions	1,711,864,627	3,905,169,591	-	-	-	5,617,034,218
Money at call and on short notice	910,000,000	-	-	-	-	910,000,000
Investment	4,080,981,034	2,840,398,804	16,622,022,971	13,292,448,919	8,664,296,305	45,500,148,033
Loans and advances	53,570,426,048	25,381,458,649	45,317,347,274	38,357,255,614	65,962,012,652	228,588,500,237
Fixed assets including premises, furniture and fixture		638,419,889	957,629,834	2,553,679,558	2,234,469,613	6,384,198,894
Other assets	2,140,340,881	3,944,569,724	1,783,617,401	1,420,245,439	2,233,302,400	11,522,075,844
Non-banking assets	-	-	-	373,474,800	-	373,474,800
Total assets	67,013,932,660	36,792,916,658	64,763,517,480	55,997,104,330	92,382,872,063	316,950,343,190
Liabilities						
Subordinated debt	-	-	700,000,000	2,100,000,000	-	2,800,000,000
Borrowing from other banks, financial institutions and agents	1,361,351,010	4,390,920,724	1,984,011,837	268,012,046	211,564,718	8,215,860,335
Deposits and other accounts	31,583,308,063	51,862,183,446	76,664,090,979	26,447,741,580	71,810,817,168	258,368,141,236
Other liabilities	1,878,592,772	481,747,620	3,422,438,203	2,274,271,409	14,912,312,160	22,969,362,164
Total liabilities	34,823,251,846	56,734,851,790	82,770,541,019	31,090,025,035	86,934,694,046	292,353,363,735
Net liquidity	32,190,680,815	(19,941,935,133)	(18,007,023,539)	24,907,079,295	5,448,178,017	24,596,979,455

Notes to the Financial Statements

as at and for the year ended 31 December 2019

1. Reporting Entity

1.1. IFIC Bank Limited

International Finance Investment and Commerce Bank Limited (hereinafter referred to as "the Bank" / "IFIC Bank"), started its journey in 1976 at the instance of the Government as a joint venture between the Government of Bangladesh and sponsors in the private sector with the objective of working as a finance company within the country and setting up joint venture banks/financial institutions abroad. In 1983 when the Government allowed to open up banking in the private sector, the finance company was converted into a full fledged commercial bank. The Government of the People's Republic of Bangladesh, now, holds 32.75% of the share capital of the Bank. Directors and Sponsors having vast experience in the field of trade and commerce own 8.33% of the share capital and the rest is held by Institutions both local & foreign and General Shareholders.

Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Bank has 148 branches, 35 Uposhakhas and 82 ATM booths with 93 ATMs as at 31 December 2019.

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, Uposhakhas and Alternative Delivery Channels like ATM Booths and Internet Banking, Digital Channel etc.

1.2. Off-shore Banking Unit (OBU)

Off-shore Banking Unit (OBU) is a separate business unit of IFIC Bank Limited. The Bank obtained permission for OBU operations from Bangladesh Bank vide its letter no. BRPD (P-3) 744 (104)/2009-4233 dated 17 November 2009 and commenced its operation from 10 May 2010. The operation of OBU is governed under prudential regulations of Bangladesh Bank and solo basis Financial Statements of the Bank have been prepared treating OBU as a business line in equivalent Bangladeshi Taka as per BRPD circular no 2 dated 25 February 2019, a separate Financial Statements has been prepared for OBU which are shown in **Annexure-L**.

1.3. Subsidiaries of the Bank

1.3.1. IFIC Securities Limited [IFICSL]

IFIC Securities Limited, a fully owned subsidiary company of IFIC Bank Limited was incorporated as a public limited company and acquired membership of Dhaka Stock Exchange Limited for brokerage transaction. The main objectives of this subsidiary are buying, selling and settling of securities on behalf of investors and its own portfolio as well as other related services. The registered office of IFICSL located at IFIC Tower, 61, Purana Paltan, Dhaka – 1000.

1.3.2. IFIC Money Transfer (UK) Limited

IFIC Money Transfer (UK) Limited is a fully owned subsidiary of IFIC Bank incorporated as a private limited company with Companies House of England and Wales under registration no. 07379137 on 16 September 2010 and obtained its Money Laundering registration on 17 January 2011 issued by HM Customs and Excise. The company got registration from Financial Services Authority (FSA) on 16 June 2011 under Payment Services Regulations 2009. The company commenced its operation on 31 August 2011. The registered office of the company is located at Ferrari House, 2nd Floor, 102 College Road, Harrow, Middlesex, United Kingdom HAI IES, London, UK. The principal activities of the company is remitting/transfer money and related services on behalf of its customers.

1.4. Associates of the Bank

1.4.1. Nepal Bangladesh Bank Limited [NBBL], Nepal

Nepal Bangladesh Bank Limited, a joint venture commercial bank between IFIC Bank Limited and Nepali Nationals, started operation with effect from 06 June 1994 in Nepal. The Bank has so far opened 81 (eighty one) branches at different important locations in Nepal. IFIC Bank presently holds 40.91% shares in NBBL and has a Management & Technical Service Agreement to provide technical know-how and professional knowledge to strengthen the smooth function of NBBL. NBBL is listed with Nepal Stock Exchange Limited.

1.4.2. Oman Exchange LLC, Oman

Oman Exchange LLC, an exchange company incorporated under the laws of the Sultanate of Oman in 1985 as a joint venture between IFIC Bank and Omani Nationals. The principal activities of the company is, to remit/transfer money/fund to the different parts of the world including Bangladesh and related services. IFIC holds 49% shares of Oman Exchange LLC and the rest 51% shares is held by the Omani sponsors. The registered office is located Building no. 4699, Way no. 4567, Hamriya, PO Box 114, Post code 994, Hey Al Mina, Hamriya, Muscat, Sultanate of Oman.

1.5. MCB Bank Ltd, Pakistan

MCB Bank Limited is one of the largest Banks in Pakistan listed on Pakistan Stock Exchange. IFIC Bank had two branches in Pakistan, one at Karachi (in 1987) and the other at Lahore (in 1993). IFIC Pakistan operation was merged with NDLC on 02 October 2003 rename it NDLC-IFIC Bank Limited. It was subsequently renamed as NIB Bank Limited with effect from 28 November 2005. In 2017 NIB Bank Limited merged with MCB Bank Limited and IFIC's holding diluted significantly due to this merger. Now IFIC holds very minimal share in MCB Bank Limited.

2. Basis of Preparation and Significant Accounting Policies

2.1. Basis of preparation

2.1.1. Statement of compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed 2017 but yet to issue financial reporting standards for public interest entities such as Banks. The Banking Companies Act 1991 has been amended to require banks to prepare their financial statements under such financial reporting standards. The FRC yet to issue any financial reporting standards as per the provisions of the FRA and hence the consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the requirements of the Banking Companies Act 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and regulations.

In case any requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs and IASs, the requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank shall prevail.

Material departures from the requirements of IFRS in preparing these financial statements are as follows:

i. Investment in shares and securities

IAS/IFRS: As per requirements of IFRS 9: *Financial Instruments*, classification and measurement of investment in shares and securities will depend on the entity's business model and its contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13: *Fair Value Measurement*) at the year-end is taken to profit and loss account or other comprehensive income, respectively.

Bangladesh Bank: As per Banking Regulation & Policy Department (BRPD) circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued on the basis of year end market price and Net Assets Value (NAV) of last audited balance sheet, respectively. In addition to that Department of Of-site Supervision (DOS) of Bangladesh Bank vide its circular letter no. 03 dated 12 March 2015 directed that investment in mutual fund (closed end) will be revalued at lower of cost and (higher of marker value and 85% of NAV). Provision should be made for any loss arising from diminution in value of investment on portfolio basis; otherwise investments are recognized at cost.

ii. Revaluation gains/losses on Government securities

IAS/IFRS: As per requirement of IFRS 9: *Financial Instruments*, where securities will fall under the category of 'fair value through profit or loss account', any change in the fair value of assets is recognized through the profit and loss account. Securities designated as amortized cost are measured at effective interest rate method and interest income is recognized through the profit and loss account.

Bangladesh Bank: Held for Trading (HFT) securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date to be recognized as other reserves in equity. Any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. Held to Maturity (HTM) securities which have not matured as at the balance sheet date are amortized at year end and gains or losses on amortization are recognized in other reserve as part of equity.

iii. Repo and reverse repo transactions

IAS/IFRS: As per IFRS 9: *Financial Instruments*, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS circular letter no. 6 dated 15 July 2010 and subsequent clarification in DOS circular no. 2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction and the financial asset is derecognized in the seller's book and recognized in the buyer's book. In addition to that as per DMD circular letter no. 7 dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS), whereby such banks may carry out collateralized repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

iv. Provision on loans and advances/investments

IAS/IFRS: As per IFRS 9: *Financial Instruments*, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each

reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 5 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 1 dated 20 February 2018 and BRPD circular No. 3 dated 21 April 2019 a general provision at 0.25% to 5% under different categories of unclassified/standard loans 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 off-balance sheet exposures as per BRPD circular no. 10 dated 18 September 2007, BRPD circular no. 7 dated 21 June 2018 and BRPD circular no. 13 dated 18 October 2018. 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. 4 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 IFRS 9.

v. Recognition of interest in suspense

IAS/IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

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

vi. Other comprehensive income

IAS/IFRS: As per IAS 1: *Presentation of Financial Statements*, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income 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 are the elements of OCI allowed to be included in a single OCI Statement. As such the Bank does not prepare the OCI statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vii. Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and presentation of financial instruments different from as prescribed by IFRS 9. As such full disclosure and presentation requirements cannot be made in the financial statements as per IFRS 7: *Financial Instruments Disclosures* and IAS 32: *Financial Instruments: Presentation*.

viii. Financial guarantees

IAS/IFRS: As per IFRS 9: *Financial Instruments*, financial guarantees are contracts that requires an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the term of debt instruments. Financial guarantee liabilities are recognized initially at their fair value and amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and loss allowance determined expected credit loss under IFRS 9. Financial guarantees are prescribed to be included in other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as Letter of Credit, Letter of Guarantee should be treated as Off-balance items. No liability is recognized for the guarantee except the cash margin.

ix. Cash and cash equivalent

IAS/IFRS: Cash and cash equivalents items should be reported as cash item as per IAS 7: *Statement of Cash Flows*.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet. Treasury bills, Bangladesh Bank bills and prize bonds are shown under investments in the balance sheet. However, in the Cash Flow Statement, money at call and on short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

x. Non-banking asset

IAS/IFRS: No indication of Non-banking asset is found in any IAS/IFRS.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, there is a separate balance sheet item named Non-banking assets shown in the standard template of the balance sheet.

xi. Cash flow statement

IAS/IFRS: As per IAS 7: *Statements of Cash Flows*, the cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, Cash Flow Statement is the mixture of direct and indirect methods.

xii. Balance with Bangladesh Bank: (Cash Reserve Requirement - CRR)

IAS/IFRS: As per IAS 7: *Statements of Cash Flows*, Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations.

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

xiii. Presentation of intangible asset

IAS/IFRS: Intangible asset must be identified, recognized and disclosed in the financial statements as per IAS 38: *Intangible Assets*.

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

xiv. Off-balance sheet items

IAS/IFRS: There is no concept of off-balance sheet items in any IAS/IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD circular no. 14, off-balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xv. Disclosure of appropriation of profit

IAS/IFRS: There is no requirement to show appropriation of profit on the face of Profit and Loss Account.

Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, an appropriation of profit should be disclosed on the face of profit and Loss Account.

xvi. Loans and advances net off provision

IAS/IFRS: As per IFRS 9, loans and advances shall be presented at amortized cost net off any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instruments).

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

xvii. Presentation of Financial Statement

IAS/IFRS: As per IAS 1 financial statements shall comprise statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, cash flow statement, adequate notes comprising summary of accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: Bangladesh Bank vide it BRPD circular no. 14 dated 25 June 2003 directed all banks to prepared their financial statements in the prescribed template comprising balance sheet,

profit and loss account, cash flow statement, statement of changes in equity, liquidity statement and certain disclosures therein are guided by the First Schedule (section 38) of the Bank Company Act 1991. (amendment up to date) and BRPD circular no. 14 dated 25 June 2003. In that prescribed template there is no scope to present assets and liabilities under current and noncurrent classifications.

[Also refer to (note 2.2.13 Compliance of International Financial Reporting Standards (IFRSs))]

2.1.2. Going concern

The accompanying financial statements have been prepared on a going concern assumption that the Bank is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the Bank has neither the intension nor the need to liquidate or curtail materially the scale of its operation. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

The management of the Bank has calculated all the ratios related to the maintenance of regulatory requirements of capital & liquidity such as CRAR, LCR, NSFR, CRR & SLR and assessed adequacy of bank's liquidity as per structured liquidity profile to determine bank's shock absorbent capacity in different distress scenario. All the ratios and results thus calculated reveal that Bank is running well above the level of different parameters set by the respective guidelines of Bangladesh Bank. The rating outlook of the Bank as assigned by the rating agency CRAB is 'stable'. The management do not see any issue with respect to going concern due to recent pandemic COVID-19. Besides, the management is not aware of any material uncertainty that may cast significant doubt upon the Bank's ability to continue as a going concern.

2.1.3. Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT/Tk.) which is the Group's and the Bank's functional currency. Functional currency of Off-shore Banking Unit and one of subsidiaries namely IFIC Money Transfer (UK) Limited is US Dollar (USD) and Great Britain Pound (GBP) respectively. Functional currency for two associates – Oman Exchange LLC and Nepal Bangladesh Bank Limited 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 IAS 21: *The Effects of Changes in Foreign Exchange Rates*, where applicable.

2.1.4. Materiality and aggregation

Each material item considered as significant and has been presented separately in the financial statements. No assets has been set off against any liability other than IFIC General Account and unless the Bank has a legal right to set off such amount and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant financial reporting standards or as directed by Bangladesh Bank.

2.1.5. Comparative information

Accounting policies have been consistently applied by the bank and are consistent with those used in the previous year except for those related to IFRS 16: *Leases*, which is effective from 1 January 2019. Comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation. The Bank did not restate its comparative figures which affect the related implications of IAS 1: *Presentation of Financial Statements*.

2.1.6. Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly.

There is no un-reconciled entries / balances in case of inter-branch transactions as on the reporting date.

2.1.7. Foreign currency transactions

Foreign currency transactions are translated into the Bank's functional currency at the exchange rates prevailing on the respective date of such transactions as per IAS 21: *The Effect of Changes in Foreign Exchange Rates*. Monetary assets and liabilities in foreign currencies are converted into Taka at spot exchange rate at the reporting date. Foreign exchange differences are generally recognized in the profit and loss account.

Foreign operations

The results of financial statements of the Bank whose functional currency is not Bangladesh Taka are translated into Bangladesh taka as follows:

- a. Assets and liabilities for each statement of 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.

2.1.8. Reporting period

These financial statements cover one year from 1 January to 31 December which has been followed consistently over the period. The reporting period of the subsidiaries namely IFIC Securities Limited and IFIC Money Transfer (UK) Limited and one of the associates Oman Exchange LLC is in line with that of the parent i.e. IFIC Bank Limited. The reporting period of Nepal Bangladesh Bank Limited is as per Nepalese Calendar Year which generally ends around middle of July each year as such the operating results of Nepal Bangladesh Bank Limited have been adjusted proportionately in line with the reporting period of its parent i.e. IFIC Bank Limited during calculation of share of post-acquisition profit from associates in its consolidated financial statement.

2.1.9. Date of authorization

The Board of Directors has authorized these financial statements for public issue on 24 June 2020.

2.1.10. Use of estimates and judgments

In the preparation of the financial statements of the Bank in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the measurement of assets, liabilities, income and expenses. Accordingly, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Key estimates are as follows:

- Provision for loans, advances and investments ;
- Revaluation of land & buildings;
- Deferred tax assets/liabilities;
- Useful life of depreciable assets;
- Measurement of defined benefit obligation (Provision for gratuity);
- Provision / accruals for expenses;
- Provision for current taxation;
- Lease Liabilities and Right of Use Assets;

Changes in accounting estimates

Changes are reflected in the assumptions when they occur in accordance with IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors*. During the year, the bank has not adopted any change of accounting estimates.

2.1.11. Basis of consolidated

The consolidated financial statements include the financial statements of IFIC Bank Limited and its subsidiaries, IFIC Securities Limited operating in Bangladesh and IFIC Money Transfer (UK) Limited operating in United Kingdom as those of a single economic entity. The separate financial statements are derived by combining the financial statements of main operation of IFIC Bank Limited as Domestic Banking Unit and the financial statements of Off-shore Banking Unit (OBU) in equivalent BDT denomination as per BRPD circular no 2 dated 25 February 2019.

The consolidated and separate financial statements have been prepared in accordance with IAS 27: *Separate Financial Statements* and IFRS 10: *Consolidated Financial Statements*. The consolidated financial statements are prepared to a common year ended 31 December 2019. As stated in note 2.1.8 the reporting period of Nepal Bangladesh Bank Limited is different from that of the parent so necessary adjustments have been made to the financial results at the time of consolidation. Both consolidated financial statements and separate financial statements of the Bank comprises Balance Sheet, Profit & Loss Statement, Cash Flow Statement, Statement of Changes in Equity and relevant notes and disclosures.

Subsidiaries

Subsidiaries are all entities over which the bank has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. A parent of a subsidiary should present consolidated financial statements

according to IAS 27: *Separate financial statements* and IFRS 10: *Consolidated Financial Statements*. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases.

The financial statements of such subsidiary companies are incorporated on a line by line basis and investment held by the bank is eliminated against the corresponding share capital of subsidiaries in the consolidated financial statements.

Associates

An associate is an enterprise in which the investor has significant influence and which is neither subsidiary nor a joint venture of the investor (IAS 28: *Investments in Associates*). Significant influence is the power to participate in the financial and operating policy decisions of the investee but there is no control over those policies. Investment in associate is accounted for in the financial statements under the "equity method". Under the equity method, the investment is initially recorded at cost and the carrying amount is increased or decreased to recognize the investor's share of the profits and losses of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognized in the investor's profit and loss account. Distributions received from an investee reduce the carrying amount of the investment.

Transactions eliminated on consolidation

All intra-group transactions, balances and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements.

2.1.12. Basis for preparation of liquidity statement

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on the reporting date under the guidelines of Bangladesh Bank BRPD circular No. 14 dated 25 June 2003. The bank used following basis for preparation of liquidity statement:

Particulars	Basis
Balance with other Banks and financial institutions	Maturity term
Money at call and on short notice	Maturity term
Investments	Respective residual maturity
Loans and advances	Repayment schedule
Fixed assets	Useful lives
Other assets	Realization / amortization
Sub-ordinated debt	Maturity / repayment terms
Borrowing from other Banks, financial institutions	Maturity / repayment terms
Deposits and other accounts	Maturity term and past trend of withdrawal
Provisions and other liabilities	Settlement/Payment/adjustments schedule

2.1.13. Basis of provision, contingent liabilities, contingent assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for -

- a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or
- b. Any present obligation that arises from past events but is not recognized because-
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for except in the extremely rare circumstances where no reliable estimate can be made. Contingent assets are not recognized in the financial statement since this may result in the recognition of income that may never be realized."

2.2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities except otherwise instructed by Bangladesh Bank as the prime regulator or local laws where the entities are operated.

One new financial reporting standard, IFRS 16: *Leases* has come into effect from 01 January 2019. IFIC has adopted it where applicable; presented in note 2.2.1.7 with summary of impacts.

2.2.1. Property and assets

2.2.1.1. Cash and cash equivalents

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

2.2.1.2. Investment

All investments (except government treasury bill and bond) have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accredited by using the effective or historical yield method. Government Treasury Bills and Bonds (categorized as HFT and/or HTM) are accounted for as per Bangladesh Bank DOS

circular letter no. 5 dated 26 May 2008 and DOS circular no. 5 dated 28 January 2009. 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 Account 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 account and any increase is transferred to revaluation reserve account.

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 in line with Bangladesh Bank requirement. 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. Provision arising from diminution in value of investment recognized in profit and loss accounts as per Bangladesh Bank guidelines.

v. Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting and presented in the Bank’s consolidated financial statements as that of a single economic entity in accordance with the IAS 27: *Separate Financial Statements* and IFRS 10: *Consolidated Financial Statements*.

vi. Investment in associates

Investment in associates are accounted for using the equity method (equity accounted investees) in the consolidated financial statements as per IAS 28: *Investment in Associates*. The consolidated financial statements include the IFIC’s share of the profit and loss of equity accounted investees, after adjustments to align the accounting policies with those of the IFIC Bank Limited, from the date that significant influence commences until the date that significant influence ceases.

2.2.1.3. Loans and advances

i. Loans and advances are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business. It has been stated at gross value as pre requirements of the Banking Companies Act, 1991.

- ii. Provision for loans and advances are made in line with the direction contained in the BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 5 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 4 dated 29 January 2015, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 1 dated 20 February 2018, BRPD circular no. 7 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018 and BRPD circular No. 3 dated 21 April 2019 issued by Bangladesh Bank. As per BRPD circular no. 4 dated 29 January 2015, 1% additional provision has to be maintained for restructured large loan. The rates of provision by classification of loans and advances are disclosed in note number 15.1.1 and 15.2.1 of the financial statements.
- iii. Interest on unclassified loans and advances (except those of rescheduled and stay order accounts) is recognized as income on accrual basis, interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account. However actual recovery of interest on rescheduled, stay order accounts and classified loan credited to income account as per instruction of BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 16 dated 18 November 2014.
- iv. The Bank are providing concessional interest rare to its' good borrowers.
- v. Loans and advances are written off from the books of accounts in line with the BRPD circular no. 01 dated 06 February 2019 issued by Bangladesh Bank. These write off will not undermine/affect the claim amount against the borrower.
- vi. Provision on off balance sheet exposures Bank recognized 1% General Provision on the off balance sheet exposures in line with the directives of Bangladesh circular BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012 considering the exemption as provided through BRPD circular no. 10 dated 18 September 2007, BRPD circular no. 1 dated 03 January 2018, BRPD circular no. 7 dated 21 June 2018 and BRPD circular no.13 dated 18 October 2018.

2.2.1.4. Fixed assets and depreciation

Acquisition through outright purchase and Lease

i. Fixed assets are stated at cost/revalued amount less accumulated depreciation for those acquired through outright purchase except Land. Land is initially measured at cost and then recognized at revalued amount. The bank has charged depreciation using straight line method considering the following useful life:

Particulars	Useful Life (Years)
Building	40
Wooden Furniture	10
Steel Furniture	15
Office Equipment	5

Particulars	Useful Life (Years)
Computer	5
Electrical & Gas Equipment	8
Leasehold improvement	10
Vehicles	5
Soft furnishing	3

- ii. Land/Building is initially recognized at cost and subsequently carried at revalued amount following revaluation model as per IAS 16: *Property, plant and equipment*. The Bank regularly reviews if the fair value of Land/Building is materially different from its carrying amount or book value and if it is observed that there 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 in the month of asset is disposed.
- iv. Depreciation is comprised of both from fixed assets and leased assets as per IFRS 16: *Leases* (note 2.2.1.7.). As per the new standard, previously recognized rental expenses would be replaced with depreciation expenses.
- v. Assets that take some time to get it ready for use such as construction or improvement of building or implementation of new system etc. are initially kept as capital work in progress and once ready/available for use then it is transferred to respective category of fixed assets and calculation of depreciation starts accordingly.

2.2.1.5. Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. It comprises the value of computer application software licensed for the Bank, other than software applied to the operating systems of computers. An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Bank over a period of time and the cost of the asset can be measured reliably as per IAS 38: *Intangible Assets*. Intangible assets acquired separately are recorded on initial recognition at costs and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditure on intangible asset

Subsequent expenditure on intangible 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.

2.2.1.6. Impairment of assets

An asset is impaired when its carrying amount exceeds its recoverable amount as per IAS 36: *Impairment of Assets*. The Bank assesses at the end of each reporting period whether there is any indication that an asset may be impaired. The impairment test is also made whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, the Bank makes an estimate of the recoverable amount of such assets. Upon estimation, if the recoverable amount is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and resultant impairment losses are recognized in the profit and loss account.

However, the Bank has no such condition which makes any indication that might be suggestive for a heightened risk of existence of impairment at the reporting date.

2.2.1.7. Leases

IFRS 16: *Leases* has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). As Bangladesh Bank (BB) has no other alternative regulation or guidance regarding the same, IFIC Bank applied IFRS 16 its financial statements using modified retrospective approach where the Bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of initial application on a lease by lease basis. Due to applying modified retrospective effect, prior year results have not been restated.

Right-of-use assets (ROU)

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. The ROU asset is initially measured at cost at the amount of the lease liability plus any initial direct costs incurred by the lessee and depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The ROU assets are presented under fixed assets (note 9).

Lease Liability

At the commencement date of lease, the bank recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments.

Short-term lease and leases of low value assets

The Bank has elected not to recognize ROU assets and lease liabilities for leases of low value assets less than valuing of BDT 20.00 million and short term lease, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognizes lease payments associated with these lease as an expense.

The impact of the new standard on lessees' financial statements are:

- An increase in recognized assets and liabilities;
- More lease expenses recognized in early periods of lease, and less in the later periods of a lease;
- A shift in lease expense classification from rental expenses to interest expense and depreciation

As per IFRS 16: *Leases*, summary of lease related information is provided in the table below:

Summary of IFRS 16:		BDT in million	
Particulars	ROU Assets	Lease Liability	
Opening Balance	739.6	579.8	
Addition	250.3	200.3	
Depreciation/ Interest Expense	172.7	27.0	
Accumulated Depreciation/ Lease Payment	172.7	135.4	
Closing Balance	817.2	671.7	

2.2.1.8. Other assets

Other assets include mainly advance rent of low value lease, payment of advance income tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating Branches/Uposhakha and capital expenditure and stocks of stationery and stamps etc. Any part of other assets which is unadjusted more than 12 months subject to make provision as per BRPD circular no.14 dated 25 June 2001.

2.2.2. Liabilities and provisions

2.2.2.1. Borrowings from other banks, financial institutions and agents

Borrowing funds include call money deposits, borrowings under re-finance scheme, obligation under lease finance 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.

2.2.2.2. 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 8 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 redeemable at 20% of its face value each year which has been started from May 2019.

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 AA³ (Hyb) in Long Term category with 'Stable' outlook valid up to 28 June 2020 which is judged to be of very high quality, subject to very low credit risk.

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

2.2.2.4. Other liabilities

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

i. Provision for loans and advances

The rates of provision by classification of loans and advances are disclosed in note number 15.1.1 and 15.2.1 of the financial statements. Summary of the same as follows:

Types of loans and advances		Provision				
		STD	SM A	SS	DF	BL
Consumer	Housing Finance (HF)	1%	1%	20%	50%	100%
	Professional	2%	2%	20%	50%	100%
	Other than HF & prof. to set up business	5%	5%	20%	50%	100%
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%

Types of loans and advances	Provision				
	STD	SM A	SS	DF	BL
Small and medium enterprise finance	0.25 %	0.2 5%	20%	50%	100%
Others	1%	1%	20%	50%	100%
Off-balance sheet	1%				

ii. Provision for taxation

Income tax on profit for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the Profit and Loss Account.

a. Current tax

Current tax is the tax expected to be paid on the taxable profit for the year, calculated using tax rates as prescribed in the Income Tax Ordinance (ITO) 1984 and relevant Statutory Regulatory Orders (SRO) and any adjustment (excess or deficit) in respect of previous years. Currently the income tax rate applicable for banks is 37.50%. The estimation of current tax provision involves making judgments regarding admissibility of certain expenses as well as estimating the amount of other expenses for tax purposes. A numerical reconciliation between tax expenses and the product of accounting profit multiplied by the applicable tax rate has been disclosed in the page no. of this Annual Report.

b. Deferred tax

The Bank accounted for deferred tax assets or liabilities based on deductible or taxable temporary differences between the carrying amount of its assets and liabilities used for the financial reporting and its tax base as per IAS 12: *Income Taxes*, Income Tax Ordinance (ITO) 1984 and BRPD circular no. 11 dated 12 December 2011 issued by the Bangladesh Bank. Deferred tax assets, including specific provision on doubtful and bad/loss against the classified loans and advances, the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized. Deferred tax assets and liabilities are reviewed at each reporting date and are measure at the prevailing tax rate as per tax laws that are expected to be applied when assets are realized and liabilities are settled. Any unrecognized deferred tax assets and liabilities are reassessed if that has become probable that future taxable profit or loss will be available on which it could be used or settled.

As there is no significance difference between Solo and consolidated basis deferred tax, the Bank does not disclosed consolidated deferred tax separately.

iii. Provision for diminution in value of investment

Provision for diminution of value of quoted shares and mutual funds (closed-end), placed under other liability, has been made on portfolio basis (gain net off) following DOS circular no. 4 dated 24 November 2011 and DOS circular letter no. 3 dated 12 March 2015 respectively. In case of unquoted shares, provision has been made

based on available latest Net Asset Value (NAV) of respective number of units.

Provision against investment in associate/joint venture have been calculated and maintained if cost is higher than lower of NAV or market value as the case may be in line with the instructions of Bangladesh Bank.

iv. Provision for Nostro Account

Provision has been made against unsettled nostro transactions as per circular letter number FEPA (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank. In line with this circular management of the Bank review the outstanding entries of nostro accounts on quarterly basis and certified by the Bank's external auditors on a semi-annual basis.

v. Provision for Off-balance sheet items

In line with the BRPD Circular number 10, 14, 01, 07 and 13 dated 18 September 2007, 23 September 2012, 03 January 2018, 21 June 2018 and 18 October 2018 respectively, general provision at the rate 0% to 1% has been made against off balance sheet exposures (mainly contingent assets/liabilities).

2.2.2.5. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are employee benefits which fall due wholly within 12 months after the end of the period in which the employees render the related service including salaries, bonuses and other allowances. Payments are charged as an expense in the profit and loss account as they fall due. Payments due are accrued as a liability in "Provisions for liabilities and charges" on an undiscounted basis.

ii. Post-employment benefits

Post-employment benefits are employee benefits, which are payable after the completion of employment as per respective plan:

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.

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 earned during immediately preceding 12 months and is payable at the different applicable rate on the year of service as defined in the "IFIC Bank Employees' Gratuity Fund" which is a funded Gratuity Fund.

Worker's Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with the Banking Companies Act 1991, no provision has been made for WPPF.

iii. Other Employee Benefits

Life Insurance

The objective of the scheme is to provide death or permanent disability benefits to its confirmed employees and their families based on the designation as defined in Insurance Coverage Scheme of the Bank.

Hospitalization Insurance

The Bank has introduced a health insurance scheme to its confirmed employees and their spouse with 2 (two) children at rates provided in the Insurance Coverage Scheme of the Bank.

Mandatory Annual leave / Leave Fare Assistance

The provision for leave fare assistance represents the current outstanding liability to employees at the balance sheet date. Leave Fare Assistance (LFA) is a non-recurring benefit for all permanent employees of the Bank who are entitled to annual leave. According to Bangladesh Bank policy all permanent employees have to avail 15 consecutive days of mandatory leave and LFA will be given in this / for the leave period.

Subsidized loan scheme

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

2.2.3. Income

Revenue recognition

IFIC Bank has applied IFRS 15: *Revenue from Contracts with Customers* using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under IAS 18, as such no adjustment was made in the opening Retained Earnings. Bank recognizes revenue when it satisfies a performance obligation by transferring control over services to a customer and considers the terms of the contract and its customary business practices to determine the transaction price. In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Revenue was recognized when services rendered, to the extent it was probable

that the economic benefits from the transactions would flow to the company and the revenue could be reliably measured.

i. Interest income

In terms of the provision of the IFRS-15 interest income is recognized on an accruals basis, interest on loans and advances ceases to be taken into income when such advances are classified, kept in interest suspense account under liabilities. Interest on classified advances is accounted for to income account on realization basis as per Bangladesh Bank guidelines.

ii. Investment income

Income on investments is recognized on accrual basis. Investment income includes interest on treasury bills, treasury bond and term placement with other banks and financial institutions. Capital gain/loss on investment is recognized at the time of realization.

iii. Dividend income on shares

Dividends are recognized as income when the Bank's right to receive payment of the dividend is established and probable that the economic benefits associated with the dividend will flow to the Bank and the amount of the dividend can be measured reliably as per IFRS 9: *Financial Instruments*.

iv. Fees and commission income

Fees and commission includes benefits arising on financial and other services provided by the bank including trade finance, credit/debit cards, remittances, locker facilities, SMS banking and service charge on various accounts etc. Fees and Commission income arises on services rendered by the Bank are recognized on a realization basis.

v. Exchange gain/(loss)

Exchange gain/(loss) includes all gains and losses from foreign currency transactions.

vi. Gain or loss on Fixed Assets

The gain or loss on disposal of fixed assets is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of disposal. The gain or loss arising on disposal is recognized as other income in the year in which the significant risks and rewards of ownership are transferred to buyer.

2.2.4. Expenses

2.2.4.1. Interest paid on deposits and borrowings

Interest expenses are recognized on accrual basis and payments are made based on nature of product and agreed terms.

2.2.4.2. Management and other expenses

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

2.2.5. Shareholders' equity

2.2.5.1. Share capital

i. Authorized capital

Authorized capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Articles of Association

ii. Paid up share capital

Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.2.5.2. Statutory reserve

As per the section 24 (1) of the Banking Companies Act, 1991 as amended, the Bank is required to transfer at least 20% of its current year profit before tax to the statutory reserve until such reserve equals to Paid up capital.

2.2.5.3. Fixed assets revaluation reserve

When an asset's carrying amount is increased as a result of a revaluation, the increase amount is directly credited to equity under the head of revaluation reserve as per IAS 16: Property, Plant and Equipment. The Bank revalued the land which is absolutely owned by the Bank and the increased amount was transferred to revaluation reserve.

2.2.5.4. Non-controlling interest

Non-controlling interests are measured at their proportionate share of the acquires identifiable net assets at the date of acquisition as per IFRS 3: *Business Combinations*. The bank presents the non-controlling interests in the consolidated balance sheet within equity, separately from the parent owner's equity as per IFRS 10: *Consolidated Financial Statements*. Changes in Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transaction as per IFRS 10. The Bank attributes the profit and loss to the owners of the parent and to the non-controlling interests even if the results in the non-controlling interest having a deficit balance as per provision of IFRS 10. When the proportion of the equity held by the non-controlling interests changes, the bank adjusted the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiary and recognized directly in equity for any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received, and attribute it to the owners of the parent by as per provision of IFRS 10.

2.2.6. General

2.2.6.1. Earnings per share (EPS)

Earnings Per Share (EPS) has been computed as per IAS 33: *Earnings Per Share* by dividing the basic earning by the weighted average number of ordinary Shares outstanding during the reporting period.

i. Basic earnings per share

This represents earnings for the period attributable to ordinary shareholders. As there 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 outstanding ordinary shares

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-weighted 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 IAS 33: *Earnings per share*. The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in recourses generating new earnings.

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.

2.2.6.2. Related party transactions

As per IAS 24: *Related Party Disclosures*, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. The Bank carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24: *Related Party Disclosures*, Bangladesh Bank and BSEC guidelines. The related party transactions of bank are disclosed in **Annexure-F**.

2.2.6.3. Operating segments

The Bank has identified the reportable segments based on the geographical locations which are the consolidated major strategic business units/entities. The strategic business units offer different products and services, which are managed separately based on the management and internal reporting structure of the group. Details of the segment of the Bank have been disclosed in **Annexure-H**.

2.2.6.4. Events after the reporting period

All material event occurring after the reporting period has been considered and where necessary, adjusted for or adequately disclosed in the financial statements as per *IAS 10: Events after the Reporting Period*. Overall effect of COVID 19 global pandemic on Bank's business in the post years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The Board and Management are regularly monitoring the potential impact of the pandemic on the Bank as the situation continues to deteriorate but are assured that any foreseeable adverse impact can be reasonably managed.

2.2.7. Risk management

Risk is the exposure to uncertainty and risk exposure is the extent to which an entity is sensitive to underlying risks. As risk is an inherent part of the business activities, risk management is essential for ensuring sustainability of the business. Type of risk may vary from business to business, however, preparing a comprehensive risk management plan involves a collaborative process. Bangladesh Bank issued revised risk management guideline in October 2018, which forms the basis of risk management. Risk management among banks broadly cover core risk areas of banking, i.e. credit risk, asset liability management risk, foreign exchange risk, money laundering risk, ICC risk and ICT risk etc. Bangladesh Bank also prescribed that there should be a separate desk for each of these risk types under the risk management division.

In line with the regulatory requirement, IFIC has a board approved 'Risk Management Policy' for managing Core risks and other material risks inherent with the banking business. IFIC Bank manages risk in Strategic layer, Managerial layer and Operational layer as a part of sound risk management. The Bank has a Risk Management Committee on behalf of the Board of Directors as Strategic Layer to oversee the overall risk of the Bank the Managerial layer is headed by Deputy Managing Director & Chief Risk Officer (CRO) and an Operational layer represented by Risk Management Division. The risk management systems are in place within the Bank which are discuss as follows:

i. Credit risk

Credit risk is one of the major risks out of the six core risks of the Bank. Credit risk is the risk of loss that may occur from the default of any bank borrower or counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. IFIC has a board approved 'Credit Risk Management Policy' and the CRM works within the scope this defined regulations. Board of Directors is the apex body for credit approval of the Bank. However, they delegate authority to the Managing Director & CEO or other officers of the Credit Risk Management (CRM) Division. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the bank.

CRM policy also contain how to manage credit risk in the origination process, how to organize, role of board, senior management and CRM Committee, credit risk mitigation strategies, MIS for credit risk, managing problem assets including role of Remedial Asset Management Division and maintenance of adequate provisioning

etc. This policy ensures sound practices of effective functioning of the Bank's lending process and 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. The Bank has defined segregation of duties for all credit risk related activities like credit approval, administration, monitoring and recovery functions.

ii. Asset liability management risk

Asset Liability Management (ALM) of the Bank manage Balance Sheet Risk, including managing the liquidity and interest rate risk. To address all the risk elements of the Balance Sheet, Assets Liabilities Committee (ALCO) Meetings are conducted at least on a monthly basis. ALM desk of the Bank analyses the Balance Sheet Risk and prepares the monthly ALCO Papers as per the guidelines of Bangladesh Bank. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc. The maturity gap of the assets-liabilities and interest rate movement are also monitored by the ALCO including the optimum liquidity position of the Bank in line with regulatory requirement. All the activities are regulated by a board approved Asset Liability Management Guideline that is well integrated with the bank's risk management process.

iii. Foreign exchange risk

Foreign Exchange Risk arises from adverse movement in currency exchange rates engaging in activities starting from basic currency buy, sell, imports, exports and remittances to complex structured products. The foreign exchange risks are measured and monitored by the Treasury Division of the bank. As per directives of Bangladesh Bank, the Bank has formulated and adopted the treasury policy for managing the foreign exchange risks. Functions of the treasury front, mid and back office have been designated and properly segregated. In addition to the policy guidelines treasury operational guidelines have also been formulated for defining the roles and responsibilities of front, back and mid office so that various foreign exchange transactions can be performed in line with the Bangladesh Bank regulations and Bank's internal policies and procedures to measure, monitor and mitigate the foreign exchange risks. Treasury continuously monitors price movements of foreign exchange and uses various hedging techniques to manage its open position in such a way that minimizes risk and maximizes return.

iv. Money laundering risk

In recognition of the fact that financial institutions are particularly vulnerable to Money Laundering, IFIC has established "Guidelines on Prevention of Money Laundering and Combating Financing of Terrorism" as per directives of Bangladesh Bank for strict compliance. The purpose of this policies is to provide guideline to comply with all applicable local laws and regulations regarding prevention of Money Laundering and combating Terrorist Financing,

both at country and international level, to safeguard the Bank from potential compliances, financial and reputational risks. Suspicious Activity Report (SAR), Suspicious Transaction Report (STR), Cash Transaction Report (CTR), Know Your Customer (KYC) Procedure, e-KYC, Structuring Monitoring Report, periodic review of high and low risk customers, Customer Due Diligence (CDD), Enhanced Due Diligence (EDD), duties and responsibilities of Officials etc. have been implemented, reviewed and monitored by the competent authority as procedure of this policy.

Training is also given as a continuous process for creating/developing awareness among officers on AML/CFT laws, rules, regulations, guidelines, policies and circulars. Inspection at Branches for checking records/activities and for creating awareness on AML & CFT are also conducted.

The CEO's formal annual commitment to all employees on combating Money Laundering (ML) and Financing of Terrorism (FT) is issued to emphasize on greater due diligence and compliance at all levels of the Bank.

v. Internal control and compliance risk

The Internal Control & Compliance (ICC) Division of the Bank is working independently to evaluate the Internal Control System of the Bank so as to ensure good governance, transparency & accountability. The ICC Division is conducting comprehensive internal audit of the branches as well as different divisions/departments of Head Office ongoing basis. In line with the Bangladesh Bank guidelines the Bank has successfully implemented the effective internal control system guidelines, formulation of policy guideline, set up of separate organizational structure, segregation of duties and introduction of internal control process, such as Departmental Control Function Checklist (DECFL), Quarterly Operation Report (QOR) etc.

Being an integral part of daily activities of the Bank, Internal Control & Compliance Division consists of three units namely; Compliance, Monitoring and Audit & Inspection. These units look after internal control, 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 an internal watchdog, the Audit and Inspection unit is conducting Risk Based Audit & Inspection to identify, measure, control and mitigate risk factors at the branches and division of the Bank.

Internal Control Unit (ICU) has also been set-up at the branches with the existing manpower to minimize irregularities and lapses to prevent fraud, forgeries and to avoid operational risks of the Bank. 'Risk based Internal Audit Policy' and 'Branch Audit Rating System' are in place in order to upgrade the operational efficiency of the branches.

vi. Information and communication technology (ICT) risk

IFIC Bank has been pursuing a strategy of "Long Term Sustainable Growth with Low Risk, Low Cost, Best in Class Service Delivery &

Diversified Portfolio". Therefore the bank has underlined concentration on creating a technology backbone that can enable IFIC to become the preferred financial service provider. To mitigate the technology risk, the bank has taken the following steps:

- Conducted Cyber Security Assessment to outline the risky areas with PwC- an international reputed consulting firm. The bank has prepared the way out to mitigate the risk areas as per their guideline.
- For ensuring cyber security, the bank is continuously conducting training on sensitive IT tasks for IT division and awareness program for creating Cyber Security Awareness for all employees.
- The bank is taking data backup on daily basis; one copy is being stored in a fire-proof Vault and another copy is being kept at a remote site to withstand any disaster in Data Centre.
- Upgraded Disaster Recovery (DR) Site ensures any payment related service to the customers in case of any emergency or any disaster at Data Centre. Business continuity Plan has also been developed.
- As per the Bangladesh Bank guideline, the bank has concentrated on ICT security management. In this regard ICT Steering Committee and ICT Security Committee have been formed and are working to ensure the overall ICT Security.
- The bank has upgraded and introduced the network equipment including Next-Generation Core Firewall, Internet Firewall, Web Application Firewall (WAF), Software Defined Network (SDN) and Network Access Control (NAC) for enhancing security in the Data Center and Disaster recovery site.
- The SWIFT environment of the bank is upgraded and segmented from the other enterprise network. World class Trade processing system is integrated with the payment system to mitigate the risk of financial fraud.
- The Bank has implemented a robust and secure mailing system and incorporated Email Security Solution (ESA). Availability of Exchange Server in Disaster Recovery Site is completed.
- New Data Center in IFIC tower is inaugurated and is providing value to IT service delivery of the bank. Physical and other appropriate security is being maintained in the workplace to protect ICT resources properly as per the guideline of Bangladesh Bank.
- The bank is maintaining 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 for critical IT assets and maintaining IT Assets Inventory.
- The Bank is strictly following the Information Security Guidelines of Bangladesh Bank which covers Password Control, User ID Maintenance, Input Control, Network Security, Data Encryption, Virus Protection and Access Control to Internet and Emailing.

- Baseline Security Standard has been developed for desktop, operating systems, and network, database and security devices.
- Risk assessment framework and template has been developed and introduced for systems and application.
- Security Team regularly conduction Vulnerability Assessment and Application Security testing.
- The bank has also completed all ICT Security documentation to ensure security of the ICT Systems and is continuously updating them to strengthen security of the systems.
- The Bank has introduced Digital Banking Channel to explore the technological door for financial advancement. This platform can be used through both online and mobile app (which is available at Apple store and Google Play store). Using Digital Banking Channel (IFIC Aamar Bank), customer can make transaction within Bank or Other Bank through EFT and RTGS, customer can make credit card payment, standing instruction, cheque book order, request for bank certificate etc.

vii. Other relevant risks

a. Operational risk

Operational risk addresses the risk associated with fraud, forgery, unauthorized activities, error, omission, system failure and other external events. These occur mainly due to inadequate or failed internal processes, people and systems, or from external events (including legal risk). The Bank is managing these risks through written procedures, regular training, and awareness programs and monitoring of the implementation of these procedures. 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, steams 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. Fraud risk

Fraud and forgery have become an important issue in recent years. These have a major impact on our country's economy, impeding economic development. IFIC has always been focused in controlling fraud and forgery by establishing and maintaining proper controlling system. Today, fraud and forgery appear in diverse form. 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.

g. Reputation risk

Reputation risk may arise from the possibility that negative publicity regarding the bank and its business practices, in the territory or elsewhere through related entities, and whether accurate or not, will adversely impact the operations and position of the bank. Reputation risk may also arise from an institution, or an affiliate, being domiciled in a jurisdiction where the legal and organizational framework for the regulation and supervision of financial institutions is generally viewed as failing to meet international standards for the protection of consumers of financial services and for the prevention of sheltering the proceeds of organized crime.

The Bank manages the reputation risk ensuring the followings:

- Management anticipates and responds to changes of a market or regulatory nature that affect its reputation in the market place;
- 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;
- The Bank has continuous awareness that it is not subject to significant litigation, large monetary losses, or a high volume of customer complaints;
- The bank is routinely seen in a leadership role in community development and corporate social responsibility; and
- Management has a clear awareness of privacy issues and uses customer information responsibly.

2.2.8. Audit Committee

The Audit Committee of the Board was duly formed by the Board of Directors of the Bank in accordance with the BRPD circular no. 11 dated 27 October 2013 of Bangladesh Bank.

Pursuant to the BSEC notification no. BSEC/CMRRCD/2006-158/207/ADMIN/80 dated 3 June 2018 on Corporate Governance, the current Committee is constituted with three members of the Board. The details of the Audit Committee is provided in **Annexure-G**.

2.2.9. Directors' responsibility statement

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

2.2.10. 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.

2.2.11. 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 2018 as per BRPD Circular no. 6 dated 5 July 2006. The following ratings for different years have been awarded:

Types of Rating	Financial Statements	Rating Status			Validity
		Long Term	Short Term	Outlook	
Entity	Jan to Dec 2018	AA2	ST-2	Stable	30-Jun-20
Entity	Jan to Dec 2017	AA2	ST-2	Stable	30-Jun-19
Entity	Jan to Dec 2016	AA2	ST-2	Stable	30-Jun-18

2.2.12. Compliance report on International Financial Reporting Standards (IFRSs):

In addition to compliance with local regulatory requirements, in preparing the Consolidated and Separate Financial Statements, IFIC applied all applicable IASs and IFRSs as adopted by Institute of Chartered Accountants of Bangladesh (ICAB) except those described in note 2.1.1. Details are given below:

Name of the IFRS	IFRS No.	Status
First-time Adoption International Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	Complied
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Complied*
Operating Segments	8	Complied
Financial Instruments	9	Complied*
Consolidated Financial Statements	10	Complied

Name of the IFRS	IFRS No.	Status
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied*
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Complied*
Leases	16	Complied

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Complied*
Inventories	2	Complied
Statement of Cash Flows	7	Complied*
Accounting Policies, Changes in Accounting estimates & Errors	8	Complied
Events After the Reporting Period	10	Complied
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Employee Benefits	19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Complied
Borrowing Costs	23	Complied
Related Party Disclosure	24	Complied
Accounting and Reporting by Retirement Benefits Plans	26	N/A
Separate Financial Statements	27	Complied
Investment in Associates and Joint Ventures	28	Complied
Financial Reporting in Hyperinflationary Economies	29	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Complied*
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

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in these respect which are disclosed in note 2.1.1.

New accounting standards not yet adopted

A number of standards and amendments to standards are issued but not yet effective for annual periods beginning after 1 January 2019 and earlier application is permitted. However, the Bank has

not early applied the following new standards in preparing these financial statements.

These amendments have no material impact on the financial statements of the Bank.

IFRS 17 Insurance Contract

IFRS 17: Insurance Contract was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. The Bank has not yet assessed in potential impact of IFRS 17 on its financial statements.

		Amount in BDT		
		Note	31 December 2019	31 December 2018
3	Cash			
	Cash in hand (including foreign currency)	3.1	2,871,220,070	2,885,588,822
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	15,183,691,094	13,121,711,294
			18,054,911,164	16,007,300,116
3.1	Cash in hand (including foreign currency)			
	Local currency in hand		2,613,418,341	2,632,581,387
	Foreign currencies in hand		26,676,145	39,030,457
	Cash with ATM		231,125,584	213,976,978
			2,871,220,070	2,885,588,822
3.2	Balance with Bangladesh Bank and its agents bank			
	Bangladesh Bank			
	Local currency		13,941,793,439	12,232,523,883
	Foreign currency		828,671,007	325,799,600
			14,770,464,446	12,558,323,483
	Sonali Bank as agent of Bangladesh Bank		413,226,648	563,387,811
			15,183,691,094	13,121,711,294

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

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.

3.3.1 Cash Reserve Requirement (CRR)

As per Bangladesh Bank MPD Circular no. 1 dated 3 April 2018 [effective from 15 April 2018], all scheduled banks have to maintain CRR of minimum 5.0% on daily basis and 5.5% on bi-weekly basis based on weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e. CRR of December 2019 was based on weekly average balance of October 2019]. CRR maintained by the Bank as per statutory requirement is shown below:

Average time and demand liabilities	238,109,113,000	209,283,456,045
Required reserve	13,096,001,000	11,510,590,082
Actual reserve maintained*	13,908,390,162	12,206,346,533
Surplus	812,389,162	695,756,451

* As per Bangladesh Bank current account statement.

3.3.2 Statutory Liquidity Ratio (SLR)

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 2019 was based on weekly average balance of October 2019]. SLR maintained by the Bank as per statutory requirement is shown below:

Average time and demand liabilities	238,109,113,000	209,283,456,045
Required reserve	30,954,185,000	27,206,849,000
Actual reserve maintained	45,462,977,170	31,400,971,131
Surplus	14,508,792,170	4,194,122,131

Actual reserve maintained for SLR

Cash in hand	3.1	2,871,220,070	2,885,588,822
Balance with Bangladesh Bank in excess of CRR		812,389,162	695,756,451
Balance with Sonali Bank as agent	3.2	413,226,648	563,387,811
Government securities (HFT)	6.3	18,180,637,761	12,498,053,088
Government securities (HTM)	6.3	23,185,503,529	14,758,184,959
		45,462,977,170	31,400,971,131

		Amount in BDT	
	Note	31 December 2019	31 December 2018
3.a Consolidated cash in hand			
IFIC Bank Limited	3.1	2,871,220,070	2,885,588,822
IFIC Securities Limited		26,205	6,904
IFIC Money Transfer (UK) Limited		1,092,404	13,434,563
		2,872,338,679	2,899,030,289
3.b Balance with Bangladesh Bank and its agents bank			
IFIC Bank Limited	3.2	15,183,691,094	13,121,711,294
IFIC Securities Limited		-	-
IFIC Money Transfer (UK) Limited		-	-
		15,183,691,094	13,121,711,294
		18,056,029,773	16,020,741,583
4 Balance with other banks and financial institutions			
In Bangladesh	4.1	4,014,719,294	6,823,590,588
Outside Bangladesh *		1,602,314,924	1,275,887,518
		5,617,034,218	8,099,478,106
* Details of Balance with outside Bangladesh are shown in "Annexure-A".			
4.1 In Bangladesh			
In current deposit account with			
Agrani Bank Limited		6,071,591	31,027,173
Sonali Bank Limited		53,104,148	17,282,743
Islami Bank Bangladesh Limited		97,425	98,575
		59,273,164	48,408,491
In special notice deposit account with			
Trust Bank Limited		34,624,484	33,192,803
Standard Chartered Bank		74,709,608	4,834,930
		109,334,092	38,027,733
In beneficiary owner (BO) account with			
IFIC Securities Limited		3,659	659
Latif Securities Limited		28,834	28,834
Asain Tiger Capital Partners Investments Limited		9,224,878	7,124,871
		9,257,371	7,154,364
In fixed deposit account with banks and NBFIs			
Banking companies			
EXIM Bank Limited		-	500,000,000
Jamuna Bank Limited		-	1,000,000,000
Social Islamic Bank Limited		-	500,000,000
		-	2,000,000,000
Non-Banking Financial Institutions			
Investment Corporation of Bangladesh		3,670,000,000	3,780,000,000
Peoples Leasing & Financial Services Limited		166,854,667	150,000,000
IPDC Finance Limited		-	300,000,000
Delta Brac Housing Finance Corp. Limited		-	500,000,000
		3,836,854,667	4,730,000,000
		3,836,854,667	6,730,000,000
		4,014,719,294	6,823,590,588
4.2 Maturity grouping of balance with other banks and FIs			
Receivable on demand		168,607,256	86,436,223
Upto 1 month		1,543,257,371	2,743,041,883
More than 1 month but not more than 3 months		3,905,169,591	5,270,000,000
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		-	-
		5,617,034,218	8,099,478,106

		Amount in BDT		
		Note	31 December 2019	31 December 2018
4.a	Consolidated balance with other banks and financial institutions			
4.a(i)	In Bangladesh			
	IFIC Bank Limited	4.1	4,014,719,294	6,823,590,588
	IFIC Securities Limited		207,156,658	145,670,986
	IFIC Money Transfer (UK) Limited		-	-
			4,221,875,952	6,969,261,574
	Less: Inter -company transaction		207,156,658	145,670,986
			4,014,719,294	6,823,590,588
4.a(ii)	Outside Bangladesh			
	IFIC Bank Limited	4	1,602,314,924	1,275,887,518
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		20,799,986	19,502,811
			1,623,114,910	1,295,390,329
			5,637,834,204	8,118,980,917
5	Money at call and on short notice			
	Banking companies			
	Jamuna Bank Limited		300,000,000	-
	Standard Bank Limited		110,000,000	-
	The City Bank Limited		500,000,000	1,400,000,000
	Commercial Bank of Ceylon PLC		-	250,000,000
	Midland Bank Limited		-	200,000,000
	National Bank Limited		-	600,000,000
	NCC Bank Limited		-	850,000,000
	NRB Bank Limited		-	70,000,000
	One Bank Limited		-	100,000,000
	Uttara Bank Limited		-	500,000,000
			910,000,000	3,970,000,000
6	Investments			
	Government Securities	6.1	41,369,255,890	27,258,506,647
	Other Investments	6.2	4,130,892,143	4,045,879,271
			45,500,148,033	31,304,385,918
6.1	Government securities			
	Treasury bills	6.1.1	18,117,008,137	12,498,053,088
	Treasury bonds	6.1.2	23,249,133,153	14,758,184,959
	Prize bonds		3,114,600	2,268,600
			41,369,255,890	27,258,506,647
6.1.1	Treasury bills			
	91 Days Govt Treasury Bill		2,072,538,413	2,795,411,871
	182 Days Govt Treasury Bill		3,169,696,589	2,053,245,577
	364 Days Govt Treasury Bill		12,874,773,135	7,649,395,640
			18,117,008,137	12,498,053,088
6.1.2	Treasury bonds			
	2 years Treasury bond		7,680,304,093	2,901,236,644
	5 years Treasury bond		5,858,664,222	2,647,870,266
	10 years Treasury bond		4,406,886,345	3,927,550,928
	15 years Treasury bond		3,568,919,318	3,536,076,359
	20 years Treasury bond		1,734,359,175	1,745,450,762
			23,249,133,153	14,758,184,959

		Amount in BDT	
	Note	31 December 2019	31 December 2018
6.2 Other investments			
Unquoted shares			
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
		68,807,220	68,807,220
Quoted shares			
Advent Pharma Limited		4,542,708	-
Genex Infosys Limited		17,277,101	-
Dhaka Bank Limited		5,891,651	-
The City Bank Limited		10,441,665	-
Confidence Cement Limited		17,419,431	12,741,029
Eastland Insurance Company Limited		7,958,672	7,958,672
Fareast Life Insurance Limited		122,511,641	122,511,641
National Housing Finance & Investment Limited		39,010,000	39,010,000
Linde Bangladesh Limited		4,003,965	-
Marico Bangladesh Limited		11,685,707	-
Power Grid Company Limited		215,882,261	215,882,261
Singer Bangladesh Limited		14,481,915	10,965,683
Summit Power Limited		12,116,250	7,751,100
Summit Alliance Port Limited		5,692,616	5,692,616
TITAS Gas Transmission and Distribution Limited		412,348,120	412,348,120
Unique Hotel and Resorts Limited		21,029,385	21,029,385
Aman Feed Limited		-	4,743,200
BBS Cables Limited		-	9,646,540
GlaxoSmithKline(GSK) Bangladesh Limited		-	10,682,010
Square Pharmaceuticals Limited		-	8,957,201
BRAC Bank Limited		-	4,175,700
Meghna Petroleum Limited		-	3,750,542
Shahjalal Islami Bank Limited		-	5,581,890
Shasha Denims Limited		-	7,439,512
Southeast Bank Limited		-	2,232,795
United Power Generation & Distribution Company Limited		-	9,006,690
		922,293,088	922,106,587
Mutual funds			
IFIC Bank 1st Mutual Fund		250,000,000	250,000,000
ICB Employee 1st Mutual Fund		17,986,473	17,986,473
		267,986,473	267,986,473
Foreign Investment			
Investment in associates:			
Nepal Bangladesh Bank Limited		2,435,097,291	2,411,533,806
Oman Exchange LLC		76,085,913	19,070,638
		2,511,183,204	2,430,604,444
Other foreign investment			
MCB Bank Limited, Pakistan		360,622,158	356,374,547
		2,871,805,362	2,786,978,991
		4,130,892,143	4,045,879,271
Details of investment in shares are shown in "Annexure-B".			
6.3 Government securities classified according to Bangladesh Bank Circular			
Held for trading (HFT)		18,180,637,761	12,498,053,088
Held to maturity (HTM)		23,185,503,529	14,758,184,959
Other securities	6.1	3,114,600	2,268,600
		41,369,255,890	27,258,506,647

			Amount in BDT	
		Note	31 December 2019	31 December 2018
6.4	Maturity grouping of investments			
	On demand		3,114,600	2,268,600
	Up to 1 month		4,077,866,434	-
	Over 1 month but not more than 3 months		2,840,398,804	3,583,458,033
	Over 3 months but not more than 6 months		4,801,516,397	1,596,060,073
	Over 6 months but not more than 1 years		11,820,506,574	7,555,013,678
	Over 1 year but not more than 5 years		13,292,448,919	12,366,423,831
	Over 5 years		8,664,296,305	6,201,161,703
			45,500,148,033	31,304,385,918
6.5	Disclosure regarding outstanding Repo and Reverse Repo			
Disclosure regarding outstanding Repo				
Sl.	Counterparty name	Agreement date	Reversal date	Amount
-	-	-	-	-
Disclosure regarding outstanding Reverse Repo				
Sl.	Counterparty name	Agreement date	Reversal date	Amount
1	Uttara Bank Limited	30/12/2019	01/01/2020	63,632,966
2	BRAC Bank Limited	30/12/2019	01/01/2020	716,349,750
3	Mercantile Bank Limited	30/12/2019	01/01/2020	984,323,000
4	National Bank Limited	30/12/2019	01/01/2020	802,954,819
5	Mutual Trust Bank Limited	30/12/2019	01/01/2020	758,848,200
Total				3,326,108,735
Disclosure regarding overall transaction of Repo and Reverse Repo				
Counterparty name		Minimum outstanding in Y2019	Maximum outstanding in Y2019	Daily average outstanding in Y2019
Securities sold under Repo				
With Bangladesh Bank		-	-	-
With other Banks and FIs		296,597,700	1,981,409,000	684,488,782
Securities purchased under Reverse Repo				
From Bangladesh Bank		-	-	-
From other Banks and FIs		51,570,041	1,490,187,000	690,646,105
6.a	Consolidated investments			
Government Securities				
	IFIC Bank Limited	6.1	41,369,255,890	27,258,506,647
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			41,369,255,890	27,258,506,647
6.b	Consolidated other investments			
	IFIC Bank Limited	6.2	4,130,892,143	4,045,879,271
	IFIC Securities Limited		68,702,025	70,782,190
	IFIC Money Transfer (UK) Limited		-	-
	Less: Book value of investment in joint venture/associate-NBBL		(2,435,097,291)	(2,411,533,806)
	Less: Book value of investment in joint venture/associate -OE LLC		(76,085,913)	(19,070,638)
	Add: Investment in NBBL under equity method	40.b(i)	4,025,376,164	3,667,144,961
	Add: Investment in OE LLC under equity method	40.b(ii)	133,400,738	52,691,476
			5,847,187,866	5,405,893,454
			47,216,443,756	32,664,400,101

		Amount in BDT		
		Note	31 December 2019	31 December 2018
7	Loans and advances			
	Loans, cash credit, overdraft etc.	7.1	217,627,752,438	194,668,112,000
	Bill purchased and discounted	8	10,960,747,799	12,261,523,707
			228,588,500,237	206,929,635,707
7.1	Loans, cash credit, overdraft etc.			
	Inside Bangladesh			
	Term loan industrial		16,679,241,403	18,014,358,116
	Term loan consumer finance		217,487,844	406,147,670
	Agricultural loan		2,756,983,582	3,307,816,634
	Term loan women entrepreneur		30,377,007	72,657,808
	Term loan-others		64,243,240,345	52,449,339,055
	House building loans		35,878,061,417	32,118,754,920
	Staff loan		1,445,244,406	1,616,151,683
	Transport loan		112,151,072	175,128,847
	Loan general		3,273,896,438	3,478,838,901
	Demand loan		9,479,236,138	5,902,080,933
	Overdrafts		52,042,757,341	41,966,927,428
	Cash credit		23,146,114,027	25,608,250,393
	Credit card finance		162,579,957	218,924,160
	Loan against trust receipt (LTR)		5,529,994,503	7,269,614,377
	Lease finance		294,519,805	399,773,603
			215,291,885,285	193,004,764,528
	Outside Bangladesh			
	Term Loan-Foreign Currency (OBU)		2,335,867,153	1,663,347,472
			217,627,752,438	194,668,112,000
7.2	Net loans and advances including bills purchased and discounted			
	Total loans and advances		228,588,500,237	206,929,635,707
	Provision against loans and advances	15	(6,033,570,883)	(5,953,922,678)
	Interest suspense account	15	(6,633,354,159)	(6,286,303,850)
			215,921,575,195	194,689,409,178
7.3	Residual maturity grouping of loans, cash credit, overdraft etc.			
	On demand		41,476,313,632	33,896,561,001
	Up to 1 month		6,147,676,143	5,233,301,370
	Over 1 month but not more than 3 months		22,845,989,923	17,823,885,652
	Over 3 months but not more than 1 year		42,838,504,474	40,150,057,281
	Over 1 year but not more than 5 years		38,357,255,614	66,212,878,661
	Over 5 years		65,962,012,652	31,351,428,034
			217,627,752,438	194,668,112,000
7.4	Loans and advances under broad categories			
	In Bangladesh			
	Loans		142,438,881,070	127,092,934,179
	Cash credit		23,146,114,027	25,608,250,393
	Overdrafts		52,042,757,341	41,966,927,428
			217,627,752,438	194,668,112,000
	Bill purchased and discounted	8	10,960,747,799	12,261,523,707
			228,588,500,237	206,929,635,707
7.5	Loans and advances on the basis of significant concentration			
	Loans and advances to directors and their allied concerns		-	-
	Loans and advances to Managing Director, Senior Executives and Staffs		1,445,244,406	1,616,151,683
	Advances to customers' groups		227,143,255,831	205,313,484,024
			228,588,500,237	206,929,635,707

	Note	Amount in BDT	
		31 December 2019	31 December 2018
7.6 Loans and advances allowed to each customer exceeding 10% of Bank's total capital			
Number of customers		26	22
Outstanding - Funded		92,632,200,000	68,358,030,000
Outstanding - Non-funded		12,745,400,000	15,537,500,000
Amount classified		-	-
Amount of loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 2,916.75 million which is computed as 10% of the Bank's capital (as defined under the Banking Companies Act 1991 as amended) of BDT 29,167.46 million as at 31 December 2019 (note-16.7). As at 31 December 2018, 10% of Bank's total capital was BDT 2,690.37 million.			
Details of loans and advances to each customer exceeding 10% Banks capital are shown in "Annexure-C".			
7.7 Industry wise position of loans and advances including bills purchased and discounted			
Agriculture		3,996,322,997	4,100,871,662
Jute		4,287,695,452	3,409,944,054
Textile		10,632,481,602	9,634,908,479
Garments		27,564,767,593	27,329,636,906
Chemical and chemical products		105,411,026	65,641,436
Cement		2,273,333,981	493,605,449
Bricks & ceramic		1,211,721,357	1,256,956,493
Food products & processing		5,649,730,708	6,598,731,822
Engineering & metal		5,508,796,223	5,503,947,446
Drugs & pharmaceuticals		854,297,234	836,637,760
Hospital & clinics		98,832,724	112,629,849
Paper & paper products		2,966,520,646	1,946,994,437
Other small industries		7,738,468,466	10,081,823,073
IT sector		4,408,911,995	4,531,030,945
Other service industries		22,480,311,052	19,672,984,559
Trade & commerce		29,955,530,118	28,450,186,327
Transport		1,276,538,796	380,633,564
Construction firms/companies		10,438,190,017	9,350,469,046
Housing societies/companies		28,235,167,595	19,577,451,204
Cold storage		102,862,158	135,550,704
Consumer finance		38,563,436,084	35,196,287,222
Energy		7,427,982,403	6,884,492,131
Telecommunication		8,840,098,241	8,805,955,835
NBFI's		2,631,510	-
Others		3,968,460,259	2,572,265,304
		228,588,500,237	206,929,635,707
7.8 Sector wise position of loans and advances including bills purchased and discounted			
Government sector		-	-
Other public sector		-	45,272,017
Private sector		228,578,728,477	206,862,539,963
Co-operative sector		9,771,760	21,823,727
		228,588,500,237	206,929,635,707
7.9 Geographical location-wise loans and advances including bills purchased and discounted			
Dhaka division		192,078,954,152	169,660,429,132
Chittagong division		19,170,896,791	18,918,852,561
Sylhet division		1,476,567,974	1,552,604,529
Rajshahi division		6,443,784,333	6,813,459,086
Khulna division		3,885,117,501	4,238,229,069
Barisal division		1,589,339,223	1,006,182,814
Rangpur division		1,015,644,442	3,175,705,370
Mymensingh division		2,928,195,821	1,564,173,146
		228,588,500,237	206,929,635,707

		Amount in BDT		
		Note	31 December 2019	31 December 2018
7.10	Business segment-wise concentration of loans and advances as per CL			
	Corporate		161,530,029,726	141,789,297,838
	SME		28,247,755,366	29,203,321,027
	Short term agri credit		1,131,573,424	1,238,546,499
	Consumer (including staff)		6,007,107,128	6,169,280,362
	Others		31,672,034,593	28,529,189,981
			228,588,500,237	206,929,635,707
7.11	Loans and advances including bills purchased and discounted as per CL			
	Continuous loan			
	Consumer finance		3,406,522,173	3,228,503,802
	Small and medium enterprise		21,116,670,078	22,087,432,209
	Loans to BHs/MBs/SDs		10,039,939	284,034,921
	Other continuous loans		48,684,363,598	40,316,586,108
			73,217,595,788	65,916,557,040
	Demand loans			
	Consumer finance		846,548,823	805,569,104
	Small and medium enterprise		2,944,658,565	3,093,352,762
	Other demand loans		26,662,996,419	26,447,995,846
			30,454,203,807	30,346,917,712
	Term loan			
	Consumer finance (including staff, other than HF)		1,754,036,132	2,135,207,456
	Small and medium enterprise		4,186,426,723	4,022,536,056
	Housing finance (HF)		31,583,793,090	28,240,132,875
	Loans for professionals		333,331	390,554
	Loans to BHs/MBs/SDs		77,868,233	4,631,631
	Other fixed term loan		86,182,669,709	75,024,715,884
			123,785,127,218	109,427,614,456
	Short term loan			
	Short term agri credit		1,131,573,424	1,238,546,499
			228,588,500,237	206,929,635,707
7.12	Security/collateral-wise concentration of loans and advances including bills purchased and discounted			
	Collateral of movable/immovable assets		183,563,902,386	164,770,530,731
	Local banks and financial institutions' guarantee		307,052,908	535,568,817
	Government guarantee		894,582,610	965,568,541
	Export documents		2,911,579,975	2,377,254,025
	Import documents		9,046,957,412	3,764,135,933
	Fixed deposit receipts		8,125,914,830	6,914,255,832
	Personal guarantee		6,530,168,342	6,239,794,609
	Other securities		17,208,341,774	21,362,527,219
			228,588,500,237	206,929,635,707
7.13	Particulars of loans and advances			
	i) Loans considered good in respect of which the Bank is fully secured		219,894,848,851	197,494,534,296
	ii) Loans considered good for which the Bank holds no other security than the debtors' personal guarantee		162,579,958	218,924,160
	iii) Loans considered good being secured by personal security of one or more persons in addition to the personal security of the debtors		8,531,071,428	9,216,177,251
	iv) Loans adversely classified; provision not maintained there against		-	-
			228,588,500,237	206,929,635,707
	v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons.		1,445,244,406	1,616,151,683
	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 2019	31 December 2018
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		1,677,057,510	1,769,192,677
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		(352,629,444)	(196,775,921)
	Amount of loan written off		2,349,130,015	1,368,940,948
	Amount recovered against the loans previously written off		700,039,010	173,422,704
	b) Amount of provision kept against loans classified as bad/loss as at the Balance Sheet date		2,756,082,189	3,027,299,586
	c) Amount of interest creditable to the interest suspense account		3,959,253,482	3,143,633,681
xi)	Cumulative amount of written off loan:			
	Opening balance		13,078,722,116	11,883,203,872
	Amount written off during the year		2,349,130,015	1,368,940,948
	Interest charged		-	-
	Recovery from written-off during the year*		(700,039,010)	(173,422,704)
			14,727,813,121	13,078,722,116
	* Recovery from written-off loans during the year include interest waiver of Tk. 98,255,500 [Y2018: Tk. 7,709,312]			
7.14	Cumulative amount of written off loans for which law suits have been filed			
	Opening balance		18,623,152,756	17,254,211,808
	During the year		2,349,130,015	1,368,940,948
			20,972,282,771	18,623,152,756
	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.			
7.15	Classification of loans and advances			
	Unclassified			
	Standard		207,621,139,162	183,181,322,577
	Special mention account		8,701,889,298	11,008,179,243
			216,323,028,460	194,189,501,820
	Classified			
	Substandard		3,198,899,994	3,950,146,955
	Doubtful		402,454,243	645,594,790
	Bad/Loss		8,664,117,540	8,144,392,142
			12,265,471,777	12,740,133,887
			228,588,500,237	206,929,635,707
7.16	Movements of classified loans and advances			
	Opening balance		12,740,133,887	11,477,879,667
	Additions during the year		7,960,374,992	15,163,270,027
	Reduction during the year		(8,435,037,102)	(13,901,015,807)
			12,265,471,777	12,740,133,887
7.a	Consolidated loans and advance			
	Loans, cash credits, overdrafts etc.			
	IFIC Bank Limited	7.1	217,627,752,438	194,668,112,000
	IFIC Securities Limited		3,934,940,830	4,002,656,028
	IFIC Money Transfer (UK) Limited		-	-
			221,562,693,268	198,670,768,028
	Less: Inter-company transactions		-	-
			221,562,693,268	198,670,768,028

		Amount in BDT		
		Note	31 December 2019	31 December 2018
8	Bills purchased and discounted			
	Payable in Bangladesh	8.1	9,665,670,886	10,820,366,348
	Payable outside Bangladesh	8.1	1,295,076,913	1,441,157,359
			10,960,747,799	12,261,523,707
8.1	Bill purchased and discounted			
	Payable in Bangladesh			
	Local bills/documents			
	Inland documentary bill purchase (IDBP)		968,734,045	1,187,854,926
	Payment against documents-cash		1,126,143,073	195,805,114
	Payment against documents-EDF		6,078,902,756	7,599,331,777
	Payment against documents-forced (Inland)		517,338,885	834,336,580
	Payment against documents-forced (Foreign)		554,885,209	740,133,711
	Payment against documents-Others		419,666,918	262,904,240
			9,665,670,886	10,820,366,348
	Payable outside Bangladesh			
	Foreign documentary bill purchase (FDBP)		988,024,005	905,588,542
	Usance Bill Discounted (OBU)		307,052,908	535,568,817
			1,295,076,913	1,441,157,359
			10,960,747,799	12,261,523,707
8.2	Residual maturity grouping of bill purchased and discounted			
	On demand		3,279,461,674	2,480,596,822
	Up to 1 month		2,666,974,599	2,236,092,869
	Over 1 month but not more than 3 months		2,535,468,726	3,785,990,212
	Over 3 months but not more than 6 months		2,454,040,122	3,719,063,264
	Over 6 months		24,802,678	39,780,540
			10,960,747,799	12,261,523,707
8.a	Consolidated bills purchased and discounted			
	IFIC Bank Limited	8	10,960,747,799	12,261,523,707
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			10,960,747,799	12,261,523,707
9	Fixed assets including premises, furniture and fixtures			
	Cost/revalued:			
	Land		2,423,609,559	2,423,609,559
	Buildings and premises		1,902,617,204	1,902,617,204
	Right of Use Assets		989,931,442	-
	Wooden furniture		254,570,346	254,995,657
	Steel furniture		77,057,552	69,355,031
	Computer equipment		863,236,002	834,234,736
	Office equipment		902,371,888	227,658,391
	Electrical & gas equipment		242,661,330	872,562,106
	Leasehold improvement		312,213,038	295,691,386
	Vehicles		147,985,565	134,040,330
	Leased vehicles		47,600,000	47,600,000
	Soft furnishing		12,646,335	11,764,626
	Software		693,375,354	554,133,463
			8,869,875,615	7,628,262,489
	Capital work in progress *		297,219,437	195,116,279
			9,167,095,052	7,823,378,768
	Less: Accumulated depreciation		2,782,896,158	2,385,429,460
	Written down value		6,384,198,894	5,437,949,308
	Details of fixed assets are shown in "Annexure-D"			
	* Capital work in progress represents the amount paid for Data Center, Fusion Banking Essence, Digital Channel Solution, Network Solution for Digital Channel, Implementation of SWIFT etc.			
9.a	Consolidated fixed assets including premises, furniture and fixtures			
	IFIC Bank Limited	9	6,384,198,894	5,437,949,308
	IFIC Securities Limited		43,595,367	4,255,186
	IFIC Money Transfer (UK) Limited		2,637,359	3,630,900
			6,430,431,620	5,445,835,394

		Amount in BDT		
		Note	31 December 2019	31 December 2018
10	Other assets			
	Stationery and stamps		40,919,747	32,367,261
	Suspense account	10.1	986,739,119	828,249,291
	Advance, deposit and prepayments	10.2	6,106,810,736	5,408,142,054
	Accrued interest & other income receivable	10.3	1,090,781,883	1,167,944,485
	Investment in subsidiaries	10.4	2,233,302,400	2,231,793,790
	Deferred tax assets	10.5	870,102,393	903,795,256
	Dividend Receivable and others		193,419,566	378,766,295
			11,522,075,844	10,951,058,432
10.1	Suspense account			
	Advance against bills, new branches		32,858,601	16,551,502
	Advance against TA / DA		6,722,800	3,664,125
	Law charges		265,265,869	225,421,603
	Sanchayapatra paid		414,811,535	397,305,266
	Wage earners development bond paid		133,764,030	25,456,033
	Investment bond		14,015,504	8,193,009
	Sundry debtors		118,878,001	149,410,510
	CIB charge receivable		90,060	-
	EFTN receivable		317,333	1,785,243
	VISA card		15,386	462,000
			986,739,119	828,249,291
10.2	Advance, deposit and prepayments			
	Rent		171,545,507	259,355,926
	Income tax	10.2.1	5,507,367,245	4,863,041,730
	Security deposit including demand note		11,867,313	13,191,174
	Car purchase finance scheme		154,032,849	159,089,205
	Insurance premium		-	2,500,000
	Money remittance company		38,441,562	-
	Protested bills		44,543,206	44,130,460
	Cash remittance		135,500,000	45,526,689
	Supplier		29,237,767	9,251,038
	Lease vehicle		896,021	896,021
	Share money deposits		13,379,266	11,159,811
			6,106,810,736	5,408,142,054
10.2.1	Advance income tax			
	Opening balance on 1 January		4,863,041,730	6,225,321,335
	Add: Payment made during the year		1,660,879,183	1,056,598,314
	Add: Prior years adjustment made during the year		-	42,603,403
	Less: Settlement of Years 2013 and 2014		(1,016,553,668)	(2,461,481,322)
	Closing balance		5,507,367,245	4,863,041,730
10.3	Accrued interest & other income receivable			
	Treasury bonds and bills		465,016,906	355,836,743
	Receivables from Government		41,272,375	41,272,375
	Interest accrued on loans and advances		473,234,204	682,113,839
	Investment on term and call		110,893,000	88,721,528
	Holding period interest on reverse repo		365,398	-
			1,090,781,883	1,167,944,485
10.4	Investment in subsidiaries			
	IFIC Securities Limited		2,199,994,000	2,199,994,000
	IFIC Money Transfer (UK) Limited		33,308,400	31,799,790
			2,233,302,400	2,231,793,790
10.5	Deferred tax assets			
	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		1,064,159,464	1,168,882,916
	Deferred tax liabilities		(194,057,071)	(265,087,660)
	Deferred tax assets/(liabilities)		870,102,393	903,795,256

		Amount in BDT		
		Note	31 December 2019	31 December 2018
i) Deferred tax on provision for loans and advances classified as doubtful and bad & loss				
	Carrying amount		2,819,230,101	3,117,021,110
	Tax base		-	-
	Temporary difference		2,819,230,101	3,117,021,110
	Tax rate		37.50%	37.50%
	Closing deferred tax assets/(liabilities)		1,057,211,288	1,168,882,916
	Opening deferred tax assets/(liabilities)		1,168,882,916	1,334,667,576
	Deferred tax (expense)/income (A)		(111,671,628)	(165,784,660)
ii) Deferred tax on fixed assets				
	Carrying amount		2,833,825,524	2,873,948,596
	Tax base		2,316,340,000	2,167,048,168
	Temporary difference		517,485,524	706,900,427
	Tax rate		37.50%	37.50%
	Closing deferred tax assets/(liabilities)		(194,057,071)	(265,087,660)
	Opening deferred tax assets/(liabilities)		(265,087,660)	(221,718,666)
	Deferred tax (expense)/income (B)		71,030,589	(43,368,994)
iii) Deferred tax on leased assets				
	Right-of-Use Assets		817,235,585	-
	Less: Lease Liabilities		671,725,133	-
	Carrying amount		145,510,453	-
	Tax base		164,038,922	-
	Temporary difference		(18,528,469)	-
	Tax rate		37.50%	-
	Closing deferred tax assets/(liabilities)		6,948,176	-
	Opening deferred tax assets/(liabilities)		-	-
	Deferred tax (expense)/income (C)		6,948,176	-
	Deferred tax (expense)/income (A+B+C)		(33,692,863)	-
10.6 Income generating other assets				
	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	33,308,400	31,799,790
			2,233,302,400	2,231,793,790
10.7 Non-Income generating other assets				
	Stationery and stamps		40,919,747	32,367,261
	Suspense account	10.1	986,739,119	828,249,291
	Advance, deposit and prepayments	10.2	6,106,810,736	5,408,142,054
	Accrued interest & other income receivable	10.3	1,090,781,883	1,167,944,485
	Deferred tax assets	10.5	870,102,393	903,795,256
	Receivable others		193,419,566	378,766,295
			9,288,773,444	8,719,264,642
10.a Consolidated other assets				
	IFIC Bank Limited	10	11,522,075,844	10,951,058,432
	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	33,308,400	31,799,790
			9,288,773,444	8,719,264,642
	IFIC Securities Limited		315,989,156	283,186,384
	IFIC Money Transfer (UK) Limited		1,775,005	609,496
			9,606,537,605	9,003,060,522
11 Non-banking assets			373,474,800	373,474,800
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.				

		Amount in BDT		
		Note	31 December 2019	31 December 2018
12	Borrowing from other banks, financial institutions and agents			
	In Bangladesh	12.1	6,517,860,335	7,871,932,278
	Outside Bangladesh	12.2	1,698,000,000	2,097,500,000
			8,215,860,335	9,969,432,278
12.1	In Bangladesh			
	Term borrowing			
	Obligation under lease finance		12,001,012	19,827,757
	Short Term Borrowing		-	83,900,000
			12,001,012	103,727,757
	Refinance from Bangladesh Bank			
	Export Development Fund (EDF)		5,935,951,100	7,133,891,576
	Small and Medium Enterprise (SME)		530,344,520	574,842,616
	Long Term Financing Facility (LTFF)		39,563,703	59,470,329
			6,505,859,323	7,768,204,521
			6,517,860,335	7,871,932,278
12.2	Outside Bangladesh			
	Nepal Bangladesh Bank Limited		1,698,000,000	2,097,500,000
			1,698,000,000	2,097,500,000
Borrowing from outside Bangladesh is used for Off-shore Banking unit.				
12.3	Secured and unsecured borrowing from other banks, financial institutions and agents			
	Secured borrowing		-	-
	Unsecured borrowing		8,215,860,335	9,969,432,278
			8,215,860,335	9,969,432,278
12.4	Maturity grouping of borrowing from other banks, financial institutions and agents			
	Payable			
	On demand		-	11,474,233
	Up to 1 month		1,361,351,010	421,545,318
	Over 1 month but not more than 3 months		4,390,920,724	2,265,916,026
	Over 3 months but not more than 1 year		1,984,011,837	2,323,012,367
	Over 1 year but not more than 5 years		268,012,046	4,905,043,200
	Over 5 years		211,564,718	42,441,134
			8,215,860,335	9,969,432,278
12.a	Consolidated borrowing from other banks, financial institutions and agents			
	In Bangladesh			
	IFIC Bank Limited	12.1	6,517,860,335	7,871,932,278
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			6,517,860,335	7,871,932,278
	Less: Inter -company transactions		-	-
			6,517,860,335	7,871,932,278
	Outside Bangladesh			
	IFIC Bank Limited	12.2	1,698,000,000	2,097,500,000
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			1,698,000,000	2,097,500,000
			8,215,860,335	9,969,432,278

	Note	31 December 2019	31 December 2018
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 2019
			Outstanding 31 December 2018
Sonali Bank Limited	1,000,000,000	200,000,000	800,000,000
Janata Bank Limited	1,000,000,000	200,000,000	800,000,000
Rupali Bank Limited	1,000,000,000	200,000,000	800,000,000
Agrani Bank Limited	500,000,000	100,000,000	400,000,000
	3,500,000,000	700,000,000	2,800,000,000
			3,500,000,000
14 Deposits and other accounts			
Current deposit and other accounts	14.1	57,089,778,779	40,984,620,648
Bills payable	14.2	1,840,433,536	2,066,079,056
Savings bank deposits	14.3	23,299,407,700	24,711,065,947
Fixed deposits	14.4	176,138,521,221	158,602,206,257
		258,368,141,236	226,363,971,908
14.1 Current deposit and other accounts			
Current accounts		16,751,724,835	18,493,074,110
IFIC AAMAR account		32,361,380,548	14,564,938,228
IFIC Shohoj Account		136,862,041	-
Foreign currency deposit		255,461,641	869,285,363
Resident foreign currency deposit		47,095,819	50,707,790
Exporters foreign currency account		5,064,346,336	4,881,723,297
Margin on letters of credit		1,611,311,769	1,304,092,145
Margin on letters of guarantee		413,544,674	374,569,623
Sundry deposit	14.1.1	448,051,116	446,230,092
		57,089,778,779	40,984,620,648
14.1.1 Sundry deposit			
Sundry creditor		118,860,020	122,172,679
Lease deposit		18,593,332	23,645,299
Risk fund-lease, CCS & others		224,303	264,303
Clearing collection		165,425,901	147,668,326
Card Deposit		56,304,761	37,302,420
Sundry deposit BFF		25,912,400	25,912,400
FDD issued but not presented		13,323,391	13,323,391
Key deposit		5,873,025	5,799,550
CIB Charges		1,973,542	1,720,766
Other sundry deposits		41,560,441	68,420,958
		448,051,116	446,230,092
14.2 Bills payable			
Payment order		1,832,716,279	2,058,290,411
Demand draft		5,728,179	5,732,767
Security deposit receipt		1,989,078	2,055,878
		1,840,433,536	2,066,079,056
14.3 Savings bank deposit			
Savings account		17,486,387,437	17,475,296,032
Super savings plus		4,357,759,777	5,723,959,197
Payroll savings		341,507,069	343,980,845
Sanchita-female savings		1,009,734,700	995,543,687
Student savings - duronto		103,478,620	171,693,222
Interest payable on savings deposit		540,097	592,964
		23,299,407,700	24,711,065,947

		Amount in BDT		
		Note	31 December 2019	31 December 2018
14.4	Fixed deposit			
	Special notice deposit (SND)		17,423,788,727	25,101,619,381
	Term deposit	14.4.1	148,706,357,525	124,730,829,282
	Recurring deposit	14.4.2	9,588,859,670	8,747,714,491
	Non resident foreign currency deposit (NFCD)		9,255,260	9,101,831
	Export retention quota (ERQ)		410,260,039	12,941,272
			176,138,521,221	158,602,206,257
14.4.1	Term deposit			
	Fixed deposits		132,401,520,210	108,862,565,314
	Double return deposit scheme		7,037,614,862	7,855,681,076
	Three years deposit plus		5,163,900	5,163,900
	Monthly income scheme		4,894,756,648	4,800,115,250
	Monthly income scheme - Arjon		32,380,000	56,080,000
	Interest payable on term deposit		4,334,921,905	3,151,223,742
			148,706,357,525	124,730,829,282
14.4.2	Recurring deposit			
	Pension savings scheme (PSS)		6,792,946,944	6,745,497,954
	Pension savings scheme - Joma		7,269,422	18,136,965
	Flexi DPS - Freedom		1,222,175,166	1,023,904,154
	Millionaire dream plan		527,616,976	523,532,439
	School savings plan		26,124,547	34,896,628
	IFIC AGAMI		691,582,552	181,010,586
	Interest payable on recurring deposit		321,144,063	220,735,765
			9,588,859,670	8,747,714,491
14.5	Deposit and other accounts of the banks			
	Deposit from banks	14.7	8,564,982,723	11,732,305,874
	Deposit from customers		249,803,158,513	214,631,666,034
			258,368,141,236	226,363,971,908
14.6	Payable on demand and time deposit			
	Demand deposits			
	Current deposits		49,972,040,183	33,979,626,823
	Savings deposits		2,096,946,693	2,223,942,568
	Sundry deposits		2,416,602,798	5,517,865,655
	Bills payable		1,840,433,537	2,066,079,056
			56,326,023,211	43,787,514,102
	Time deposits			
	Savings deposits		21,202,461,006	22,486,530,414
	Fixed deposits		154,298,320,837	130,106,585,066
	Special notice deposits		17,423,788,727	25,101,619,381
	Deposits under schemes		9,061,242,694	4,881,722,944
			201,985,813,264	182,576,457,806
			258,311,836,475	226,363,971,908
14.7	Sector-wise concentration of deposits and other accounts			
	Government deposits		8,072,842,260	6,669,713,875
	Other public sector		33,352,810,380	35,089,000,201
	Deposit for banks		8,565,419,464	11,732,305,874
	Foreign currency deposits		5,786,419,095	5,823,759,553
	Private sectors		202,590,650,037	167,049,192,405
			258,368,141,236	226,363,971,908

		Amount in BDT		
		Note	31 December 2019	31 December 2018
14.8	Unclaimed deposits			
	Current deposits		8,962,549	5,531,272
	Savings deposits		40,703,362	35,616,032
	Special notice deposits		-	2,646,077
	Pay order and demand drafts		10,427,680	1,266,520
			60,093,591	45,059,901
14.9	Residual maturity grouping of deposits and other accounts			
	Maturity grouping of deposit from banks			
	On demand		-	228,503,339
	Up to 1 month		240,000,000	13,802,535
	Over 1 month but not more than 3 months		934,982,723	550,000,000
	Over 3 months but not more than 1 year		7,390,000,000	10,940,000,000
	Over 1 year but not more than 5 years		-	-
	Over 5 years		-	-
			8,564,982,723	11,732,305,874
	Maturity grouping of deposit from customers excluding bills payable			
	On demand		1,912,412,834	1,581,265,204
	Up to 1 month		28,878,765,168	27,159,900,670
	Over 1 month but not more than 3 months		50,559,114,016	50,725,061,895
	Over 3 months but not more than 1 year		69,090,047,625	52,016,880,935
	Over 1 year but not more than 5 years		26,079,654,873	77,912,853,596
	Over 5 years		71,442,730,460	3,169,624,677
			247,962,724,977	212,565,586,977
	Maturity grouping of bills payable			
	On demand		184,043,354	206,627,909
	Up to 1 month		368,086,707	413,255,816
	Over 1 month but not more than 3 months		368,086,707	413,255,818
	Over 3 months but not more than 1 year		184,043,354	206,627,908
	Over 1 year but not more than 5 years		368,086,707	413,255,817
	Over 5 years		368,086,707	413,055,789
			1,840,433,536	2,066,079,057
			258,368,141,236	226,363,971,908
14.a	Consolidated deposits and other accounts			
	Current deposits and other accounts			
	IFIC Bank Limited	14.1	57,089,778,779	40,984,620,648
	IFIC Securities Limited		19,433,794	41,192,225
	IFIC Money Transfer (UK) Limited		-	-
			57,109,212,573	41,025,812,873
	Less: Inter -company transactions		207,156,658	145,670,986
			56,902,055,915	40,880,141,888
	Bills payable			
	IFIC Bank Limited	14.2	1,840,433,536	2,066,079,056
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			1,840,433,536	2,066,079,056
	Savings bank deposit			
	IFIC Bank Limited	14.3	23,299,407,700	24,711,065,947
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			23,299,407,700	24,711,065,947
	Fixed deposits			
	IFIC Bank Limited	14.4	176,138,521,221	158,602,206,257
	IFIC Securities Limited		-	-
	IFIC Money Transfer (UK) Limited		-	-
			176,138,521,221	158,602,206,257
			258,180,418,372	226,259,493,148

		Amount in BDT			
		Note	31 December 2019	31 December 2018	
15	Other liabilities				
	Specific provision for classified loans and advances	15.1	3,086,703,002	3,439,332,446	
	General provision for unclassified loans and advances	15.2	2,485,966,343	1,970,054,642	
	Provision for off balance sheet items	15.3	460,901,538	544,535,590	
	Provision for loans and advances		6,033,570,883	5,953,922,678	
	Provision for diminution in value of investments	15.4	651,829,320	524,903,189	
	Provision for nostro account	15.5	10,659,195	10,533,645	
	Provision for other assets	15.6	416,485,497	376,349,960	
	Provision for loans, investments and other assets		7,112,544,895	6,865,709,472	
	Provision for taxation	15.7	7,317,502,199	6,634,055,867	
	Interest suspense accounts	15.8	6,633,354,159	6,286,303,850	
	Incentive bonus	15.9	250,000,000	240,500,000	
	Lease Liability		671,725,133	-	
	Rebate to good borrowers		21,870,000	21,870,000	
	Interest payable on borrowing and bond		51,307,247	48,264,200	
	Accrued expenses		83,560,453	29,470,225	
	Withholding Tax payable to government *		341,514,845	278,926,291	
	Withholding VAT payable to government *		80,529,151	71,091,971	
	Excise duty payable to government *		192,744,701	176,133,961	
	Dividend		2,814,447	2,814,447	
	Revaluation of investment abroad		30,946,297	30,946,297	
	Payable against Gov Bond & Sanchayapatra		65,743,619	357,561,049	
	Others		113,205,018	79,996,353	
			22,969,362,164	21,123,643,983	
	* Subsequently deposited to government exchequer.				
15.1	Specific provision for classified loans and advances				
	Provision held at the beginning of the year		3,439,332,446	3,594,107,146	
	Less: Fully provided debts written off		(1,296,176,672)	(933,473,298)	
	Add: Recoveries of amounts previously written off		601,783,125	165,713,392	
	Add: Specific provision for the year	41	341,764,103	612,985,206	
			3,086,703,002	3,439,332,446	
15.1.1	Specific provision required for classified loans and advances				
	Status of loans and advances	Base for provision	Rate (%)	Required provision	
				31 December 2019	
				31 December 2018	
	Sub-standard	1,335,712,827	20%	267,142,565	321,853,867
	Sub-standard- Short term agri. credit	6,606,701	5%	330,335	457,469
	Doubtful	125,633,616	50%	62,816,808	89,096,059
	Doubtful- Short term agri. credit	6,622,090	5%	331,105	625,465
	Bad/loss	2,733,290,490	100%	2,756,082,189	3,027,299,586
		4,207,865,724		3,086,703,002	3,439,332,446
	Specific provision maintained (note-15.1)			3,086,703,002	3,439,332,446
	Excess/(short)			-	-
15.2	General provision for unclassified loans & advances				
	Provision held at the beginning of the year		1,948,065,479	1,688,322,303	
	Provision made/(release) during the year	41	511,471,663	259,743,176	
			2,459,537,142	1,948,065,479	
	Off-shore Banking Unit (OBU)				
	Provision held at the beginning of the year		21,989,163	27,535,391	
	Provision made/(release) during the year	41	4,440,038	(5,546,228)	
			26,429,201	21,989,163	
			2,485,966,343	1,970,054,642	

	Note	31 December 2019	31 December 2018	
15.2.1 General provision required for unclassified loans and advances				
Status of loans and advances	Base for provision	Rate (%)	Required provision	
			31 December 2019	31 December 2018
Standard				
Small and medium enterprise	21,798,960,024	0.25%	54,497,400	56,293,051
Consumer finance (house building)	30,224,611,297	1.00%	302,246,113	246,835,117
Loans to LP/BHs/MBs/SDs share etc.	88,025,533	2.00%	1,760,511	5,773,331
Consumer finance	4,294,412,500	5.00%	214,720,625	209,010,826
Consumer finance (card)	118,752,362	2.00%	2,375,047	2,700,173
Short term agri. and micro-credit	1,047,214,948	1.00%	10,472,149	11,906,688
Staff loan	1,445,244,406	0.00%	-	-
Other unclassified loan *	145,960,998,046	1.00%	1,752,207,278	1,264,398,802
	204,978,219,116		2,338,279,123	1,796,917,988
Special Mention Account (SMA)				
Small and medium enterprise	473,491,806	0.25%	1,183,730	2,637,682
Consumer finance (house building)	611,472,462	1.00%	6,114,725	21,918,444
Loans to LP/BHs/MBs/SDs share etc.	-	2.00%	-	3,492
Consumer finance	22,233,225	5.00%	1,111,661	4,183,738
Consumer finance (card)	4,180,703	2.00%	83,614	35,010
Other unclassified loan **	7,590,511,502	1.00%	112,764,289	112,369,125
	8,701,889,698		121,258,019	141,147,491
Off-shore banking unit				
Unclassified loans	2,642,920,061	1.00%	26,429,201	21,989,163
	2,642,920,061		26,429,201	21,989,163
General provision required			2,485,966,343	1,960,054,642
General provision maintained (note-15.2)			2,485,966,343	1,970,054,642
Excess/(short)			-	10,000,000
* Provision against loans and advances has been maintained as per Bangladesh Bank letter no.: DBI-1/32/2020/1543 dated 14 June 2020. According to this letter, provision shortfall of Tk. 2,890 million against loans and advances to be maintained on the basis of 20% in Y2020, 30% in Y2021 and 50% in Y2022.				
** 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-J.				
15.3 Provision for off-balance sheet				
Provision held at the beginning of the year			544,535,590	598,707,834
Provision made/(release) during the year		41	(83,634,052)	(54,172,244)
			460,901,538	544,535,590
15.3.1 Provision required for off-balance sheet exposure				
Status	Base for provision	Rate (%)	Required provision	
			31 December 2019	31 December 2018
Acceptances and endorsements	17,978,428,515	1.00%	179,784,285	232,244,234
Letters of guarantee *	9,274,250,539	1.00%	92,742,505	114,791,463
Irrevocable letters of credit	14,673,137,826	1.00%	159,237,410	154,754,131
Bills for collection	2,913,733,690	1.00%	29,137,337	42,745,762
Required provision	44,839,550,570		460,901,537	544,535,590
Provision maintained (note-15.3)			460,901,537	544,535,590
Excess/(short)			-	-
* As per Bangladesh Bank instruction, BDT 537,544 and BDT 11,968,588 has been maintained as additional provision against letter of guarantee of M/s Hannan Works and M/s ATCO Internation, respectively.				
15.4 Provision for diminution in value of investments				
Provision held at the beginning of the year			524,903,189	339,557,533
Provision made/(release) during the year		41	126,926,131	185,345,656
			651,829,320	524,903,189
15.5 Provision for nostro account				
Provision held at the beginning of the year			10,533,645	10,382,985
Provision made/(release) during the year		41.1	125,550	150,660
			10,659,195	10,533,645

Amount in BDT

	Note	31 December 2019	31 December 2018	
15.6 Provision for other assets				
Provision held at the beginning of the year		376,349,960	339,541,220	
Less: written off during the year		(1,791,292)	-	
Provision made/(release) during the year	41.1	41,926,829	36,808,740	
		416,485,497	376,349,960	
15.6.1 Particulars of required provision for other assets				
Status	Base for provision	Rate (%)	Required provision	
			31 December 2019	31 December 2018
Other assets for 6-12 months	30,245,177	50%	15,122,588	17,539,085
Other assets for more than 12 months	346,819,703	100%	346,819,703	314,680,415
Protested bills	44,543,206	100%	44,543,206	44,130,460
Required provision			406,485,497	376,349,960
Provision maintained (note-15.6)			416,485,497	376,349,960
Excess/(Short)			10,000,000	-
15.7 Provision for taxation				
Provision held at the beginning of the year			6,634,055,867	7,972,933,786
Provision made during the year			1,700,000,000	1,080,000,000
			8,334,055,867	9,052,933,786
Adjustment made during the year			-	42,603,403
Less: Settlement of previous year			(1,016,553,668)	(2,461,481,322)
			7,317,502,199	6,634,055,867
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 2019 after considering the prior years' excess tax provisions. Assessments up to year 2015 (other than 2005 and 2010) have been completed by the tax authority and there is no tax liability remained outstanding up to year 2015 except 2005 and 2010. Overall tax position/status of the Bank are shown in Annexure - "K" .				
15.8 Interest suspense account				
Balance at the beginning of the year			6,286,303,850	4,953,004,400
Add: Amount transferred to interest suspense account during the year			3,959,253,482	3,143,633,681
Less: Amount transferred to interest income account during the year			(3,317,300,859)	(1,484,509,297)
Less: Amount written-off during the year			(294,902,314)	(325,824,934)
			6,633,354,159	6,286,303,850
15.9 Incentive bonus				
Balance at the beginning of the year			240,500,000	251,000,000
Add: Provision made during the year			250,000,000	240,000,000
Less: Paid during the year			(238,498,794)	(242,615,407)
Less: Transfer to income during the year			(2,001,206)	(7,884,593)
			250,000,000	240,500,000
15.a Consolidated other liabilities				
IFIC Bank Limited	15		22,969,362,164	21,123,643,983
IFIC Securities Limited			2,028,176,069	1,965,256,166
IFIC Money Transfer (UK) Limited			17,398,532	33,300,105
			25,014,936,765	23,122,200,254
16 Share Capital				
16.1 Authorized Capital				
4,000,000,000 ordinary shares of Taka 10 each			40,000,000,000	20,000,000,000
16.2 Issued, subscribed and fully paid up capital		No of Share		
Ordinary shares of Taka 10 each issued for cash		8,000,000	80,000,000	80,000,000
Ordinary shares of Taka 10 each issued as rights share		4,400,000	44,000,000	44,000,000
Ordinary shares of Taka 10 each issued as rights share		563,821,907	5,638,219,070	5,638,219,070
Ordinary shares of Taka 10 each issued for bonus share		896,390,701	8,963,907,010	7,625,168,280
		1,472,612,608	14,726,126,080	13,387,387,350

Amount in BDT

	Note	31 December 2019	31 December 2018
16.2.1 The Bank raised paid-up capital of Tk. 44,000,000 through Rights Issue of 440,000 no. of ordinary shares at a ratio of 1R:2 i.e. one rights share for two existing 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.			
16.2.2 The Bank raised paid-up capital of Tk. 5,638,219,070 through Rights Issue of 563,821,907 no. of ordinary shares at a ratio of 1R:1 i.e. one rights share for one existing share at par in the year 2017.			
16.3 Issued, subscribed and fully paid up Capital-Shareholders' Category			
990,353,220 [Year 2018: 900,321,109] ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.		9,903,532,200	9,003,211,090
482,259,388 [Year 2018: 438,417,626] ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.		4,822,593,880	4,384,176,260
		14,726,126,080	13,387,387,350

16.4 Shareholding by category

Category	31 December 2019			31 December 2018		
	No. of Share	%	Taka	No. of Share	%	Taka
Sponsors	57,795,104	3.92	577,951,040	52,541,011	3.92	525,410,110
Directors	64,943,437	4.41	649,434,370	26,782,314	2.00	267,823,140
Government (Director also)	482,259,388	32.75	4,822,593,880	438,417,626	32.75	4,384,176,260
Sub-Total	604,997,929	41.08	6,049,979,290	517,740,951	38.67	5,177,409,510
Institutions	340,317,105	23.11	3,403,171,050	301,327,505	22.51	3,013,275,050
Foreign investors	15,276,079	1.04	152,760,790	24,126,033	1.80	241,260,330
General investors	512,021,495	34.77	5,120,214,950	495,544,246	37.02	4,955,442,460
Sub-Total	867,614,679	58.92	8,676,146,790	820,997,784	61.33	8,209,977,840
Total	1,472,612,608	100.00	14,726,126,080	1,338,738,735	100.00	13,387,387,350

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 nomination 03 (Three) Directors and as such, Sponsors & Directors are at present holding 41.08% shares of the Bank.

16.5 Distribution of paid up capital

Holding of share	31 December 2019			31 December 2018		
	No. of holder	Total shares	%	No. of holder	Total shares	%
1 to 500 shares	14,695	2,091,145	0.14	15,486	2,170,986	0.16
501 to 5,000 shares	15,689	31,842,708	2.16	16,060	31,964,716	2.39
5,001 to 10,000 shares	4,197	30,197,520	2.05	4,058	28,724,648	2.15
10,001 to 20,000 shares	3,168	44,639,141	3.03	2,878	40,127,050	3.00
20,001 to 30,000 shares	1,226	30,311,561	2.06	1,137	27,986,162	2.09
30,001 to 40,000 shares	652	22,745,183	1.55	500	17,321,635	1.29
40,001 to 50,000 shares	379	17,268,513	1.17	298	13,527,710	1.01
50,001 to 100,000 shares	754	52,193,228	3.55	606	41,591,254	3.11
100,001 to 1,000,000 share	698	184,521,732	12.53	577	145,032,801	10.83
More than 1,000,000 share	115	1,056,801,877	71.76	121	990,291,773	73.97
Total	41,573	1,472,612,608	100.00	41,721	1,338,738,735	100.00

16.6 Shareholding of Directors as at 31 December 2019

Sl.	Name of the Directors	Status	Holding %	Closing Position	Opening Position
1	Mr. Salman F Rahman	Chairman	2.00	29,460,545	26,782,314
2	Mr. Ahmed Shayan Fazlur Rahman*	Vice-Chairman	2.41	35,482,892	32,057,175
3	Mr. Anwaruzzaman Chowdhury	Managing Director	Nil	Nil	Nil
4	Ms. Rabeya Jamali	Independent Director	Nil	Nil	Nil
5	Mr. Jalal Ahmed **	Govt. nominated Director			
6	Mr. A. R. M. Nazmus Sakib **	Govt. nominated Director	32.75	482,259,388	438,417,626
7	Ms. Quamrun Naher Ahmed**	Govt. nominated Director			
8	Mr. M. Shah Alam Sarwar	Managing Director	Nil	Nil	Nil

* Represents M/s. New Dacca Industries Limited against its holding of 2.41% shares in the Bank.

** Directors nominated by the Ministry of Finance, Govt. of the People's Republic of Bangladesh against its holding of 32.75% shares in the Bank.

	Note	31 December 2019	31 December 2018
16.7 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	14,726,126,080	13,387,387,350
Statutory reserve	17	6,531,903,475	5,696,418,313
General reserve	18	155,071,397	155,071,397
Retained earnings	21	3,018,442,662	2,748,933,607
		24,431,543,614	21,987,810,667
Less: Regulatory Adjustments:			
Deduction from Tier-1 Capital (95% of deferred tax assets)		1,010,951,491	1,110,438,771
Total Common Equity Tier 1 Capital		23,420,592,124	20,877,371,897
Tier-2 (Gone-Concern Capital)			
General provision		2,946,867,881	2,514,590,232
Subordinated debt that meet the qualifying criterial for Tier 2		2,800,000,000	3,500,000,000
Revaluation Reserves as on 31 December 2014		58,445,121	58,445,121
Less: Regulatory Adjustments:			
Revaluation reserve (80% for 2018 of Tk. 58,445,121)		(58,445,121)	(46,756,097)
Total Tier-2 Capital		5,746,867,881	6,026,279,257
Total Regulatory Capital (A)		29,167,460,005	26,903,651,153
Total assets including off-balance sheet items		368,045,509,902	343,508,883,626
Total risk-weighted Assets		227,798,495,191	213,010,627,971
Required capital @12.5% [Y2018: 11.875%] (B)		28,474,811,899	25,295,012,072
Total capital surplus C=(A-B)		692,648,106	1,608,639,082
Capital to Risk-weighted Asset Ratio (CRAR):			
Common Equity Tier 1 to RWA		10.28%	9.80%
Tier - 2 Capital to RWA		2.52%	2.83%
Capital to Risk-weighted Asset Ratio (CRAR)		12.80%	12.63%
Details computation of risk-weighted assets are shown in "Annexure - E"			

16.7.a Consolidated 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. The Capital to Risk-weighted Asset Ratio (CRAR) is calculated as follows:

Common Equity Tier 1 (going-concern capital)

Paid-up capital	16.2	14,726,126,080	13,387,387,350
Statutory reserve	17	6,531,903,475	5,696,418,313
General reserve	18	155,071,397	155,071,397
Retained earnings	22	4,920,565,744	4,267,059,068
		26,333,666,696	23,505,936,128
Regulatory Adjustments:			
Deduction from Tier-1 Capital (95% of deferred tax assets)		1,010,951,491	1,110,438,771
Total Common Equity Tier 1 Capital		25,322,715,206	22,395,497,357
Tier-2 (Gone-Concern Capital)			
General provision		2,946,867,881	2,514,590,232
Subordinated debt that meet the qualifying criterial for Tier 2		2,800,000,000	3,500,000,000
Revaluation Reserves as on 31 December 2014		58,445,121	58,445,121
Regulatory Adjustments:			
Revaluation reserve (80% for 2018 of Tk. 58,445,121)		(58,445,121)	(46,756,097)
Total Tier-2 Capital		5,746,867,881	6,026,279,257
Total Regulatory Capital (A)		31,069,583,087	28,421,776,615

		Amount in BDT	
	Note	31 December 2019	31 December 2018
Total assets including off-balance sheet items		371,849,359,537	346,964,386,291
Total risk-weighted Assets		231,554,686,630	218,798,091,096
Required capital @12.5% [Y2018: 11.875%] (B)		28,944,335,829	25,982,273,318
Total capital surplus C=(A-B)		2,125,247,258	2,439,503,297
Capital to Risk-weighted Asset Ratio (CRAR):			
Common Equity Tier 1 to RWA		10.94%	10.24%
Tier – 2 Capital to RWA		2.48%	2.75%
Capital to Risk-weighted Asset Ratio (CRAR)		13.42%	12.99%
17	Statutory reserve		
	Balance at the beginning of the year	5,696,418,313	5,124,540,729
	Transferred from profit during the year	835,485,162	571,877,584
		6,531,903,475	5,696,418,313
18	General reserve	155,071,397	155,071,397
	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.		
19	Revaluation reserve against securities		
	HTM securities	19.1 48,258,777	4,743,046
	HFT securities	19.2 1,862,360	8,365,801
		50,121,137	13,108,847
19.1	Revaluation reserve HTM securities		
	Balance at the beginning of the year	4,743,046	3,857,293
	Gain/(loss) from revaluation on investments	43,515,731	885,753
		48,258,777	4,743,046
19.2	Revaluation reserve HFT securities		
	Balance at the beginning of the year	8,365,801	2,372,256
	Gain/(loss) from revaluation on investments	(6,503,441)	5,993,545
		1,862,360	8,365,801
19.a	Consolidated revaluation reserve against securities		
	IFIC Bank Limited	19 50,121,137	13,108,847
	IFIC Securities Limited	-	-
	IFIC Money Transfer (UK) Limited	-	-
		50,121,137	13,108,847
20	Revaluation reserve against fixed assets	115,314,704	115,314,704
	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.		
20.a	Consolidated foreign currency translation reserve		
	IFIC Money Transfer (UK) Limited	1,829,993	3,017,535
	Investment in joint venture/associate (NBBL)	40,324,282	38,922,757
	Investment in joint venture/associate (OE LLC)	1,713,661	1,352,583
		43,867,936	43,292,875
21	Surplus in profit and loss account		
	Balance at the beginning of the year	2,748,933,607	3,184,939,855
	Net profit after tax for the year	2,443,732,947	1,570,234,267
	Transfer to statutory reserve during the year	(835,485,162)	(571,877,585)
	Issue of bonus shares	(1,338,738,730)	(1,434,362,930)
		3,018,442,662	2,748,933,607

		Amount in BDT		
		Note	31 December 2019	31 December 2018
22	Consolidated surplus in profit and loss account			
	IFIC Bank Limited	21	3,018,442,662	2,748,933,607
	IFIC Securities Limited		322,799,499	300,108,468
	IFIC Money Transfer (UK) Limited		(26,232,171)	(30,939,659)
	Share of profit of investment in joint venture/associate (NBBL)		1,642,684,855	1,285,855,176
	Share of profit of investment in joint venture/associate (OE LLC)		57,314,825	33,620,838
	Exchange (gain)/loss on investment in joint venture/associate (NBBL)		(92,730,264)	(69,166,779)
	Exchange (gain)/loss on investment in joint venture/associate (OE LLC)		(1,713,662)	(1,352,584)
			4,920,565,744	4,267,059,068
23	Non-controlling interest (NCI)			
	IFIC Securities Limited	23.1	6,880	6,818
	IFIC Money Transfer (UK) Limited		-	-
			6,880	6,818
23.1	NCI of IFIC Securities Limited			
	Opening balance on 1 January		6,818	6,669
	Add: Share of profit during the year		62	149
			6,880	6,818
24	Contingent liabilities			
	Acceptances and endorsements	24.1	17,978,428,515	23,224,423,401
	Letters of guarantee	24.2	9,274,250,539	10,228,543,056
	Irrevocable Letters of credit	24.3	14,673,137,826	15,475,413,131
	Bills for collection	24.4	9,169,349,832	11,507,221,651
			51,095,166,712	60,435,601,239
24.1	Acceptances and endorsements			
	Back to back bills (local currency)		197,607,606	212,374,197
	Back to back bills (foreign currency)		17,780,820,909	23,012,049,204
			17,978,428,515	23,224,423,401
24.2	Letters of guarantee			
	Letters of guarantee (local currency)		9,145,418,872	10,057,537,985
	Letters of guarantee (foreign currency)		128,831,667	171,005,071
			9,274,250,539	10,228,543,056
	Money for which the bank is contingently liable in respect of guarantee issued favoring:			
	Directors		-	-
	Government		4,264,377,276	2,781,296,524
	Banks and other financial institutions		1,892,035,766	2,491,544,704
	Others		3,117,837,497	4,955,701,828
			9,274,250,539	10,228,543,056
24.3	Irrevocable letters of credit			
	Letter of credit (LC) - cash sight		6,740,841,075	7,423,663,948
	Letter of credit (LC) - back to back		7,730,378,117	272,198,528
	Letter of credit (LC) - cash usance		201,918,634	7,779,550,655
			14,673,137,826	15,475,413,131
24.4	Bills for collection			
	Inland bills collection		21,261,409	23,897,531
	Foreign bills collection		-	1,704,375
	Inland documentary bills for collection		2,913,733,690	4,274,576,248
	Foreign documentary bills for collection		6,234,354,733	7,207,043,497
			9,169,349,832	11,507,221,651

		Amount in BDT		
		Note	2019	2018
25	Income statement			
	Income			
	Interest, discount and similar income	26, 28	26,784,747,249	20,913,918,358
	Dividend income	28	208,265,302	398,799,286
	Fees, commission and brokerage	29.1	930,256,562	920,163,418
	Gains less losses arising from dealing in securities	28	57,167,058	5,376,078
	Gains less losses arising from investment securities	28.1	2,040,818	4,877,439
	Gain less losses arising from dealing in foreign currencies	29.2	719,498,177	672,661,338
	Other operating income	30	445,787,866	489,637,586
			29,147,763,033	23,405,433,503
	Expenses			
	Interest, fee and commission	27	18,028,020,880	14,404,724,629
	Losses on loan and advances		758,054,030	109,642,716
	Administrative expenses	31-38	3,660,826,054	3,793,503,670
	Other operating expenses	39, 40	1,089,011,364	915,658,403
	Depreciation on banking assets		491,404,633	287,201,198
			24,027,316,961	19,510,730,616
	Profit before provision		5,120,446,072	3,894,702,887
26	Interest income			
	Term loan-industrial		2,245,650,120	1,794,683,759
	Term loan-agricultural Loan		230,573,616	211,481,447
	Term loan-consumer finance		41,855,294	61,286,328
	Term loan-housing finance		3,752,614,702	3,312,440,291
	Term loan-transport loan		19,240,905	32,028,964
	Term loan-lease finance		44,921,629	64,829,905
	Term loan-foreign currency (OBU)		109,387,936	61,787,366
	Term loan-others		5,830,751,989	3,971,165,166
	Overdrafts		6,330,928,169	4,016,141,799
	Cash credit		2,592,629,570	2,591,900,340
	Credit card		22,471,501	34,161,090
	Demand loan		967,294,005	656,298,718
	Loan general		165,542,963	167,837,201
	Loan against trust receipt (LTR)		797,570,270	752,616,242
	Staff loan		66,539,810	74,909,818
	Overdue interest		107,258,282	65,097,957
	Interest income from loans and advances		23,325,230,761	17,868,666,391
	Inland documentary bill purchased (IDBP)		199,887,302	155,720,761
	Foreign documentary bill purchased (FDBP)		24,417,146	20,414,327
	Usance bill discounted (OBU)		14,990,490	50,215,167
	Payment against document (cash)		32,466,045	32,672,585
	Payment against document (forced)		102,010,669	94,172,959
	Payment against document (EDF)		353,393,596	340,331,185
	Payment against document (inland)		70,537,557	79,628,783
	Payment against document (others)		179,077,315	145,416,676
	Interest income from bills paid and discounted		976,780,120	918,572,443
	Money at call on short notice		76,448,278	137,566,847
	Balance held outside Bangladesh		20,295,103	16,899,939
	Balance held inside Bangladesh		27,147,595	22,825,523
			24,425,901,857	18,964,531,143

		Amount in BDT	
	Note	2019	2018
26.a Consolidated interest income			
IFIC Bank Limited	26	24,425,901,857	18,964,531,143
IFIC Securities Limited		52,534,798	47,373,510
IFIC Money Transfer (UK) Limited		-	-
		24,478,436,655	19,011,904,653
Less: Inter -company interest income		-	-
		24,478,436,655	19,011,904,653
27 Interest paid on deposits, borrowings etc.			
Interest paid on deposits			
Current deposit		2,671,144,322	1,476,447,014
Saving bank deposit		825,843,679	881,406,248
Special notice deposit		1,210,243,333	928,622,148
Fixed deposit		10,765,983,265	8,660,899,478
Non resident FC deposit		129,728	147,039
Resident FC deposit		235,514	107,545
Pension savings scheme		595,573,864	608,893,827
Monthly income scheme		1,176,171,547	1,313,011,122
Foreign currency deposit		266,311	287,426
		17,245,591,563	13,869,821,847
Interest paid on borrowings			
Call borrowing		7,339,496	161,111
Term borrowing		125,406,848	57,097,949
Repurchase agreement (repo)		17,152,125	127,697
Bangladesh Bank- SME refinance		26,701,333	34,115,481
Payment against lease obligation		1,958,139	2,839,044
Interest on subordinated bond		346,193,151	267,435,959
Bangladesh Bank- EDF		255,023,726	169,764,559
Bangladesh Bank- LTFF Refinance		2,654,499	3,360,982
		782,429,317	534,902,782
		18,028,020,880	14,404,724,629
27.a Consolidated interest paid on deposits, borrowings etc.			
IFIC Bank Limited	27	18,028,020,880	14,404,724,629
IFIC Securities Limited		1,056,166	90
IFIC Money Transfer (UK) Limited		-	-
		18,029,077,046	14,404,724,719
Less: Inter -company interest paid		(16,713)	(25,189)
		18,029,060,333	14,404,699,530
28 Investment income			
Interest on treasury bills and bonds		1,861,423,952	1,410,348,672
Interest on term placement		497,421,440	539,038,543
Interest on reverse repo		57,167,058	5,376,078
Gain from sale of shares of listed companies	28.1	2,040,818	4,877,439
Dividend income - local		34,955,882	54,379,442
Dividend income - foreign		173,309,420	344,419,844
Prize bond		-	14,050
		2,626,318,570	2,358,454,068

		Amount in BDT	
	Note	2019	2018
28.1 Gain from sale of shares of listed companies			
Gain on share sale		7,245,259	6,401,020
Less: Loss on sale of share		(5,204,441)	(1,523,581)
		2,040,818	4,877,439
28.a Consolidated investment income			
IFIC Bank Limited	28	2,626,318,570	2,358,454,068
IFIC Securities Limited		5,197,821	30,162,404
IFIC Money Transfer (UK) Limited		-	-
Less: Dividend received from associates (NBBL)		(173,309,420)	(344,419,844)
		2,458,206,971	2,044,196,628
29 Commission, exchange and brokerage			
Commission	29.1	930,256,562	920,163,418
Exchange gain/(loss)	29.2	719,498,177	672,661,338
		1,649,754,740	1,592,824,756
29.1 Commission			
Bills purchased		731,947	3,680,359
Remittances (inland)		11,438,335	14,434,585
Remittances (foreign)		3,134,240	4,442,829
Letter of guarantee (LG)-local		81,926,382	99,710,753
Letter of guarantee (LG)-foreign		1,166,396	4,854,660
Letter of credit (back to back)		356,725,556	134,434,471
Letter of credit (cash)		127,337,074	145,005,192
Letter of credit (others)		84,972,476	26,667,353
Local documentary bills collection (LDBC)		7,508,447	13,242,000
Inward foreign documentary bills collection (IFDBC)		74,961,720	189,588,064
Foreign documentary bills collection (FDBC)		1,853,500	9,413,505
Foreign bills collection (FBC)		733,100	615,002
Add confirmation		21,829,873	16,772,760
Sanchaypatra		4,276,389	6,974,584
Foreign correspondent charges		47,202,824	164,744,758
Negotiation against contract		40,701,949	2,148,450
Rebate from foreign correspondent		51,273,358	62,117,879
Commission others		12,482,993	21,316,214
		930,256,562	920,163,418
29.2 Exchange gain/(loss)			
Exchange gain from revaluation of FC		719,498,177	672,661,338
		719,498,177	672,661,338
29.a Consolidated commission, exchange and brokerage			
IFIC Bank Limited	29	1,649,754,740	1,592,824,756
IFIC Securities Limited		20,352,880	24,395,453
IFIC Money Transfer (UK) Limited		39,334,401	27,619,061
Exchange (gain)/loss for investment in joint venture/associate(NBBL)		(23,563,485)	(28,276,183)
Exchange (gain)/loss for investment in joint venture/associate(OE LLC)		(361,078)	(272,763)
		1,685,517,458	1,616,290,324

		Amount in BDT	
	Note	2019	2018
30 Other operating income			
Locker rent		18,820,201	16,238,293
Other rents		1,157,455	5,268,480
Cheque Book charge recovery		26,424,264	22,005,071
SWIFT charges recovery		21,720,497	26,460,886
Loan processing fees		67,301,014	83,100,506
Visa card fees and commission		43,376,415	35,069,399
Service charge on accounts		151,482,043	101,558,341
Online charge		14,562,761	23,450,602
Gain on sale of fixed assets	40.5	1,623,480	372,406
Management fee - foreign*		15,853,125	12,582,000
Miscellaneous earning		70,506,233	125,167,296
Other fees, commission & charges		12,960,378	38,350,255
		445,787,866	489,623,536

* The Bank has received Management fee from NBBL under Management service/Technical Know-how fee agreement which has credited Bank's Nostro Account in 2019.

30.a Consolidated other operating income

IFIC Bank Limited	30	445,787,866	489,623,536
IFIC Securities Limited		1,283,406	1,587,044
IFIC Money Transfer (UK) Limited		-	-
		447,071,272	491,210,580
Less: Inter-company paid		16,713	25,189
		447,054,559	491,185,391

31 Salary and allowances

Basic salary		1,092,535,881	1,054,076,770
House rent allowance		470,160,456	460,650,315
Conveyance allowance		61,903,622	55,954,073
Medical allowances		104,772,557	102,557,584
Entertainment allowance		47,408,569	56,234,457
Other allowances		89,768,707	101,614,246
Incentive bonus		250,000,000	240,000,000
Leave encashment		17,660,322	8,219,071
Festival bonus		197,587,595	193,785,587
Leave fare assistant		100,712,917	106,230,662
Provident fund- Bank's contribution		101,182,915	99,844,998
Contribution to gratuity fund		30,000,000	80,000,000
		2,563,693,541	2,559,167,763

Number of employees for the year of 2019 who were paid remuneration less than Tk. 36,000 was nil (year 2018: nil). Total number of employees employed in the Bank at the end of the year 2019 were 2,559 (year 2018:2,556).

31.a Consolidated salary and allowances

IFIC Bank Limited	31	2,563,693,541	2,559,167,763
IFIC Securities Limited		14,848,510	13,845,106
IFIC Money Transfer (UK) Limited		9,264,152	7,859,574
		2,587,806,203	2,580,872,443

		Amount in BDT	
	Note	2019	2018
32 Rent, taxes, insurance, electricity etc.			
Rent paid		286,571,455	467,140,078
Rates & taxes		5,684,953	41,635,042
Insurance premium		179,331,545	169,576,277
Electricity & water		93,446,617	87,474,903
		565,034,570	765,826,300
Total office rent expenses for the year 2019 is Tk. 467,700,959. Due to application of IFRS 16: <i>Lease</i> , Tk. 181,129,504 has been distributed as depreciation (Annexure D) and interest expense (note 40). Required withholding tax and VAT on total rental expense has been deducted and deposited accordingly. Details is disclosed in Note 2.2.1.7.			
32.a Consolidated rent, taxes, insurance, electricity etc.			
IFIC Bank Limited	32	565,034,570	765,826,300
IFIC Securities Limited		5,021,794	7,291,082
IFIC Money Transfer (UK) Limited		9,358,229	7,754,254
		579,414,593	780,871,636
33 Legal expenses			
Legal expenses		1,804,546	1,977,259
Professional fees		6,795,144	8,323,371
		8,599,690	10,300,630
33.a Consolidated legal expenses			
IFIC Bank Limited	33	8,599,690	10,300,630
IFIC Securities Limited		242,525	429,197
IFIC Money Transfer (UK) Limited		1,228,495	1,763,669
		10,070,710	12,493,496
34 Postage, stamp, telecommunication etc.			
Postage expenses		7,580,279	5,803,438
Telephone		13,515,201	11,269,697
Communication facilities		42,335,219	45,904,183
		63,430,699	62,977,318
34.a Consolidated postage, stamp, telecommunication etc.			
IFIC Bank Limited	34	63,430,699	62,977,318
IFIC Securities Limited		48,107	58,982
IFIC Money Transfer (UK) Limited		190,311	226,972
		63,669,117	63,263,272
35 Stationery, printing, advertisement etc.			
Printing stationery		5,535,684	17,702,977
Security stationery		7,414,916	9,943,799
Petty stationery		23,639,915	19,558,295
Computer stationery		12,648,728	13,913,185
Advertisement and publicity		390,631,644	315,789,403
		439,870,887	376,907,659
35.a Consolidated stationery, printing, advertisement etc.			
IFIC Bank Limited	35	439,870,887	376,907,659
IFIC Securities Limited		135,140	136,880
IFIC Money Transfer (UK) Limited		216,743	18,998
		440,222,770	377,063,537

		Amount in BDT	
	Note	2019	2018
36	Managing Director's salary		
	Basic salary	12,000,000	11,700,000
	House rent allowance	375,000	300,000
	Provident fund- Bank's contribution	1,200,000	1,170,000
	Festival bonus	2,145,000	1,950,000
		15,720,000	15,120,000
	In addition to the above Managing Director was paid incentive bonus of Tk. 1 million in both years.		
37	Directors' fees		
	Meeting attendance fees	1,560,000	1,704,000
		1,560,000	1,704,000
	Each Director is paid Tk. 8,000 for attending each meeting as per latest BRPD letter no. 11 dated 4 October 2015.		
37.a	Consolidated Directors' fees		
	IFIC Bank Limited	1,560,000	1,704,000
	IFIC Securities Limited	294,500	207,000
	IFIC Money Transfer (UK) Limited	-	-
		1,854,500	1,911,000
38	Auditors' fees*		
	Statutory annual audit fees	1,916,667	1,500,000
	Interim audit fees	1,000,000	-
		2,916,667	1,500,000
	* Audit fee is inclusive of tax and VAT.		
38.a	Consolidated Auditors' fees		
	IFIC Bank Limited	2,916,667	1,500,000
	IFIC Securities Limited	333,500	223,500
	IFIC Money Transfer (UK) Limited	258,926	266,633
		3,509,093	1,990,133
39	Depreciation and repair of bank's assets		
	Depreciation		
	Buildings and premises	47,045,580	47,045,580
	Right of Use Assets	172,695,856	-
	Wooden furniture	20,183,246	19,894,529
	Steel furniture	3,309,100	3,088,778
	Computer equipment	68,928,095	51,751,242
	Office equipment	13,694,046	13,276,192
	Electrical & gas equipment	87,771,515	79,067,274
	Leasehold improvement	20,572,499	17,520,840
	Vehicles	11,754,830	13,100,866
	Leased vehicles	7,826,745	6,945,840
	Soft furnishing	711,217	489,136
	Software	36,911,905	35,020,921
		491,404,633	287,201,198
	Repairs and maintenance		
	Property maintenance and repairs	194,577,671	137,484,156
	Vehicles maintenance and repairs	48,860,969	56,697,231
		243,438,640	194,181,387
		734,843,273	481,382,585
39.a	Consolidated depreciation and repair of bank's assets		
	IFIC Bank Limited	734,843,273	481,382,585
	IFIC Securities Limited	3,577,404	1,002,643
	IFIC Money Transfer (UK) Limited	1,288,372	2,217,612
		739,709,049	484,602,840

			Amount in BDT	
	Note	2019	2018	
40 Other expenses				
Entertainment		42,596,573	35,326,999	
Petrol, oil and lubricants	40.1	66,991,479	71,694,069	
Training and internship	40.2	28,081,193	29,042,530	
Traveling expenses	40.3	67,821,573	60,117,994	
Casual and contractual service	40.4	185,883,376	168,216,672	
Subscription and donation		35,107,080	65,705,187	
Corporate Social Responsibility (CSR)		94,015,985	48,199,946	
Books, newspapers and magazines, etc.		1,415,141	2,154,750	
NID verification charge		411,015	630,688	
Reward and recognition		1,689,961	8,913,076	
Uniforms and liveries		1,760,688	4,216,805	
Annual General Meeting		11,785,133	9,169,646	
Business development		42,351,989	23,758,220	
Crockeries		1,225,472	737,383	
Security services		145,068,368	110,672,293	
Bank charges and commission		7,679,845	13,892,832	
Recovery and sales agent		14,841,187	1,654,727	
Visa card expense		26,085,414	7,546,089	
Interest on leased assets		26,962,117	-	
Risk charges		17,678,640	17,171,583	
Bond & Rights Share issue		1,976,979	3,168,888	
Miscellaneous		24,143,515	39,486,639	
		845,572,724	721,477,016	
Expenses incurred by the Bank shown in these Financial Statements are inclusive of VAT where applicable as per VAT Act 1991.				
40.1 Petrol, oil and lubricants				
Petrol, oil and lubricants - pool car		18,867,856	18,916,731	
Petrol, oil and lubricants - car purchase scheme		48,123,623	52,777,338	
		66,991,479	71,694,069	
40.2	Training and internship expense includes daily allowance and traveling allowances.			
40.3	Traveling expense represents foreign and local travel which include daily allowances and traveling allowance.			
40.4 Casual and contractual service				
Driver salary - car purchase scheme		47,650,157	45,766,698	
DSA salary and incentive		63,293,461	62,860,587	
Casual and contractual - staff		74,939,758	59,589,387	
		185,883,376	168,216,672	
40.5 Gain/ (loss) on sales of fixed assets				
Cost of fixed assets sold				
Wooden furniture		8,219,388	4,061,000	
Steel furniture		280,432	481,307	
Computer equipment		41,086,145	12,486,117	
Office equipment		2,939,011	2,912,969	
Electrical & gas equipment		23,665,104	12,849,968	
Leasehold improvement		15,955,183	4,946,409	
Vehicles		2,428,750	-	
Soft furnishing		350,124	277,624	
		94,924,137	38,015,394	

		Amount in BDT	
	Note	2019	2018
Less : Accumulated depreciation			
Wooden furniture		7,967,946	3,597,645
Steel furniture		243,849	332,665
Computer equipment		41,081,636	12,464,754
Office equipment		2,937,062	2,901,121
Electrical & gas equipment		23,151,351	11,736,569
Leasehold improvement		15,777,228	4,603,284
Vehicles		2,428,746	-
Soft furnishing		350,117	277,599
		93,937,934	35,913,637
Written down value		986,202	2,101,757
Sale proceeds of above fixed assets		2,609,682	2,474,163
Gain / (loss) on sales of fixed assets		1,623,480	372,406
40.a Consolidated other expenses			
IFIC Bank Limited	40	845,572,724	721,477,016
IFIC Securities Limited		4,562,700	5,387,845
IFIC Money Transfer (UK) Limited		12,821,686	10,117,292
		862,957,110	736,982,153
40.b Details of investment in joint ventures/associates - under equity method			
i) Nepal Bangladesh Bank Limited			
Opening balance		3,667,144,961	3,696,288,544
Add/ (less): Share of post acquisition profit during the year		530,139,098	399,726,145
Add/ (less): Cash dividend received		(173,309,420)	(344,419,844)
Add/ (less): Effect of changes in foreign currency exchange rate		1,401,525	(84,449,885)
Closing balance		4,025,376,164	3,667,144,961
ii) Oman Exchange LLC			
Opening balance		52,691,476	52,019,550
Add/ (less): New investment made during the year		56,654,197	-
Add/ (less): Share of post acquisition profit/(loss) during the year		23,693,987	399,163
Add/ (less): Effect of changes in foreign currency exchange rate		361,078	272,763
Closing balance		133,400,738	52,691,476
iii) Share of post acquisition profit during the year			
Nepal Bangladesh Bank Limited		530,139,098	399,726,145
Oman Exchange LLC		23,693,987	399,163
		553,833,085	400,125,308
iv) Investment in joint ventures/associates-under equity method			
A. Book value of investment			
Nepal Bangladesh Bank Limited	6.2	2,435,097,291	2,411,533,806
Oman Exchange LLC	6.2	76,085,913	19,070,638
		2,511,183,204	2,430,604,444
B. Cumulative share of post acquisition profit			
Nepal Bangladesh Bank Limited		1,590,278,873	1,255,611,155
Oman Exchange LLC		57,314,825	33,620,838
		1,647,593,698	1,289,231,993
Total (A+B)		4,158,776,902	3,719,836,437

		Amount in BDT	
	Note	2019	2018
41 Provision for loans, investments and other assets			
Specific provision	15.1	341,764,103	612,985,206
General provision	15.2	511,471,663	259,743,176
Provision for off-shore banking unit	15.2	4,440,038	(5,546,228)
Provision for off-balance sheet exposure	15.3	(83,634,052)	(54,172,244)
Provision for loans and advances		774,041,752	813,009,910
Provision for diminution in value of investments	15.4	126,926,131	185,345,656
Other provisions	41.1	42,052,379	36,959,400
		943,020,262	1,035,314,966
41.1 Other provisions			
Provision for nostro account	15.5	125,550	150,660
Provision for other assets	15.6	41,926,829	36,808,740
		42,052,379	36,959,400
41.a Consolidated provision for loans, investments and other assets			
IFIC Bank Limited	41	943,020,262	1,035,314,966
IFIC Securities Limited		3,260,090	115,650
IFIC Money Transfer (UK) Limited		-	-
		946,280,352	1,035,430,616
42 Provision for taxation			
Current tax		1,700,000,000	1,080,000,000
Deferred tax expense/(income)	42.1	33,692,863	209,153,654
		1,733,692,863	1,289,153,654
42.1 Deferred tax expense/(income)			
Deferred tax on provision for loans and advances (DF & BL)	10.5	111,671,628	165,784,660
Deferred tax on fixed assets	10.5	(71,030,589)	43,368,994
Deferred tax on leased assets	10.5	(6,948,176)	-
		33,692,863	209,153,654
42.a Consolidated provision for current tax			
IFIC Bank Limited	42	1,700,000,000	1,080,000,000
IFIC Securities Limited		21,922,569	20,427,296
IFIC Money Transfer (UK) Limited		-	-
		1,721,922,569	1,100,427,296
42.b Consolidated deferred tax			
IFIC Bank Limited	42.1	33,692,863	209,153,654
IFIC Securities Limited		1,374,806	(326,290)
IFIC Money Transfer (UK) Limited		-	-
		35,067,669	208,827,364
43 Receipts from other operating activities			
Rent received		19,977,656	21,759,413
Other receipts		425,810,210	444,427,571
Capital gain	28.1	2,040,818	4,877,439
		447,828,684	471,064,423
43.a Consolidated cash received from other operating activities			
IFIC Bank Limited	43	447,828,684	471,064,423
IFIC Securities Limited		3,455,309	24,259,620
IFIC Money Transfer (UK) Limited		-	-
		451,283,993	495,324,043

			Amount in BDT	
	Note	2019	2018	
44 Cash paid for other operating activities				
Postage, stamp, telecommunication etc.		63,430,699	62,977,318	
Rent paid		286,571,455	467,140,078	
Rates, taxes & utilities		5,684,953	41,635,042	
Insurance premium		179,331,545	169,576,277	
Electricity & water		93,446,617	87,474,903	
Traveling expenses		67,821,573	60,117,994	
Auditors' fees		2,916,667	1,500,000	
Directors' fees		1,560,000	1,704,000	
Legal expenses		8,599,690	10,300,630	
Repairs and maintenance		243,438,640	194,181,387	
Other expenses		649,654,037	585,995,219	
		1,602,455,876	1,682,602,848	
44.a Consolidated cash paid for other operating activities				
IFIC Bank Limited	44	1,602,455,876	1,682,602,848	
IFIC Securities Limited		10,638,266	13,734,486	
IFIC Money Transfer (UK) Limited		24,074,390	20,147,818	
		1,637,168,532	1,716,485,152	
45 Cash and cash equivalents				
Cash in hand		2,871,220,070	2,885,588,822	
Balance with Bangladesh Bank and its agent Bank (s)		15,183,691,094	13,121,711,294	
Balance with other banks and financial Institutions		5,617,034,218	8,099,478,106	
Money at call and on short notice		910,000,000	3,970,000,000	
Prize Bonds		3,114,600	2,268,600	
		24,585,059,982	28,079,046,822	
45.a Consolidated cash and cash equivalents				
IFIC Bank Limited	45	24,585,059,982	28,079,046,822	
IFIC Securities Limited		26,205	6,904	
IFIC Money Transfer (UK) Limited		21,892,390	32,937,374	
		24,606,978,577	28,111,991,100	
46 (Increase)/decrease of other assets				
Stationery and stamps		40,919,747	32,367,261	
Suspense account		986,739,119	828,249,291	
Advance, deposit and prepayments		599,443,491	545,100,324	
Investment in subsidiaries		2,233,302,400	2,231,793,790	
Receivable others		193,419,566.00	207,968,959	
Closing other assets		4,053,824,323	3,845,479,625	
Opening other assets		3,845,479,625	4,052,196,334	
		(208,344,698)	206,716,709	
46.a (Increase)/decrease of consolidated other assets				
IFIC Bank Limited	46	(208,344,698)	206,716,709	
IFIC Securities Limited		10,877,401	(2,728,792)	
IFIC Money Transfer (UK) Limited		(1,165,509)	27,565	
		(198,632,806)	204,015,482	

		Amount in BDT	
	Note	2019	2018
47 Increase/(decrease) of other liabilities			
Withholding Tax payable to government		341,514,845	278,926,291
Withholding VAT payable to government		80,529,151	71,091,971
Excise duty payable to government		192,744,701	176,133,961
Dividend payable		2,814,447	2,814,447
Revaluation of investment abroad		30,946,297	30,946,297
Sale proceeds of PSP & TC		65,743,619	357,561,049
Others		113,205,018	79,996,353
Closing other liabilities		827,498,078	997,470,369
Opening other liabilities		997,470,369	611,607,339
		(169,972,291)	385,863,030
47.a Consolidated increase/(decrease) of other liabilities			
IFIC Bank Limited	47	(169,972,291)	385,863,030
IFIC Securities Limited		2,218,148	(7,956,240)
IFIC Money Transfer (UK) Limited		(15,901,573)	24,642,617
		(183,655,715)	402,549,407
48 Reconciliation of statement of cash flows from operating activities			
Profit before provision		5,120,446,072	3,894,702,887
Adjustment for non cash items			
Depreciation on fixed asset		454,492,728	252,180,277
Amortization on software		36,911,905	35,020,921
Adjustment with non-operating activities		491,404,633	287,201,198
Recovery of written off loans		601,783,125	165,713,392
Interest receivable		77,162,602	(78,578,942)
Interest payable on deposits		1,289,054,780	1,396,954,154
Charges on loan losses		758,054,030	109,642,716
Accrued Expense		54,090,228	(8,374,828)
Bonus payable		9,500,000	(10,500,000)
Interest on leased assets		26,962,117	-
Dividend receivable		-	(358,187,906)
		2,816,606,881	1,216,668,586
Changes in operating assets and liabilities			
Changes in loans & advances		(23,239,690,456)	(27,421,751,453)
Changes in deposit and other accounts		30,720,115,734	24,758,614,934
Changes in other assets		(208,344,698)	206,716,709
Changes in other liabilities		(169,972,291)	385,863,030
		7,102,108,289	(2,070,556,780)
Income tax paid		(1,660,879,183)	(1,056,598,314)
Net cash flows from/(used in) operating activities		13,869,686,693	2,271,417,577
49 Number of ordinary shares outstanding			
Balance at the beginning of the year		1,338,738,735	1,195,302,442
Add: Bonus share issued		133,873,873	143,436,293
		1,472,612,608	1,338,738,735

	Note	2019	2018
50 Earnings Per Share (EPS)*			
Net profit after tax		2,443,732,947	1,570,234,267
Number of ordinary shares outstanding		1,472,612,608	1,472,612,608
Earning Per Share (EPS)		1.66	1.07
50.a Consolidated Earnings Per Share (EPS)*			
Net profit after tax attributable to equity holders of the Bank		2,827,730,568	1,649,504,123
Number of ordinary shares outstanding		1,472,612,608	1,472,612,608
Consolidated Earning Per Share (EPS)		1.92	1.12
51 Net Operating Cash Flow per Share*			
Net cash flows from operating activities		13,869,686,693	2,271,417,577
Number of ordinary shares outstanding		1,472,612,608	1,472,612,608
Net Operating Cash Flow per Share		9.42	1.54
51.a Consolidated Net Operating Cash Flow per Share*			
Consolidated net cash flows from operating activities		13,893,097,493	2,282,795,086
Number of ordinary shares outstanding		1,472,612,608	1,472,612,608
Consolidated Net Operating Cash Flow per Share		9.43	1.55
52 Net Asset Value (NAV) per Share*			
Net assets value at the end of the year		24,596,979,455	22,116,234,218
Number of ordinary shares outstanding		1,472,612,608	1,472,612,608
Net Asset Value (NAV) per Share		16.70	15.02
52.a Consolidated Net Asset Value (NAV) per Share*			
Net assets value attributable to equity holders		26,542,970,473	23,677,652,554
Number of ordinary shares outstanding		1,472,612,608	1,472,612,608
Consolidated Net Asset Value (NAV) per Share		18.02	16.08

* Previous year's figure has been restated.

53 Events after the reporting period

Subsequent to the balance sheet date, the Board of Directors in its 773rd Meeting held on 24 June 2020 recommended 10% stock dividend for the year ended 31 December 2019 which will be placed for approval of the shareholders in the forthcoming 43rd Annual General Meeting of the Bank.

Balance with other Banks and Financial Institutions-Outside Bangladesh

as at 31 December 2019

Annexure-A

Name of the Bank and Financial Institutions	Account type	Currency type	31 December 2019			31 December 2018		
			FC amount	Conversion rate	Equivalent BDT	FC amount	Conversion rate	Equivalent BDT
AB Bank Ltd., Mumbai	CD	USD	588,403	84.90	49,955,411	628,792	83.90	52,755,658
Bank of Bhutan, Phuentsoling	CD	USD	77,927	84.90	6,615,973	51,355	83.90	4,308,706
Bank of Tokyo- Mitsubishi, Tokyo	CD	JPY	-	-	-	4,938,026	0.75	3,720,309
Citi Bank N.A. New York	CD	USD	2,063,130	84.90	175,159,724	2,165,883	83.90	181,717,544
Commerz Bank AG, Frankfurt	CD	USD	731,794	84.90	62,129,307	1,097,777	83.90	92,103,511
Commerz Bank AG, Frankfurt	CD	EUR	336,659	94.89	31,945,058	211,972	95.25	20,190,722
Habib Bank, New York	CD	USD	1,231,921	84.90	104,590,065	1,035,085	83.90	86,843,611
Habib Bank AG, Zurich	CD	CHF	10,950	87.08	953,528	97,068	84.25	8,178,356
ICIC Bank Ltd., India	CD	USD	704,396	84.90	59,803,179	747,742	83.90	62,735,551
J.P. Morgan Chase Bank AG, Frankfurt	CD	EUR	102,687	94.89	9,743,813	111,310	95.25	10,602,486
J.P. Morgan Chase Bank, New York	CD	USD	2,500,768	84.90	212,315,237	1,769,972	83.90	148,500,644
J.P. Morgan Chase Bank, Sydney	CD	AUD	80,090	59.24	4,744,809	44,093	59.30	2,614,574
Mashreq Bank, PSC, India	CD	USD	451,037	84.90	38,293,021	176,161	83.90	14,779,915
Masreq Bank PSC, New York	CD	USD	1,787,247	84.90	151,737,253	761,772	83.90	63,912,631
MCB Bank Ltd, Pakistan	CD	USD	149,818	84.90	12,719,509	233,615	83.90	19,600,288
Nations Trust Bank Ltd., Colombo	CD	USD	113,912	84.90	9,671,134	79,884	83.90	6,702,235
Nepal Bangladesh Bank Ltd., Nepal	CD	USD	282,207	84.90	23,959,387	491,290	83.90	41,219,218
Sonali Bank Limited, Kolkata	CD	USD	154,216	84.90	13,092,906	179,210	83.90	15,035,712
Standard Chartered Bank, New York	CD	USD	5,165,275	84.90	438,531,824	3,189,332	83.90	267,584,954
Standard Chartered Bank, Kolkata	CD	USD	372,060	84.90	31,587,890	877,512	83.90	73,623,217
Standard Chartered Bank, London	CD	GBP	466,191	111.03	51,760,267	128,784	106.00	13,651,027
Standard Chartered Bank, London	CD	USD	122,970	84.90	10,440,145	104,806	83.90	8,793,216
Standard Chartered Bank, Tokyo	CD	JPY	7,072,726	0.78	5,487,728	-	-	-
Wells Fargo Bank, New York	CD	USD	1,143,436	84.90	97,077,755	914,344	83.90	76,713,431
Total			25,709,818		1,602,314,923	20,035,784		1,275,887,518

Details of investment in shares

as at 31 December 2019

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)
Unquoted shares							
Karma Sangsthan Bank	100	200,000	100.00	20,000,000	116.11	23,221,703	3,221,703
Central Depository Bangladesh Limited	10	2,284,722	10.00	22,847,220	34.73	79,353,976	56,506,756
Energy Pack Power Company Limited	10	619,500	41.90	25,960,000	31.02	19,214,270	(6,745,730)
		3,104,222		68,807,220		121,789,949	52,982,729
Quoted shares							
Advent Pharma Limited	10	170,065	26.71	4,542,708	22.40	3,809,456	(733,252)
Genex Infosys Limited	10	330,704	52.24	17,277,101	67.40	22,289,450	5,012,349
Dhaka Bank Limited	10	482,266	12.22	5,891,651	12.00	5,787,192	(104,459)
The City Bank Limited	10	431,000	24.23	10,441,665	21.10	9,094,100	(1,347,565)
Confidence Cement Limited	10	110,400	157.78	17,419,431	106.10	11,713,440	(5,705,991)
Eastland Insurance Company Limited	10	206,260	38.59	7,958,672	24.60	5,073,996	(2,884,676)
Fareast Life Insurance Limited	10	979,224	125.11	122,511,641	49.60	48,569,510	(73,942,131)
National Housing Finance & Investment Limited	10	5,288,910	7.38	39,010,000	31.90	168,716,229	129,706,229
Linde Bangladesh Limited	10	3,000	1,334.66	4,003,965	1,299.00	3,897,000	(106,965)
Marico Bangladesh Limited	10	6,650	1,757.25	11,685,707	1,673.30	11,127,445	(558,262)
Power Grid Company Limited	10	3,123,057	69.13	215,882,261	44.60	139,288,342	(76,593,919)
Singer Bangladesh Limited	10	70,656	204.96	14,481,915	180.40	12,746,342	(1,735,573)
Summit Power Limited	10	300,000	40.39	12,116,250	36.30	10,890,000	(1,226,250)
Summit Alliance Port Limited	10	57,044	99.79	5,692,616	16.70	952,635	(4,739,981)
TITAS Gas Transmission and Distribution Limited	10	5,383,325	76.60	412,348,120	30.90	166,344,743	(246,003,378)
Unique Hotel and Resorts Limited	10	200,000	105.15	21,029,385	43.90	8,780,000	(12,249,385)
Total		17,142,561		922,293,088		629,079,880	(293,213,208)
Mutual funds							
IFIC Bank 1 st Mutual Fund	10	37,951,655	6.59	250,000,000	8.36	317,105,053	67,105,053
ICB Employee 1 st Mutual Fund	10	1,339,500	13.43	17,986,473	4.82	6,455,720	(11,530,753)
		39,291,155		267,986,473		323,560,774	55,574,301

Name of the Company	Face value	No. of share	Cost/share	Cost price	NAV or Mkt price/share	Total value	Gain/(loss)
Foreign Investment							
Investment in associate/joint venture							
Nepal Bangladesh Bank Limited		33,088,433	73.59	2,435,097,291	137.51	4,550,006,966	2,114,909,675
Oman Exchange LLC		577,840	131.67	76,085,913	245.33	141,761,598	65,675,685
		33,666,273		2,511,183,204		4,691,768,564	2,180,585,360
Other foreign investment							
MCB Bank Limited, Pakistan		175,508	2,054.73	360,622,158	115.56	20,282,529	(340,339,629)
		33,841,781		2,871,805,362		4,712,051,094	1,840,245,732
Total		67,508,054		4,130,892,143		5,786,481,696	1,655,589,553

Required provision for investment in shares

Amount in BDT

Particulars	Cost price	Total value	Req. Provision
Unquoted shares ¹	68,807,220	121,789,949	(6,745,730)
Quoted	922,293,088	629,079,880	(293,213,208)
Mutual funds ²	267,986,473	323,560,774	(11,530,753)
Sub-total	1,259,086,781	1,074,430,602	(311,489,691)
Investment in associate/joint venture	2,511,183,204	4,691,768,564	-
Other foreign investment-MCB Bank Ltd.	360,622,158	20,282,529	(340,339,629)
Grand Total	4,130,892,143	5,786,481,696	(651,829,320)

¹ 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.

² 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 st MF	37,951,655	6.59	9.83	8.36	4.60	8.36	-	-
ICB EP 1 st MF	1,339,500	13.43	5.67	4.82	4.40	4.82	(8.61)	(11,530,753)
Total provision required								(11,530,753)

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.

Loans and advances allowed to each customer exceeding 10% of Bank's total capital
as at 31 December 2019

BDT in million

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2019			Amount classified
			Funded	Non-funded	Total	
1	Uttara	Uttara Traders(Pvt.) Ltd.	5,069.30	1,343.10	6,412.40	-
		Sub Total:	5,069.30	1,343.10	6,412.40	-
		Navana Ltd.	516.30	560.50	1,076.80	-
		Navana Real Estate Ltd.	2,500.10	-	2,500.10	-
2	Navana	Navana Interlinks Ltd.	71.20	123.90	195.10	-
		Aftab Automobiles Ltd.	2,060.20	120.10	2,180.30	-
		Navana Electronics Ltd.	103.90	-	103.90	-
		Sub Total:	5,251.70	804.50	6,056.20	-
3	Doha-Global	Dohatec Newmedia	1,445.50	13.40	1,458.90	-
		Global Voice Telecom Ltd.	2,073.00	2,078.00	4,151.00	-
		Sub Total:	3,518.50	2,091.40	5,609.90	-
4	ENA	Ena Properties Ltd.	1,761.50	40.50	1,802.00	-
		Northern Power Solutions Ltd.	1,581.30	1,079.40	2,660.70	-
		Ena Building Products Ltd.	255.80	-	255.80	-
		Sakoatex Ltd.	348.30	53.50	401.80	-
		Sub Total:	3,946.90	1,173.40	5,120.30	-
5	Silver Line	Silver Line Composit Textile Mill Ltd.	723.90	469.80	1,193.70	-
		Silver Composite Textile Mills Ltd.	3,123.60	485.80	3,609.40	-
		Sub Total:	3,847.50	955.60	4,803.10	-
6	Habib Hotel	Habib Hotel International Ltd.	4,442.70	119.00	4,561.70	-
		Sub Total:	4,442.70	119.00	4,561.70	-
7	Islam	Islam Garments Ltd.	1,770.60	1,864.70	3,635.30	-
		Islam Knit Designs Ltd.	-	662.00	662.00	-
		Armor Bangladesh Ltd	39.80	-	39.80	-
		Euro Jeans Ltd.	45.50	-	45.50	-
		Sub Total:	1,855.90	2,526.70	4,382.60	-
8	Nassa	Nassa Properties Ltd.	3,525.80	-	3,525.80	-
		Nassa Spinners & Garments	286.60	-	286.60	-
		Nassa Supreme Wash Ltd.	279.90	17.00	296.90	-
		Sub Total:	4,092.30	17.00	4,109.30	-
9	Uttara Jute	Uttara Jute Fibres & Industries Ltd.	4,104.80	4.40	4,109.20	-
		Sub Total:	4,104.80	4.40	4,109.20	-
10	BRAC	Bangladesh Rural Advance Committee	3,493.80	510.30	4,004.10	-
		Sub Total:	3,493.80	510.30	4,004.10	-
11	Teambuild	Teambuild Construction & Eng Ltd.	4,013.30	-	4,013.30	-
		Sub Total:	4,013.30	-	4,013.30	-
12		Global LPG Ltd.	3,955.10	-	3,955.10	-
		Sub Total:	3,955.10	-	3,955.10	-
13		Wisdom Attires Ltd.	3,276.60	622.10	3,898.70	-
		Sub Total:	3,276.60	622.10	3,898.70	-
14		Central Land & Buildings Ltd	3,752.30	-	3,752.30	-
		Sub Total:	3,752.30	-	3,752.30	-

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2019			Amount classified
			Funded	Non-funded	Total	
15	Sikder	Powerpac Mutiara Keraniganj (Pvt) Ltd.	1,891.50	-	1,891.50	-
		R & R Holdings	1,794.40	-	1,794.40	-
Sub Total:			3,685.90	-	3,685.90	-
16		Quick Real Estate Ltd.	3,629.80	-	3,629.80	-
Sub Total:			3,629.80	-	3,629.80	-
17		Sristi Real Estate Ltd.	3,630.50	-	3,630.50	-
Sub Total:			3,630.50	-	3,630.50	-
18		Raj Housing Ltd	3,574.80	-	3,574.80	-
Sub Total:			3,574.80	-	3,574.80	-
19		Crystal Construction Ltd.	3,543.10	-	3,543.10	-
Sub Total:			3,543.10	-	3,543.10	-
20	Knit Concern	Knit Concern Ltd.	897.70	1,875.40	2,773.10	-
		KC Apparels Ltd	49.70	219.30	269.00	-
		Pack Concern Ltd.	53.20	28.40	81.60	-
		KC Lingerie Ltd	31.40	231.80	263.20	-
		Zas Concern Ltd	23.90	5.00	28.90	-
		JMJ Mollah Cold Storage Ltd	67.90	-	67.90	-
		Surecell Medical (BD) Ltd	20.90	-	20.90	-
Sub Total:			1,144.70	2,359.90	3,504.60	-
21		Vestel Cable TV Networks	3,309.70	-	3,309.70	-
Sub Total:			3,309.70	-	3,309.70	-
22		Prisma Digital Network Ltd	3,121.70	117.00	3,238.70	-
Sub Total:			3,121.70	117.00	3,238.70	-
23	Bashundhara	Bashundhara Parer Mills Ltd.	1,429.20	21.40	1,450.60	-
		Bashundhara Industrial Complex Ltd.	130.60	-	130.60	-
		East West Property Development Ltd.	215.20	-	215.20	-
		Bashundhara Multi Paper Ind.Ltd.	1,400.00	13.00	1,413.00	-
Sub Total:			3,175.00	34.40	3,209.40	-
24	Phonix	Appollo Ispat Complex Ltd.	3,096.90	66.60	3,163.50	-
Sub Total:			3,096.90	66.60	3,163.50	-
25	Bengal	Bengal Communications Ltd.	3,144.20	-	3,144.20	-
Sub Total:			3,144.20	-	3,144.20	-
26		Northstone Eng. & Cons. Ltd.	2,955.20	-	2,955.20	-
Sub Total:			2,955.20	-	2,955.20	-
Grand Total:			92,632.20	12,745.40	105,377.60	-

Schedule of fixed assets including premises, furniture and fixture
as at 31 December 2019

Annexure - D

Particulars	Cost					Depreciation/Amortization				Written down value as at 31 December 2019
	Balance as at 1 January 2019	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2019	Balance as at 1 January 2019	Charged during the year	Disposal during the year	Balance as at 31 December 2019	
Land	2,423,609,559	-	-	-	2,423,609,559	-	-	-	-	2,423,609,559
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	327,788,484	47,045,580	-	374,834,064	1,527,783,140
Right of Use Assets	-	989,931,442	-	-	989,931,442	-	172,695,856	-	172,695,856	817,235,586
Wooden furniture	254,995,657	7,794,078	-	8,219,388	254,570,346	119,487,693	20,183,246	7,967,946	131,702,993	122,867,353
Steel furniture	69,355,032	7,982,952	-	280,432	77,057,552	43,188,623	3,309,100	243,849	46,253,874	30,803,678
Computer equipment	834,234,736	70,087,411	-	41,086,145	863,236,002	652,555,487	68,928,095	41,081,636	680,401,945	182,834,057
Electrical & gas equipment	872,562,106	53,474,886	-	23,665,104	902,371,888	418,653,799	87,771,515	23,151,351	483,273,963	419,097,925
Office equipment	227,658,391	17,941,950	-	2,939,011	242,661,330	194,239,758	13,694,046	2,937,062	204,996,742	37,664,588
Leasehold improvement	295,691,386	32,476,835	-	15,955,183	312,213,038	181,626,335	20,572,499	15,777,228	186,421,607	125,791,431
Vehicles	134,040,330	16,373,985	-	2,428,750	147,985,565	106,255,571	11,754,830	2,428,746	115,581,655	32,403,910
Leased vehicles	47,600,000	-	-	-	47,600,000	27,772,243	7,826,745	-	35,598,988	12,001,012
Soft furnishing	11,764,626	1,231,833	-	350,124	12,646,335	11,077,434	711,217	350,117	11,438,534	1,207,801
Software	554,133,463	139,241,891	-	-	693,375,354	302,784,032	36,911,905	-	339,695,937	353,679,417
	7,628,262,489	1,336,537,262	-	94,924,137	8,869,875,615	2,385,429,459	491,404,633	93,937,934	2,782,896,158	6,086,979,457
Capital work in progress *	195,116,279	247,571,931	(145,468,772)	-	297,219,437	-	-	-	-	297,219,437
Total	7,823,378,768	1,584,109,192	(145,468,772)	94,924,137	9,167,095,052	2,385,429,459	491,404,633	93,937,934	2,782,896,158	6,384,198,894

* * Capital work in progress represents the amount paid for Data Center, Fusion Banking Essence, Digital Channel Solution, Network Solution for Digital Channel, Implementation of SWIFT etc.

Particulars	Cost					Depreciation/Amortization				Written down value as at 31 December 2018
	Balance as at 1 January 2018	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2018	Balance as at 1 January 2018	Charged during the year	Disposal during the year	Balance as at 31 December 2018	
Land	475,118,759	-	1,948,490,800	-	2,423,609,559	-	-	-	-	2,423,609,559
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	280,742,904	47,045,580	-	327,788,484	1,574,828,720
Wooden Furniture	249,945,813	7,853,120	1,257,724	4,061,000	254,995,657	103,190,809	19,894,529	3,597,645	119,487,693	135,507,964
Steel Furniture	65,205,635	3,221,050	1,409,653	481,307	69,355,031	40,432,510	3,088,778	332,665	43,188,623	26,166,408
Computer equipment	737,808,650	73,254,852	35,657,351	12,486,117	834,234,736	613,269,000	51,751,242	12,464,754	652,555,487	181,679,249
Electrical & gas equipment	796,346,585	36,519,834	52,545,654	12,849,968	872,562,106	351,323,094	79,067,274	11,736,569	418,653,799	453,908,307
Office equipment	219,597,186	10,174,348	799,826	2,912,969	227,658,391	183,864,687	13,276,192	2,901,122	194,239,758	33,418,632
Leasehold improvement	261,520,678	20,236,904	18,880,213	4,946,409	295,691,386	168,708,779	17,520,840	4,603,284	181,626,336	114,065,051
Vehicles	119,768,760	14,271,570	-	-	134,040,330	93,154,705	13,100,866	-	106,255,571	27,784,759
Leased vehicles	47,600,000	-	-	-	47,600,000	20,826,403	6,945,840	-	27,772,243	19,827,757
Soft Furnishing	11,468,191	565,448	8,610	277,624	11,764,626	10,865,897	489,136	277,599	11,077,434	687,192
Software	542,871,430	5,546,921	5,715,112	-	554,133,463	267,763,110	35,020,921	-	302,784,032	251,349,431
	5,429,868,891	171,644,049	2,064,764,943	38,015,394	7,628,262,489	2,134,141,898	287,201,198	35,913,637	2,385,429,460	5,242,833,029
Capital work in progress *	232,657,045	2,027,224,177	(2,064,764,943)	-	195,116,279	-	-	-	-	195,116,279
Total	5,662,525,936	2,198,868,226	-	38,015,394	7,823,378,768	2,134,141,898	287,201,198	35,913,637	2,385,429,460	5,437,949,308

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

Computation of Risk Weighted Assets
Annexure -E

Solo Basis

as at 31 December 2019

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	2,871.22	-
b.	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank		0	38,372.31	-
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	391.18	78.24
		2,3	0.50	51.41	25.70
		4,5	1.00	4.40	4.40
		6	1.50	-	-
		Unrated	1.00	12.91	12.91
	ii) Maturity less than 3 months		0.20	8,023.87	1,604.77
h.	Claims on Corporate (excluding equity exposure)	1	0.20	10,216.37	2,043.27
		2	0.50	25,737.77	12,868.88
		3,4	1.00	55,015.31	55,015.31
		5,6	1.50	-	-
		Unrated	1.25	19,174.50	23,968.12
h(1)	Claims on SME	SME 1	0.20	-	-
		SME 2	0.40	150.16	60.06
		SME 3	0.60	1,979.37	1,187.62
		SME 4	0.80	641.83	513.47
		SME 5	1.20	-	-
		SME 6	1.50	-	-
		Unrated (small enterprise & <BDT 3m)	0.75	2,058.86	1,544.15
		Unrated (small enterprise having ≥ BDT 3m&Medium enterprise)	1.00	13,973.20	13,973.20

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
i.	Claims under Credit Risk Mitigation	PSE		-	-
		Banks & NBFIs		-	-
		Corporate		5,230.66	3,784.19
		Retail		439.83	335.88
		SME		429.37	40.14
		Consumer finance		2,513.79	72.19
		Residential property		164.86	81.63
		Commercial real estate		-	-
j.	Claims categorized as retail portfolio (excluding SME, Consumer Finance and Staff loan) upto 1 crore		0.75	422.27	316.70
k.	Consumer finance		1.00	814.84	814.84
l.	Claims fully secured by residential property		0.50	39,323.62	19,661.81
m.	Claims fully secured by Commercial real estate		1.00	26,716.66	26,716.66
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	4,462.50	6,693.75
	ii) Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim		1.00	4,661.50	4,661.50
	iii) Where specific provisions are more than 50 percent of the outstanding amount of the past due claim		0.50	990.70	495.35
	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	1,014.90	1,014.90
	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	206.90	155.18
	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	124.89	156.12
q.	Investments in venture capital		1.50	-	-
r.	Investments in premises, plant and equipment and all other fixed assets		1.00	6,384.20	6,384.20
s.	Claims on all fixed assets under operating lease		1.00	243.11	243.11
t.	All other assets			-	-
	i) Claims on GoB & BB		0.00	6,562.23	-
	ii) Staff loan/Investment		0.20	1,401.07	280.21
	iii) Cash items in Process of Collection		0.20	-	-
	iv) Claims on Off-shore Banking Units (OBU)		1.00	2,605.99	2,605.99
	v) Other assets (net off specific provision, if any)		1.00	6,361.26	6,361.26
Sub-Total				289,769.83	193,785.73

2.0 Risk Weighted Amount for Credit Risk Off-Balance Sheet Exposures
BDT in Million

Sl. No.	Exposure Type	BB's Rating Grade*	Risk Weight	Exposure	RWA
1	2	3	4	5	6 = (4x5)
a)	Claims on Bangladesh Government and Bangladesh Bank		0		
b)	Claims on other Sovereigns & Central Banks*				
c)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0		
d)	Claims on Multilateral Development Banks (MDBs):				
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB		0		
	ii) Others MDBs	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
f)	Claims on Banks & NBFIs				
	i) Maturity over 3 months	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
	ii) Maturity less than 3 months		0.20		
g)	Claims on Corporate (excluding equity exposure)	1	0.20	4,121.02	824.20
		2	0.50	10,781.60	5,390.80
		3,4	1.00	5,137.15	5,137.15
		5,6	1.50	-	-
		Unrated	1.25	3,410.57	4,263.21
h)	Claims under retail exposure		0.75	17.05	12.79
h(1)	Claims under SME Credit Rating-wise exposure	1	0.20	-	-
		2	0.40	194.13	77.65
		3	0.60	377.96	226.78
		4	0.80	73.73	58.98
		5	1.20	-	-
		6	1.50	-	-
		Unrated (small enterprise & <BDT 3.00m)	0.75	63.89	47.91
		Unrated (small enterprise having ≥ BDT 3.00m & Medium enterprise)	1.00	1,140.21	1,140.21
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		
Sub-Total				25,317.30	17,179.69

3.0 Capital Charge for Market Risk (Balance Sheet Exposures)

BDT in Million

Sl. No.	Market Risk	Capital Charge	Risk Weight	RWA
a	Interest Rate Related Instruments	61.60	10.00	616.04
b	Equities	190.53	10.00	1,905.28
c	Foreign Exchange Position	114.30	10.00	1,143.04
d	Commodities	-	-	-
Sub-Total		366.44		3,664.37

4.0 Capital Charge for Operational Risk (Basic Indicator Approach)

Sl. No.	Operational Risk	Capital Charge	Risk Weight	RWA
a	Gross Income	1,316.87	10.00	13,168.71
Sub-Total		1,316.87	10.00	13,168.71
Grand Total Risk Weighted Assets				227,798.50

Related party disclosures
Annexure -F

 Name of Directors and their interest in different entities
 as at 31 December 2019

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. Limited
			Vice Chairman	Beximco Pharmaceuticals Limited
			Vice Chairman	Beximco Synthetics Limited
			Vice Chairman	Shinepukur Ceramics Limited
			Vice Chairman	Independent Television Limited
			Vice Chairman	Beximco Holdings Limited
			Vice Chairman	Beximco Computers Limited
			Vice Chairman	Beximco Pharma Center for Bio & Industrial Research Limited
			Vice Chairman	Beximco Property Development and Management Limited
			Vice Chairman	Sonali Ansh Limited
			Vice Chairman	Esses Exporters Limited
			Shareholder	Beximco Power Company Limited
			Shareholder	Beximco Engineering Limited
Shareholder	I & I Services Limited			
2	Mr. Ahmed Shayan Fazlur Rahman	Vice-Chairman	Chairman	Beximco Communications Limited
			Chairman	Escorp LPG Limited
			Chairman	Beximco Petroleum Limited
			Chairman	Escorp Cylinders Limited
			Chairman (Nominee Director)	Beximco LPG Unit-1 Limited
			Chairman (Nominee Director)	Beximco LPG Unit-2 Limited
			Managing Director (Nominee Director)	Beximco Power Company Limited
			Managing Director (Nominee Director)	Escorp Holdings Limited
			Managing Director (Nominee Director)	OK Company Limited
			Managing Director	Eses Holdings Limited
Shareholder	Crescent Fashion and Design Limited			
3	Mr. Anwaruzzaman Chowdhury	Independent Director	Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Alternate Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Chairman	Kipling
4	Ms. Rabeya Jamali	Independent Director	Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Alternate Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Partner	Jamali & Morshed
5	Mr. Jalal Ahmed	Govt. nominated Director	Chairman (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited., Nepal
			Chairman (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Alternate Director (Nominated by IFIC Bank)	Oman Exchange LLC
6	Mr. A. R. M. Nazmus Sakib	Govt. nominated Director	Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited

7	Ms. Quamrun Naher Ahmed	Govt. nominated Director	Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Director (Nominated by IFIC Bank)	IFIC Securities Limited
8	Mr. M. Shah Alam Sarwar	Managing Director	Director (Nominated by Govt. of Bangladesh)	Grameen Bank
			Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	IFIC Securities Limited

Related party transactions

- Significant contracts with the Bank wherein Directors have interest during the year is nil.
- Share issued to Directors and Executive without consideration or exercisable at a discount is nil.
- 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 2019	31 December 2018
1) Name of the Party : IFIC Securities Limited		
Relationship with the company : Subsidiary		
A. Capital investment	2,199,994,000	2,199,994,000
B. Current & SND Account	207,156,658	145,670,986
C. BO account balance	3,659	659
2) Name of the Party : IFIC Money Transfer (UK) Limited		
Relationship with the company : Subsidiary		
A. Capital investment	33,308,400	31,799,790
3) Name of the Party : Oman Exchange LLC		
Relationship with the company : Associate		
A. Capital investment	76,085,913	19,070,638
B. Share money deposits	10,893,739	8,703,560
4) Name of the Party : Nepal Bangladesh Bank Limited		
Relationship with the company : Associate		
A. Capital investment	2,435,097,291	2,411,533,806
B. Borrowing	1,698,000,000	2,097,500,000
C. Cash Dividend received	173,309,420	344,419,844
D. Management fee received	15,853,125	12,582,000
E. Share money deposits	2,485,527	2,456,251

- 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.
- Business other than banking business with any related concern of the Directors as per section 18(2) of Bank Companies Act 1991:
Bank has executed maintenance agreement with Beximco Computers Limited for maintenance of Nostro Reconciliation Software with a fees of BDT 50,000 per year, Bangladesh Bank Taka Account Reconciliation software with a fees of BDT 50,000 per year and Bangladesh Bank Foreign Exchange Return software with a fee of BDT 95,000 per month. 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 5,889,102 and BDT 5,647,605 to Independent Television Ltd. and Independent Publications Ltd. respectively in the year 2019.

- 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	Ms. Rabeya Jamali	Independent Director	Chairman	L.L.B. (Hons), L.L.M. in Banking and Financial Law
2	Mr. Anwaruzzaman Chowdhury	Independent Director	Member	MBA
3	Mr. Jalal Ahmed	Director	Member	B.S.S. (Hons), M. S. S. in Public Administration

b) Particulars of meetings held by the Audit Committee during the period from 01 January to 31 December 2019

Sl.	Meeting No	Meeting held on
1	130 th Audit Committee Meeting	23.01.2019
2	131 st Audit Committee Meeting	05.03.2019
3	132 nd Audit Committee Meeting	19.03.2019
4	133 rd Audit Committee Meeting	25.04.2019
5	134 th Audit Committee Meeting	29.04.2019
6	135 th Audit Committee Meeting	14.05.2019
7	136 th Audit Committee Meeting	02.07.2019
8	137 th Audit Committee Meeting	30.07.2019
9	138 th Audit Committee Meeting	25.08.2019
10	139 th Audit Committee Meeting	11.09.2019
11	140 th Audit Committee Meeting	24.10.2019
12	141 st Audit Committee Meeting	18.11.2019
13	142 nd Audit Committee Meeting	29.12.2019

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 being properly managed and supervised throughout all Divisions and Branches of the Bank.

As per guideline of Bangladesh Bank, the Audit Committee, in the meetings held during 2019, reviewed and evaluated various issues/reports/findings on financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance with laws and regulations and its own code of business conduct submitted by ICCD.

During discussion on some memo(s) and Compliance Report, the Committee has advised the Management to devise a system for arresting occurrence of the irregularities on a recurring basis and ICCD of the Bank has also been advised to take necessary steps for rectification of all irregularities as mentioned in the memo(s)/reports at the earliest. The Committee has also advised the Head of ICC to formulate a matrix/format to monitor status of compliance on a regular basis and devise some innovative tools/system for reducing number of irregularities in the Branches as well as enabling them to monitor up-to-date status of compliance.

All Audited/Un-audited yearly/quarterly Financial statements submitted during 2019 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 and Bangladesh Securities and Exchange Commission.

The Committee has submitted compliance reports to the Board on a quarterly basis during 2019 regarding compliance with recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

Segment Reporting

Annexure - H

The Bank reports its operations under geographical location and business segment as per IFRS:8 *Operating Segment*
Profit and Loss Account for the year ended 31 December 2019

Amount in BDT

Particulars	IFIC Bank Limited				Subsidiaries		Associates		Adjustment	IFIC Bank & it's subsidiaries
	Inside Bangladesh		Adjustment	Total	IFIC Securities Limited	IFIC Money Transfer (UK) Limited	Nepal Bangladesh Bank Limited	Oman Exchange LLC		
	Conventional Banking	Off-Shore Banking Unit								
Interest income	24,301,523,431	124,378,426	-	24,425,901,857	52,534,798	-	-	-	-	24,478,436,655
Interest paid on deposits and borrowings, etc.	18,028,020,880	88,928,257	(88,928,257)	18,028,020,880	1,056,166	-	-	-	(16,713)	18,029,060,333
Net interest income	6,273,502,551	35,450,169	(88,928,257)	6,397,880,977	53,590,964	-	-	-	(16,713)	6,449,376,322
Investment income	2,626,318,570	-	-	2,626,318,570	5,197,821	-	(173,309,420)	-	-	2,458,206,971
Commission, exchange and brokerage	1,649,754,740	-	-	1,649,754,740	20,352,880	39,334,401	(23,563,485)	(361,078)	-	1,685,517,458
Other operating income	445,407,167	380,699	-	445,787,866	1,283,406	-	-	-	(16,713)	447,054,559
	4,721,480,477	380,699	-	4,721,861,176	26,834,107	39,334,401	(196,872,905)	(361,078)	(16,713)	4,590,778,988
Total operating income	10,994,983,028	35,830,868	(88,928,257)	11,119,742,153	80,425,071	39,334,401	(196,872,905)	(361,078)	(33,426)	11,040,155,310
Salary and allowances	2,563,693,541	-	-	2,563,693,541	14,848,510	9,264,152	-	-	-	2,587,806,203
Rent, taxes, insurance, electricity, etc.	565,034,570	-	-	565,034,570	5,021,794	9,358,229	-	-	-	579,414,593
Legal expenses	8,599,690	-	-	8,599,690	242,525	1,228,495	-	-	-	10,070,710
Postage, stamps, telecommunication, etc.	63,430,699	-	-	63,430,699	48,107	190,311	-	-	-	63,669,117
Stationery, printing, advertisement, etc.	439,870,887	-	-	439,870,887	135,140	216,743	-	-	-	440,222,770
Managing Director's salary	15,720,000	-	-	15,720,000	-	-	-	-	-	15,720,000
Directors' fees	1,560,000	-	-	1,560,000	294,500	-	-	-	-	1,854,500
Auditors' fees	2,916,667	-	-	2,916,667	333,500	258,926	-	-	-	3,509,093
Charges on loan losses	758,054,030	-	-	758,054,030	-	-	-	-	-	758,054,030
Depreciation and repairs of Bank's assets	734,843,273	-	-	734,843,273	3,577,404	1,288,372	-	-	-	739,709,049
Other expenses	845,572,724	-	-	845,572,724	4,562,700	12,821,686	-	-	-	862,957,110
Total operating expenses	5,999,296,081	-	-	5,999,296,081	29,064,180	34,626,914	-	-	-	6,062,987,175
Operating profit	4,995,686,947	35,830,868	(88,928,257)	5,120,446,072	51,360,891	4,707,487	(196,872,905)	(361,078)	(33,426)	4,977,168,135
Share of profit of joint ventures/associates	-	-	-	-	-	-	530,139,098	23,693,987	-	553,833,085
Profit before provision	4,995,686,947	35,830,868	(88,928,257)	5,120,446,072	51,360,891	4,707,487	333,266,193	23,332,909	(33,426)	5,531,001,220
Provision against loans and advances	774,041,752	-	-	774,041,752	-	-	-	-	-	774,041,752
Provision for diminution in value of investments	126,926,131	-	-	126,926,131	3,260,090	-	-	-	-	130,186,221
Provisions for other assets	42,052,379	-	-	42,052,379	-	-	-	-	-	42,052,379
Total provision	943,020,262	-	-	943,020,262	3,260,090	-	-	-	-	946,280,352
Profit before taxation	4,052,666,685	35,830,868	(88,928,257)	4,177,425,810	48,100,801	4,707,487	(196,872,905)	(361,078)	(33,426)	4,584,720,868
Provision for taxation	-	-	-	-	-	-	-	-	-	-
Current tax	1,700,000,000	-	-	1,700,000,000	21,922,569	-	-	-	-	1,721,922,569
Deferred tax	33,692,863	-	-	33,692,863	1,374,806	-	-	-	-	35,067,669
	1,733,692,863	-	-	1,733,692,863	23,297,375	-	-	-	-	1,756,990,238
Net profit after taxation	2,318,973,822	35,830,868	(88,928,257)	2,443,732,947	24,803,426	4,707,487	(196,872,905)	(361,078)	(33,426)	2,827,730,630

The Bank reports its operations under geographical location and business segment as per IFRS:8 Operating Segment

Balance Sheet as at 31 December 2019

Amount in BDT

Particulars	IFIC Bank Limited				Subsidiaries		Associates		Adjustment	IFIC Bank & its subsidiaries
	Inside Bangladesh		Adjustment	Total	IFIC Securities Limited	IFIC Money Transfer (UK) Limited	Nepal Bangladesh Bank Limited	Oman Exchange LLC		
	Conventional Banking	Off- Shore Banking Unit								
PROPERTY AND ASSETS										
Cash	18,054,911,164	-	-	18,054,911,164	26,205	1,092,404	-	-	-	18,056,029,773
Balance with other banks and financial instit.	5,617,034,218	-	-	5,617,034,218	207,156,658	20,799,986	-	-	(207,156,658)	5,637,834,204
Money at call and on short notice	910,000,000	-	-	910,000,000	-	-	-	-	-	910,000,000
Investments	45,500,148,033	-	-	45,500,148,033	68,702,025	-	-	-	1,647,593,698	47,216,443,756
Loans and advances	225,945,580,176	2,642,920,061	-	228,588,500,237	3,934,940,830	-	-	-	-	232,523,441,067
Fixed assets	6,384,198,894	-	-	6,384,198,894	43,595,367	2,637,359	-	-	-	6,430,431,620
Other assets	11,475,429,112	46,646,732	-	11,522,075,844	315,989,156	1,775,005	-	-	(2,233,302,400)	9,606,537,605
Non-banking assets	373,474,800	-	-	373,474,800	-	-	-	-	-	373,474,800
Total Assets	314,260,776,397	2,689,566,793	-	316,950,343,190	4,570,410,241	26,304,754	-	-	(792,865,360)	320,754,192,825
LIABILITIES AND CAPITAL										
Borrowings from other banks, financial institutions and agents	8,215,860,335	2,605,992,630	(2,605,992,630)	8,215,860,335	-	-	-	-	-	8,215,860,335
Subordinated debt	2,800,000,000	-	-	2,800,000,000	-	-	-	-	-	2,800,000,000
Deposits and other accounts	258,368,141,236	-	-	258,368,141,236	19,433,794	-	-	-	(207,156,658)	258,180,418,372
Other Liabilities	22,921,618,869	47,743,295	-	22,969,362,164	2,028,176,069	17,398,532	-	-	-	25,014,936,765
Total Liabilities	292,305,620,440	2,653,735,925	(2,605,992,630)	292,353,363,735	2,047,609,863	17,398,532	-	-	(207,156,658)	294,211,215,472
Capital/Shareholders' equity										
Paid up capital	14,726,126,080	-	-	14,726,126,080	2,200,000,000	33,308,400	-	-	(2,233,308,400)	14,726,126,080
Statutory reserve	6,531,903,475	-	-	6,531,903,475	-	-	-	-	-	6,531,903,475
General reserve	155,071,397	-	-	155,071,397	-	-	-	-	-	155,071,397
Revaluation reserve against securities	50,121,137	-	-	50,121,137	-	-	-	-	-	50,121,137
Revaluation reserve against fixed assets	115,314,704	-	-	115,314,704	-	-	-	-	-	115,314,704
Foreign currency translation reserve	-	-	-	-	-	1,829,993	40,324,282	1,713,661	-	43,867,936
Surplus in profit and loss account	3,018,442,662	-	-	3,018,442,662	322,799,499	(26,232,171)	1,642,684,855	57,314,825	(94,443,926)	4,920,565,744
	24,596,979,455	-	-	24,596,979,455	2,522,799,499	8,906,222	1,683,009,137	59,028,486	(2,327,752,326)	26,542,970,473
Minority Interest	-	-	-	-	6,880	-	-	-	-	6,880
Total shareholders' equity	24,596,979,455	-	-	24,596,979,455	2,522,806,379	8,906,222	1,683,009,137	59,028,486	(2,327,752,326)	26,542,977,353
Total liabilities and shareholders' equity	316,902,599,895	2,653,735,925	(2,605,992,630)	316,950,343,190	4,570,416,242	26,304,754	1,683,009,137	59,028,486	(2,534,908,984)	320,754,192,825

**Financial highlights of the Bank
as at and for the year ended 31 December 2019**

Sl.	Particulars	Currency/ percentage	31 December 2019	31 December 2018
1	Paid up capital	BDT	14,726,126,080	13,387,387,350
2	Total capital	BDT	29,167,460,005	26,903,651,153
3	Capital surplus	BDT	692,648,106	1,608,639,082
4	Total assets	BDT	316,950,343,190	283,073,282,387
5	Total deposits	BDT	258,368,141,236	226,363,971,908
6	Total loan & advances	BDT	228,588,500,237	206,929,635,707
7	Total contingent liabilities & commitments	BDT	51,095,166,712	60,435,601,239
8	Credit deposit ratio	%	84.08	86.83
9	Percentage of classified loan against total loans & advances	%	5.37	6.16
10	Profit after tax & provision	BDT	2,443,732,947	1,570,234,267
11	Amount of classified loans	BDT	12,265,471,777	12,740,133,887
12	Provision kept against classified loans	BDT	3,086,703,002	3,439,332,446
14	Cost of fund	%	6.01	5.26
15	Interest earning assets	BDT	275,639,501,293	245,249,701,087
16	Non-interest earning assets	BDT	41,310,841,897	37,823,581,300
17	Return on Investment (ROI)	%	6.84	7.97
18	Return on Assets (ROA)	%	0.81	0.59
19	Income from investment	BDT	2,626,318,570	2,358,454,068
20	Earnings per share	BDT	1.66	1.07
21	Net income per share	BDT	1.66	1.07
22	Net Asset Value (NAV)	BDT	24,596,979,455	22,116,234,218
23	Net Asset Value (NAV) per share	BDT	16.70	16.52
24	Net Operating Cash Flow Per Share (NOCFPS)	BDT	9.42	1.70
25	Price earning ratio	Times	5.97	10.22

Disclosure of Restructured Loan

as at and for the year ended 31 December 2019

BDT in Million

Sl.	Name of the Borrower	Type of Loan	Date of restructure	Down Payment		Due Date of 1st Installment	Outstanding Amount			Total Provision as at 31 December 2019		Present Status	Outstanding as at 31 December 2018
				Required	Realized		At the time of taking NOC from BB	New/Fresh Disbursement amount after NOC	Outstanding as at 31 December 2019	Required	Maintained		
1	Power Pac - Mutiara KPP Plant Ltd.	TL (O)	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	1,833.20	Nil	1,891.51	37.83	37.83	SMA(RST)	1,827.10
2	M/s R&R Holdings	TL (O)-1	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	936.20	Nil	965.44	19.31	19.31	SMA(RST)	933.20
3	M/s R&R Holdings	TL (O)-2	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	803.90	Nil	828.96	16.58	16.58	SMA(RST)	800.90
Total				-	-		3,573.30		3,685.91	73.72	73.72		3,561.20

Statement of Tax position

as at 31 December 2019

Accounting year	Assessment year	Tax provision in Financial Statements	Tax as per assessment	Excess/ (shortage) provision	Advance income tax paid	Remarks
Balance of provision for up to Y2015 (except Y2005 & Y2010)			-	1,449,645,879	-	Assessments up to Y2015 (except Y2005 & Y2010) have been completed by the Tax Authority and there is no tax liability remained outstanding against related years
2005	2006-2007	140,397,922	-	140,397,922	-	Honorable High Court Division of Supreme Court 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
2016	2017-2018	700,000,000	1,038,305,623	(338,305,623)	914,266,201	Bank has received the appeal order from the Commissioner of Taxes (Appeal) which are under review of the Management for next course of action.
2017	2018-2019	750,000,000	1,366,612,250	(616,612,250)	1,236,812,394	Bank has received the order from Deputy Commissioner of Taxes which are under review of the Management for next course of action.
2018	2019-2020	1,080,000,000	-	-	1,069,572,247	Assessment under process
2019	2020-2021	1,700,000,000	-	-	901,177,849	Not yet due

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Off-shore Banking Unit

Balance Sheet

as at 31 December 2019

Particulars	Note	31 December 2019		31 December 2018	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		-	-	-	-
Balance with other banks and financial institutions		-	-	-	-
In Bangladesh		-	-	-	-
Outside Bangladesh		-	-	-	-
Money at call and on short notice		-	-	-	-
Investments		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
Loans and advances	3	31,129,800	2,642,920,061	26,208,776	2,198,916,289
Loans, cash credits, overdrafts etc.	3.1	27,513,158	2,335,867,153	19,825,357	1,663,347,472
Bills purchased and discounted	3.2	3,616,642	307,052,908	6,383,419	535,568,817
Fixed assets including premises, furniture and fixtures					
Other assets	4	549,431	46,646,732	2,233,499	187,390,570
Non banking assets		-	-	-	-
Total assets		31,679,231	2,689,566,793	28,442,275	2,386,306,859
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from other banks, financial Institutions and agents	5	30,694,848	2,605,992,630	27,799,237	2,332,355,956
Deposit and other accounts		-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed Deposits		-	-	-	-
Other liabilities	6	562,347	47,743,295	459,314	38,536,475
Total liabilities		31,257,195	2,653,735,925	28,258,551	2,370,892,431
Capital / Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General Reserve		-	-	-	-
Revaluation reserve against securities		-	-	-	-
Revaluation reserve against fixed assets		-	-	-	-
Surplus in profit and loss account	7	422,036	35,830,868	183,724	15,414,428
Total shareholders' equity		422,036	35,830,868	183,724	15,414,428
Total liabilities and shareholders' equity		31,679,231	2,689,566,793	28,442,275	2,386,306,859

Particulars	Note	31 December 2019		31 December 2018	
		USD	Taka	USD	Taka
OFF BALANCE SHEET ITEMS					
Contingent liabilities					
Acceptances and endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Irrevocable letters of credit		-	-	-	-
Bills for collection		-	-	-	-
Other contingent liabilities		-	-	-	-
Other Commitments					
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		-	-	-	-
Total off-Balance Sheet exposures including contingent liabilities		-	-	-	-

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

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Off-shore Banking Unit

Profit and Loss Account

for the year ended 31 December 2019

Particulars	Note	31 December 2019		31 December 2018	
		USD	Taka	USD	Taka
Interest income	8	1,464,999	124,378,426	1,334,953	112,002,533
Interest paid on deposits, borrowings etc.	9	1,047,447	88,928,257	1,138,396	95,511,429
Net interest income		417,552	35,450,169	196,557	16,491,104
Investment Income		-	-	-	-
Commission, exchange and brokerage		-	-	-	-
Other operating income	10	4,484	380,699	4,009	336,343
Total operating income		422,036	35,830,868	200,566	16,827,447
Salaries and allowances		-	-	16,842	1,413,019
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		-	-	-	-
Total operating expenses		-	-	16,842	1,413,019
Profit/(Loss) before provision		422,036	35,830,868	183,724	15,414,428
Provision for loans, investments and other assets					
Specific Provision		-	-	-	-
General Provision		-	-	-	-
Provision for off-balance sheet exposures		-	-	-	-
Provision for diminution in value of investments		-	-	-	-
Provision for other assets		-	-	-	-
Total provision		-	-	-	-
Profit/(Loss) before taxes		422,036	35,830,868	183,724	15,414,428

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

Off-Shore Banking Unit
Notes to the Financial Statements

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 2019		31 December 2018	
		USD	Taka	USD	Taka
3 Loans and advances					
3.1 Loans, cash credits, overdrafts etc.					
Term loan		27,513,158	2,335,867,153	19,825,357	1,663,347,472
		27,513,158	2,335,867,153	19,825,357	1,663,347,472
3.2 Bills purchased and discounted					
Inside Bangladesh		3,616,642	307,052,908	6,383,419	535,568,817
Outside Bangladesh		-	-	-	-
		3,616,642	307,052,908	6,383,419	535,568,817
		31,129,800	2,642,920,061	26,208,776	2,198,916,289
4 Other assets					
Interest receivable on term loan		507,472	43,084,406	2,104,460	176,564,209
Interest receivable on bills discount		41,959	3,562,326	129,039	10,826,361
		549,431	46,646,732	2,233,499	187,390,570
5 Borrowing from other banks, financial Institutions and its agents					
In Bangladesh:					
IFIC Bank Limited		30,694,848	2,605,992,630	27,799,237	2,332,355,956
		30,694,848	2,605,992,630	27,799,237	2,332,355,956
Outside Bangladesh		-	-	-	-
		30,694,848	2,605,992,630	27,799,237	2,332,355,956
6 Other liabilities					
Interest on borrowing from abroad		-	-	-	-
Due to Head Office		562,347	47,743,295	459,314	38,536,475
		562,347	47,743,295	459,314	38,536,475
7 Surplus in profit and loss account					
Opening balance		183,724	15,414,428	655,330	54,195,815
Less: Adjustment/ payment for the year		(183,724)	(15,414,428)	(655,330)	(54,195,815)
Add: Addition during the year		422,036	35,830,868	183,724	15,414,428
		422,036	35,830,868	183,724	15,414,428

Particulars	Note	2019		2018	
		USD	Taka	USD	Taka
8 Interest income					
Term Loan		1,288,433	109,387,936	736,441	61,787,366
Bills discount		176,566	14,990,490	598,512	50,215,167
Interest on loans and advances		1,464,999	124,378,426	1,334,953	112,002,533
9 Interest paid on deposits, borrowings etc.					
Interest paid on IFIC Bank Limited		1,047,447	88,928,257	1,138,396	95,511,429
Interest paid on SCB, NY		-	-	-	-
		1,047,447	88,928,257	1,138,396	95,511,429
10 Other operating income					
Income-Fees & Commission		744	63,173	-	-
Income-Other Operating		3,740	317,526	4,009	336,343
		4,484	380,699	4,009	336,343