

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

Opinion

We have audited the consolidated financial statements of IFIC Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of IFIC Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 30 September 2021 and the consolidated and separate profit and loss accounts, consolidated and separate cash flow statements and consolidated and separate statements of changes in equity for the period then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 30 September 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1.

Basis for Opinion

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

Key Audit Matters

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

Risk	Our response to the risk
1. Measurement of provision for loans and advances	
<p>The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provisions 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 further business performance of the borrower; • Market value of the collateral; • Ability to repossess collateral; and • Recovery rates. <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 time to time.</p> <p>Due to high level of judgment involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>At period end the Group and the Bank reported total gross loans and advances of BDT 293,843 million (2020: BDT 261,697 million) and BDT 292,671 million (2020: BDT 260,650 million) respectively and provision for loans and advances of BDT 8,933 million (2020: BDT 7,638 million) and BDT 8,702 million (2020: BDT 7,406 million) respectively.</p> <p>See note no 2.1, 2.2.1.3, 7 and 15 to the financial statements</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of 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 of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
2. Recognition of interest income from loans and advances	
<p>Recognition of interest income has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income has involvement of complex IT environment.</p> <p>We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p> <p>See note no 2.1 and 26 to the financial statements</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognize interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>

3. Loans and advances	
<p>Loans and advances are the main element of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires robust documentation followed by approval from appropriate level of authority.</p> <p>We have identified loans and advances as key audit matter because there is an inherent risk of fraud in disbursement of loans and advances by management to meet specific targets or expectations.</p> <p>See note no 2.1 and 7 to the financial statements</p>	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures and monitoring process of loans and advances.</p> <p>We have performed procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of loans and advances. In addition, we have performed procedure to check whether the loans and advances is recorded completely and accurately and that are existed at the reporting date.</p> <p>Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>

Other Matter

The consolidated financial statements of the Group and also separate financial statements of the Bank as at and for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 31 March 2021.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank in accordance with IFRSs as explained in note 2.1, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and 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 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, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Group
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. ✓

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

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

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

Report on Other Legal and Regulatory Requirements


In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- i) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and Internal Control:
 - 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 (other than matters disclosed in these financial statements)
- iii) financial statements for the period ended 30 September 2021 of two of the subsidiaries namely, IFIC Securities Limited and IFIC Investments Limited have been audited by us and the financial statements of the subsidiary IFIC Money Transfer (UK) Limited is unaudited. However, the results of all three subsidiaries have been properly reflected in the consolidated financial statements;
- iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- 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 accounts 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 with 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 and 15.2;
- x) the information and explanation 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 1,020 person hours; and
- xii) Capital to Risk-Weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the period ended 30 September 2021.

The engagement partner on the audit resulting in this independent auditor's report is **Hasan Mahmood**.

Dated, Dhaka
... October 2021



Hasan Mahmood, Partner
Enrolment no: 564
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Balance Sheet
as at 30 September 2021

Amount in BDT

Particulars	Note	30 September 2021	31 December 2020
PROPERTY AND ASSETS			
Cash	3	21,099,872,540	18,496,393,531
Cash in hand (including foreign currency)	3.1	5,418,380,906	4,088,663,229
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	15,681,491,634	14,407,730,302
Balance with other banks and financial institutions	4	5,987,461,188	8,068,327,513
In Bangladesh	4.1	4,117,557,279	6,682,557,302
Outside Bangladesh	4	1,869,903,909	1,385,770,211
Money at call and on short notice	5	4,300,000,000	2,330,000,000
Investments	6	63,216,191,460	58,100,080,583
Government securities	6.1	51,974,111,543	46,979,431,855
Other investments	6.2	11,242,079,917	11,120,648,728
Loans and advances	7	293,842,919,107	261,697,427,473
Loans, cash credit, overdrafts etc.	7.1	278,009,370,247	247,051,243,375
Bills purchased and discounted	8	15,833,548,860	14,646,184,098
Fixed assets including premises, furniture and fixtures	9	7,596,563,802	7,537,124,576
Other assets	10	13,049,551,575	11,426,737,686
Non-banking assets	11	148,474,800	373,474,800
Total assets		409,241,034,472	368,029,566,161
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial institutions and agents	12	14,913,336,063	13,021,794,012
Subordinated debt	13	6,400,000,000	2,100,000,000
Deposits and other accounts	14	325,701,156,606	296,341,568,095
Current deposit and other accounts		117,658,933,278	92,689,795,114
Bills payable		2,038,833,262	2,547,263,402
Savings bank deposits		26,203,048,270	25,343,706,980
Fixed deposits		179,800,341,797	175,760,802,599
Other liabilities	15	32,365,407,155	28,742,281,946
Total liabilities		379,379,899,825	340,205,644,052
Capital/Shareholders' equity			
Paid up capital	16.2	17,008,675,610	16,198,738,680
Statutory reserve	17	6,864,775,853	6,864,775,853
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	49,443,201	107,849,126
Revaluation reserve against fixed assets	20	115,314,704	115,314,704
Foreign currency translation reserve	20.a	96,259,657	134,088,406
Surplus in profit and loss account	22	5,571,580,495	4,248,076,927
Attributable to equity holders		29,861,120,917	27,823,915,093
Non-controlling interest	23	13,731	7,016
Total shareholders' equity		29,861,134,648	27,823,922,109
Total liabilities and shareholders' equity		409,241,034,472	368,029,566,161

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Balance Sheet
as at 30 September 2021

Amount in BDT

Particulars	Note	30 September 2021	31 December 2020
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	24	65,726,393,466	50,483,678,851
Acceptances and endorsements		26,156,452,990	16,350,951,601
Letters of guarantee		8,750,992,801	8,058,992,366
Irrevocable letters of credit		22,359,082,842	17,880,361,773
Bills for collection		8,459,864,833	8,193,373,111
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		65,726,393,466	50,483,678,851

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

Dhaka, 28 October 2021

Hasan Mahmood, Partner
 Enrolment no: 564
M. J. Abedin & Co.
 Chartered Accountants
 Firm Registration no: N/A

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Profit and Loss Account
for the 3rd quarter ended 30 September 2021

Amount in BDT

Particulars	Note	1 January to 30 September 2021	1 January to 30 September 2020	1 July to 30 September 2021	1 July to 30 September 2020
Interest income	26	16,349,214,303	16,268,601,812	5,913,996,233	5,199,085,765
Interest paid on deposits, borrowings etc.	27	11,611,578,354	14,208,645,702	3,909,851,576	4,472,486,255
Net interest income		4,737,635,949	2,059,956,110	2,004,144,657	726,599,510
Investment income	28	3,181,651,801	2,661,418,416	1,097,926,696	855,362,715
Commission, exchange and brokerage	29	1,822,290,522	1,348,135,614	547,844,834	457,730,068
Other operating income	30	128,688,973	86,255,941	(109,911,764)	35,534,374
		5,132,631,296	4,095,809,971	1,535,859,766	1,348,627,157
Total operating income		9,870,267,245	6,155,766,081	3,540,004,423	2,075,226,666
Salary and allowances	31	2,109,564,468	1,877,864,616	729,642,908	643,708,156
Rent, taxes, insurance, electricity etc.	32	480,822,432	491,480,357	171,487,571	184,516,671
Legal expenses	33	11,840,440	8,159,077	2,890,778	3,426,120
Postage, stamp, telecommunication etc.	34	77,244,720	54,691,444	26,038,102	16,774,733
Stationery, printing, advertisement etc.	35	277,387,778	182,065,851	67,021,190	74,181,576
Managing Director's salary	36	18,870,250	17,327,500	6,330,750	5,782,500
Directors' fees	37	3,266,400	1,178,500	1,035,200	479,000
Auditors' fees	38	3,009,168	2,113,031	1,756,945	862,501
Depreciation and repair of bank's assets	39	892,727,326	565,615,679	308,267,333	201,017,780
Other expenses	40	827,550,731	731,050,140	316,395,501	255,763,383
Total operating expenses		4,702,283,713	3,931,546,195	1,630,866,277	1,386,512,420
Operating profit		5,167,983,532	2,224,219,886	1,909,138,147	688,714,246
Share of profit of joint ventures/associates	40.a	348,812,269	336,318,489	111,670,201	110,465,334
Profit before provision		5,516,795,801	2,560,538,374	2,020,808,348	799,179,579
Provision for loans, investments & other	41				
Provision for loans and advance		1,477,740,648	434,005,188	735,967,290	260,068,654
Provision for diminution in value of investments		1,185,653	(67,962,184)	3,587,067	(141,187,810)
Other provisions		16,686,622	47,721,338	9,943,975	29,231,608
Total provision		1,495,612,923	413,764,342	749,498,332	148,112,452
Profit/(Loss) before taxes		4,021,182,878	2,146,774,032	1,271,310,016	651,067,127
Provision for taxation	42				
Current tax		1,960,011,461	883,754,470	726,638,720	282,059,549
Deferred tax expense/(income)		(77,892,270)	39,914,218	(49,043,240)	11,543,213
		1,882,119,190	923,668,688	677,595,480	293,602,762
Net profit after taxation		2,139,063,688	1,223,105,344	593,714,536	357,464,365
Net profit after tax attributable to:					
Equity holders of the Bank		2,139,062,973	1,223,105,341	593,714,034	357,464,365
Non-controlling interest		715	3	502	-
		2,139,063,688	1,223,105,344	593,714,536	357,464,365
Earnings Per Share (EPS)	50	1.26	0.72	0.35	0.21

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

Dhaka, 28 October 2021

Hasan Mahmood, Partner
Enrolment no: 564
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Cash Flow Statement

for the 3rd quarter ended 30 September 2021

Amount in BDT

Particulars	1 January to 30 September 2021	1 January to 30 September 2020
A. Cash flows from operating activities		
Interest received	18,543,416,633	18,661,739,116
Interest payments	(11,349,909,778)	(14,062,650,807)
Dividend received	45,791,665	36,205,415
Fees and commission received	1,455,436,245	889,809,982
Recoveries of loans and advances previously written-off	134,470,143	65,799,320
Cash payments to employees	(2,129,006,536)	(1,895,192,116)
Cash payments to suppliers	(142,957,317)	(150,387,933)
Income taxes paid	(1,453,548,630)	(906,370,606)
Receipts from other operating activities	43 833,160,955	88,729,593
Payments for other operating activities	44 (1,895,737,734)	(1,402,396,774)
Operating cash flows before changing in operating assets and liabilities	4,041,115,646	1,325,285,190
Increase/(decrease) in operating assets and liabilities		
Statutory deposits	-	-
Loans and advances to other banks	-	-
Loans and advances to customers	(31,677,066,297)	(21,293,524,902)
Other assets	45 (171,942,035)	(141,680,908)
Deposits from other banks	1,532,601	(8,436,320,881)
Deposits from customers	29,968,378,045	33,261,111,620
Other liabilities	46 (543,633,174)	(165,699,650)
	(2,422,730,859)	3,223,885,278
Net cash flows from/(used in) operating activities	1,618,384,787	4,549,170,468
B. Cash flows from investing activities		
Net proceeds/(payments) from sale/(purchase) of Government securities	(5,052,637,513)	(4,504,960,277)
Net proceeds/(payments) from sale/(purchase) of securities	(121,431,189)	(299,295,814)
Purchase of property, plant & equipment	(742,241,518.83)	(787,164,238)
Proceeds from sale of property, plant & equipment	213,971,031	936,159
Net cash flows from/(used in) investing activities	(5,702,339,190)	(5,590,484,170)
C. Cash flows from financing activities		
Borrowing from other banks, financial institutions and agents	6,191,542,051	3,373,923,013
Payment against lease obligation	(79,987)	(113,837,371)
Net cash flows from/(used in) financing activities	6,191,462,064	3,260,085,642
D. Net increase/(decrease) in cash (A+B+C)	2,107,507,661	2,218,771,940
E. Effects of exchange rate changes on cash and cash equivalents	385,553,123	459,039,591
F. Opening balance of cash and cash equivalents	28,898,170,044	24,606,978,576
G. Closing balance of cash and cash equivalents (D+E+F)	31,391,230,828	27,284,790,107
Closing cash and cash equivalents	47	
Cash in hand	5,418,380,906	3,851,984,084
Balance with Bangladesh Bank and its agents bank	15,681,491,634	14,093,353,548
Balance with other banks and financial institutions	5,987,461,188	6,596,441,575
Money at call and on short notice	4,300,000,000	2,740,000,000
Prize bonds	3,897,100	3,010,900
	31,391,230,828	27,284,790,107

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Consolidated Statement of Changes in Equity
for the 3rd quarter ended 30 September 2021

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 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	134,088,406	4,248,076,927	7,016	27,823,922,109
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	134,088,406	4,248,076,927	7,016	27,823,922,109
Surplus/(deficit) on account of revaluation of investments	-	-	-	(58,405,925)	-	-	-	-	(58,405,925)
Effect of foreign currency translation	-	-	-	-	-	(37,828,749)	-	-	(37,828,749)
Net gain and losses not recognized in the profit and loss account	16,198,738,680	6,864,775,853	155,071,397	49,443,201	115,314,704	96,259,657	4,248,076,927	7,016	27,727,687,435
Addition during the period								6,000	6,000
Net profit for the period	-	-	-	-	-	-	2,139,062,973	715	2,139,063,688
Bonus share issued for the year 2020	809,936,930	-	-	-	-	-	(809,936,930)	-	-
Transfer to Start-up fund of Y2020	-	-	-	-	-	-	(5,622,475)	-	(5,622,475)
Balance as at 30 September 2021	17,008,675,610	6,864,775,853	155,071,397	49,443,201	115,314,704	96,259,657	5,571,580,495	13,731	29,861,134,648
Balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	43,867,936	4,920,565,744	6,880	26,542,977,353
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	43,867,936	4,920,565,744	6,880	26,542,977,354
Surplus/(deficit) on account of revaluation of investments	-	-	-	41,917,101	-	-	-	-	41,917,101
Effect of foreign currency translation	-	-	-	-	-	(129,887,677)	-	-	(129,887,677)
Net gain and losses not recognized in the profit and loss account	14,726,126,080	6,531,903,475	155,071,397	92,038,238	115,314,704	(86,019,741)	4,920,565,744	6,880	26,455,006,777
Net profit for the period	-	-	-	-	-	-	1,223,105,318	26	1,223,105,344
Bonus share issued for the year 2019	1,472,612,600	-	-	-	-	-	(1,472,612,600)	-	-
Balance as at 30 September 2020	16,198,738,680	6,531,903,475	155,071,397	92,038,238	115,314,704	(86,019,741)	4,671,058,463	6,906	27,678,112,121

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Balance Sheet
as at 30 September 2021

Amount in BDT

Particulars	Note	30 September 2021	31 December 2020
PROPERTY AND ASSETS			
Cash	3	21,099,640,630	18,492,529,970
Cash in hand (including foreign currency)	3.1	5,418,148,996	4,084,799,668
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	15,681,491,634	14,407,730,302
Balance with other banks and financial institutions	4	6,773,566,850	8,895,390,969
In Bangladesh	4.1	4,919,053,142	7,511,869,424
Outside Bangladesh	4	1,854,513,708	1,383,521,545
Money at call and on short notice	5	4,300,000,000	2,330,000,000
Investments	6	57,320,149,515	52,722,425,470
Government securities	6.1	51,974,111,543	46,979,431,855
Other investments	6.2	5,346,037,972	5,742,993,615
Loans and advances	7	292,671,425,826	260,650,289,525
Loans, cash credit, overdrafts etc.	7.1	276,837,876,966	246,004,105,427
Bills purchased and discounted	8	15,833,548,860	14,646,184,098
Fixed assets including premises, furniture and fixtures	9	7,550,727,546	7,495,172,120
Other assets	10	15,194,521,271	12,452,484,222
Non-banking assets	11	148,474,800	373,474,800
Total assets		405,058,506,438	363,411,767,076
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial Institutions and agents	12	14,913,336,063	13,021,794,012
Subordinated debt	13	6,400,000,000	2,100,000,000
Deposits and other accounts	14	326,736,265,433	296,369,024,858
Current deposit and other accounts		118,693,864,472	92,715,704,209
Bills payable		2,038,833,262	2,547,263,402
Savings bank deposits		26,203,048,270	25,343,706,980
Fixed deposits		179,800,519,429	175,762,350,267
Other liabilities	15	30,243,027,693	26,703,993,226
Total liabilities		378,292,629,189	338,194,812,095
Capital/Shareholders' equity			
Paid up capital	16.2	17,008,675,610	16,198,738,680
Statutory reserve	17	6,864,775,853	6,864,775,853
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	49,443,201	107,849,126
Revaluation reserve against fixed assets	20	115,314,704	115,314,704
Surplus in profit and loss account	21	2,572,596,483	1,775,205,220
Total shareholders' equity		26,765,877,248	25,216,954,980
Total liabilities and shareholders' equity		405,058,506,438	363,411,767,076

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Balance Sheet
as at 30 September 2021

Amount in BDT

Particulars	Note	30 September 2021	31 December 2020
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	24	65,726,393,466	50,483,678,851
Acceptances and endorsements		26,156,452,990	16,350,951,601
Letters of guarantee		8,750,992,801	8,058,992,366
Irrevocable letters of credit		22,359,082,842	17,880,361,773
Bills for collection		8,459,864,833	8,193,373,111
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		65,726,393,466	50,483,678,851

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

Dhaka, 28 October 2021

Hasan Mahmood, Partner
Enrolment no: 564
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Profit and Loss Account
for the 3rd quarter ended 30 September 2021

Amount in BDT

Particulars	Note	1 January to 30 September 2021	1 January to 30 September 2020	1 July to 30 September 2021	1 July to 30 September 2020
Interest income	26	16,175,676,500	16,250,476,527	5,673,543,035	5,191,763,448
Interest paid on deposits, borrowings, etc.	27	11,612,588,608	14,208,648,868	3,909,918,529	4,472,486,255
Net interest income		4,563,087,892	2,041,827,659	1,763,624,506	719,277,193
Investment income	28	3,112,822,211	2,658,387,850	1,066,026,158	855,263,043
Commission, exchange and brokerage	29	1,752,718,186	1,306,523,839	529,959,636	435,518,637
Other operating income	30	125,547,809	83,070,160	52,527,083	33,751,205
		4,991,088,206	4,047,981,849	1,648,512,877	1,324,532,885
Total operating income		9,554,176,098	6,089,809,508	3,412,137,383	2,043,810,078
Salary and allowances	31	2,091,063,320	1,860,855,169	723,417,249	637,954,833
Rent, taxes, insurance, electricity, etc.	32	478,264,396	488,657,663	170,431,982	183,906,205
Legal expenses	33	10,219,772	4,645,623	2,373,917	1,443,528
Postage, stamp, telecommunication, etc.	34	76,819,902	54,309,349	25,905,989	16,432,771
Stationery, printing, advertisement, etc.	35	277,079,069	181,751,867	66,894,731	74,074,065
Managing Director's salary	36	18,870,250	17,327,500	6,330,750	5,782,500
Directors' fees	37	1,832,000	1,008,000	648,000	424,000
Auditors' fees	38	2,970,835	1,820,833	1,756,945	862,501
Depreciation and repair of bank's assets	39	884,313,797	558,758,925	304,322,582	198,794,828
Other expenses	40	792,814,586	717,692,005	306,859,474	250,774,954
Total operating expenses		4,634,247,928	3,886,826,933	1,608,941,618	1,370,450,186
Profit/(Loss) before provision		4,919,928,170	2,202,982,575	1,803,195,765	673,359,892
Provision for loans, investments and other assets	41				
Provision for loans and advance		1,477,740,648	434,005,188	735,967,290	260,068,654
Provision for diminution in value of investments		1,185,653	(67,962,184)	3,587,067	(140,402,715)
Other provisions		16,686,622	47,721,338	9,943,975	29,231,608
Total Provision		1,495,612,923	413,764,342	749,498,332	148,897,547
Profit/(Loss) before taxes		3,424,315,247	1,789,218,233	1,053,697,433	524,462,345
Provision for taxation	42				
Current tax		1,888,550,000	880,000,000	698,550,000	280,000,000
Deferred tax expense/(income)		(77,185,421)	40,886,529	(49,084,461)	11,934,976
		1,811,364,579	920,886,529	649,465,539	291,934,976
Net profit after taxation		1,612,950,668	868,331,704	404,231,893	232,527,369
Earnings Per Share (EPS)	50	0.95	0.51	0.24	0.14

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

Dhaka, 28 October 2021

Hasan Mahmood, Partner
Enrolment no: 564
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Cash Flow Statement

for the 3rd quarter ended 30 September 2021

Amount in BDT

Particulars	Note	1 January to 30 September 2021	1 January to 30 September 2020
A. Cash flows from operating activities			
Interest received		18,456,818,830	18,643,613,831
Interest payments		(11,350,920,032)	(14,088,954,168)
Dividend received		44,078,266	33,499,729
Fees and commission received		1,368,678,188	851,404,598
Recoveries of loans and advances previously written-off		134,470,143	65,799,320
Cash payments to employees		(2,109,933,570)	(1,878,182,669)
Cash payments to suppliers		(149,090,318)	(150,387,933)
Income taxes paid		(1,417,013,935)	(895,508,754)
Receipts from other operating activities	43	762,903,599	85,218,932
Payments for other operating activities	44	(1,856,299,488)	(1,354,099,571)
Operating cash flows before changing in operating assets and liabilities		3,883,691,683	1,312,403,313
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Loans and advances to other banks		-	-
Loans and advances to customers		(31,422,390,620)	(21,285,405,117)
Other assets	45	(746,200,239)	(143,698,443)
Deposits from other banks		1,532,601	(8,436,320,881)
Deposits from customers		30,174,534,246	33,200,514,237
Other liabilities	46	(438,431,276)	(156,411,736)
		(2,430,955,287)	3,178,678,060
Net cash flows from/(used in) operating activities		1,452,736,396	4,491,081,373
B. Cash flows from investing activities			
Net proceeds/(payments) from sale/(purchase) of Government securities		(5,052,637,513)	(4,504,960,277)
Net proceeds/(payments) from sale/(purchase) of securities		396,955,644	(299,513,050)
Purchase of property, plant & equipment		(730,798,977)	(781,321,158)
Proceeds from sale of property, plant & equipment		213,971,031	936,159
Investment in subsidiary		(399,994,000)	-
Net cash flows from/(used in) investing activities		(5,572,503,816)	(5,584,858,326)
C. Cash flows from financing activities			
Borrowing from other banks, financial institution and agents		6,191,542,051	3,373,923,013
Payment against lease obligation		(79,987)	(112,476,946)
Net cash flows from/(used in) financing activities		6,191,462,064	3,261,446,067
D. Net increase/(decrease) in cash (A+B+C)		2,071,694,644	2,167,669,114
E. Effects of exchange rate changes on cash and cash equivalents		384,039,997	455,119,242
F. Opening balance of cash and cash equivalents		29,721,369,939	24,585,059,982
G. Closing balance of cash and cash equivalents (D+E+F)		32,177,104,580	27,207,848,337
Closing cash and cash equivalents			
	47		
Cash in hand		5,418,148,996	3,847,302,610
Balance with Bangladesh Bank and its agents bank		15,681,491,634	14,093,353,548
Balance with other banks and financial institutions		6,773,566,850	6,524,181,279
Money at call and on short notice		4,300,000,000	2,740,000,000
Prize bonds		3,897,100	3,010,900
		32,177,104,580	27,207,848,337

The reconciliation of cash flows from operating activities (solo basis) has been disclosed in note 48 of these financial statements.

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Statement of Changes in Equity

for the 3rd quarter ended 30 September 2021

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 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	1,775,205,220	25,216,954,980
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	1,775,205,220	25,216,954,980
Surplus/deficit on account of revaluation of investments	-	-	-	(58,405,925)	-	-	(58,405,925)
Net gain and losses not recognized in the income statement	16,198,738,680	6,864,775,853	155,071,397	49,443,201	115,314,704	1,775,205,220	25,158,549,055
Net profit for the period	-	-	-	-	-	1,612,950,668	1,612,950,668
Bonus share issued for the year 2020	809,936,930	-	-	-	-	(809,936,930)	-
Transfer to Start-up fund of Y2020	-	-	-	-	-	(5,622,475)	(5,622,475)
Balance as at 30 September 2021	17,008,675,610	6,864,775,853	155,071,397	49,443,201	115,314,704	2,572,596,483	26,765,877,248
Balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	3,018,442,662	24,596,979,455
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	3,018,442,662	24,596,979,455
Surplus/deficit on account of revaluation of investments	-	-	-	41,917,101	-	-	41,917,101
Net gain and losses not recognized in the income statement	14,726,126,080	6,531,903,475	155,071,397	92,038,238	115,314,704	3,018,442,662	24,638,896,556
Net profit for the period	-	-	-	-	-	868,331,704	868,331,704
Bonus share issued for the year 2019	1,472,612,600	-	-	-	-	(1,472,612,600)	-
Balance as at 30 September 2020	16,198,738,680	6,531,903,475	155,071,397	92,038,238	115,314,704	2,414,161,766	25,507,228,260

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Liquidity Statement

Maturity Analysis of Assets and Liabilities

as at 30 September 2021

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)	7,445,271,444	119,396,927	119,396,927	-	13,415,575,333	21,099,640,630
Balance with other banks and financial institutions	6,606,712,184	166,854,666	-	-	-	6,773,566,850
Money at call and on short notice	4,300,000,000	-	-	-	-	4,300,000,000
Investment	5,216,344,930	3,194,614,822	6,019,156,608	21,710,940,234	21,179,092,921	57,320,149,515
Loans and advances	77,704,194,082	25,014,814,540	45,896,568,351	72,914,809,740	71,141,039,113	292,671,425,826
Fixed assets including premises, furniture and fixture	-	755,072,755	1,132,609,132	3,020,291,018	2,642,754,641	7,550,727,546
Other assets	3,035,944,597	5,522,163,940	2,529,953,831	1,472,031,923	2,634,426,980	15,194,521,271
Non-banking assets	-	-	-	148,474,800	-	148,474,800
Total assets	104,308,467,237	34,772,917,650	55,697,684,849	99,266,547,715	111,012,888,987	405,058,506,438
Liabilities						
Subordinated debt	-	-	700,000,000	3,700,000,000	2,000,000,000	6,400,000,000
Borrowing from other banks, financial institutions and agents	1,333,687,911	3,980,645,863	9,105,545,539	359,710,362	133,746,387	14,913,336,063
Deposits and other accounts	47,223,032,265	68,650,872,609	63,234,903,821	30,926,880,852	116,700,575,887	326,736,265,433
Other liabilities	2,008,578,889	660,396,040	4,955,009,449	2,827,380,414	19,791,662,901	30,243,027,693
Total liabilities	50,565,299,065	73,291,914,512	77,995,458,809	37,813,971,629	138,625,985,175	378,292,629,190
Net liquidity	53,743,168,172	(38,518,996,862)	(22,297,773,960)	61,452,576,086	(27,613,096,188)	26,765,877,248

Notes to the Financial Statements

As at and for the period ended 30 September 2021

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 fledge commercial bank. The Government of the People's Republic of Bangladesh, now, holds 32.75% of the share capital of the Bank. Directors and Sponsors having vast experience in the field of trade and commerce own 4.11% of the share capital and the rest is held by Institutions both local & foreign and General Shareholders.

Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Bank has 157 branches, 589 Uposhakhas and 39 ATM booths with 53 ATMs as at 30 September 2021.

The principal activities of the Bank are to provide all types of commercial banking services, within the stipulations laid down by the Banking Companies Act 1991 as amended and directives as received from Bangladesh Bank and other regulatory authorities from time to time, through its Branches, Uposhakhas and Alternative Delivery Channels like ATM Booths and Internet Banking, Digital Channel etc.

1.2. Off-shore Banking Unit (OBU)

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

1.3. Subsidiaries of the Bank

1.3.1. IFIC Securities Limited [IFICSL]

IFIC Securities Limited, a fully owned subsidiary company of IFIC Bank Limited was incorporated as a public limited company and acquired membership of Dhaka Stock Exchange Limited for brokerage 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 Conduct Authority (FCA) [previously it was Financial Services Authority (FSA)] on 16 June 2011 under Payment Services Regulations 2009. The company commenced its operation on 31 August 2011. The registered office of the company is located at Ferrari House, 2nd Floor, 102 College Road, Harrow, Middlesex, United Kingdom HA1 IES, London, UK. The principal activities of the company is remitting/transfer money and related services on behalf of its customers.

1.3.3. IFIC Investment Limited [IFICIL]

IFIC Investment Limited, a fully owned subsidiary company of IFIC Bank Limited was incorporated as a public limited company. The main objectives of this subsidiary are merchant banking operation which is yet to start. The registered office of IFICSL located at IFIC Tower, 61, Purana Paltan, Dhaka – 1000.

1.4. Associates of the Bank

1.4.1. Nepal Bangladesh Bank Limited [NBBL], Nepal

Nepal Bangladesh Bank Limited, a joint venture commercial bank between IFIC Bank Limited and Nepali Nationals, started operation with effect from 06 June 1994 in Nepal. The Bank has so far opened 99 (Ninety Nine) branches at different important locations in Nepal. IFIC Bank presently holds 40.91% shares in NBBL and has a Management & Technical Service Agreement to provide technical know-how and professional knowledge to strengthen the smooth function of NBBL. NBBL is listed with Nepal Stock Exchange Limited.

1.4.2. Oman Exchange LLC, Oman

Oman Exchange LLC, an exchange company incorporated under the laws of the Sultanate of Oman in 1985 as a joint venture between IFIC Bank and Omani Nationals. The principal activities of the company 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 and renamed it NDLC-IFIC Bank Limited. It was subsequently renamed as NIB Bank Limited with effect from 28 November 2005. In 2017 NIB Bank Limited merged with MCB Bank Limited and IFIC's holding diluted significantly due to this merger. Now IFIC holds very minimal share in MCB Bank Limited.

2. Basis of Preparation and Significant Accounting Policies

2.1. Basis of preparation

2.1.1. Statement of compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed in 2017 and has since then adopted the International Accounting Standards (IAS) International Financial Reporting Standards (IFRS) as the applicable Financial Reporting Standards with effect from 2 November 2020

Accordingly, the Financial Statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the requirements of the Banking Companies Act 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

In case any requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank differ 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 period-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 period 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 market 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. Provision for Short-Term Agricultural and Micro-Credits has to be provided at the rate of 5% for 'sub-standard' and 'doubtful' loans and at the rate of 100% provision for the 'bad/Loss' loans. As per BRPD circular no. 4 dated 29 January 2015, 1% additional provision has to be maintained for large restructured loan and also 1% additional provision has to be maintained against the facilities for which payment was deferred during the year 2020 due to COVID-19 pandemic under purview of BRPD Circular No. 56 dated 10 December 2020. Such provision policies are not specifically in line with those prescribed by IFRS 9.

v. Recognition of interest in suspense

IAS/IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently 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 and BRPD circular no. 22 dated 20 September 2021, 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 Banking Companies Act 1991. (Amendment up to date) and BRPD circular no. 14 dated 25 June 2003. In that prescribed template there is no scope to present assets and liabilities under current and noncurrent classifications.

[Also refer to (note 2.2.11 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 Emerging Credit Rating Limited (ECRL) 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 period. Comparative amounts in the financial statements have been reclassified and rearranged to conform to the current period's presentation. The Bank did not restate its comparative figures which affect the related implications of IAS 1: *Presentation of Financial Statements*.

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

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

The Bank doesn't have any un-reconciled entries related to inter-branch transactions as on the reporting date.

2.1.7. Foreign currency transactions

Foreign currency transactions are translated into the Bank's functional currency at the exchange rates prevailing on the respective date of such transactions as per IAS 21: *The Effect of Changes in Foreign Exchange Rates*. Monetary assets and liabilities in foreign currencies are converted into Taka at 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 consolidated financial statements cover the period from 1 January to 30 September 2021. 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 the subsidiary IFIC Investments Limited covers the period from 30 November 2020 (which is the Company's date of incorporation) to 30 September 2021. The reporting period of Nepal Bangladesh Bank Limited is as per Nepalese Calendar Year and hence the financial statements for the period ended 17 October 2021 have been considered for consolidation purposes. The operating results of Nepal Bangladesh Bank Limited have been adjusted proportionately in line with the reporting period of IFIC Bank Limited as consolidation adjustments.

2.1.9. Date of authorization

The Board of Directors has authorized these financial statements for public issue on 28 October 2021.

2.1.10. Use of estimates and judgments

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

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

Key estimates are as follows:

- Provision for loans, advances and investments ;
- Revaluation of land & buildings;
- Deferred tax assets/liabilities;
- 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 period, the bank has not adopted any change of accounting estimates.

2.1.11. Basis of consolidation

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 period ended 30 September 2021. The reporting period of Nepal Bangladesh Bank Limited is different from that of the IFIC, necessary adjustments have been made to the financial results at the time of consolidation. Both consolidated financial statements and separate financial statements of the Bank 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" as per the direction of Bangladesh Bank. Under the equity method, the investment is initially recorded at cost and the carrying amount is increased or decreased to recognize the investor's share of the profits and losses of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognized in the investor's profit and loss account. Distributions received from an investee reduce the carrying amount of the investment.

Transactions eliminated on consolidation

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

2.1.12. 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.

2.2.1. Assets and basis of their valuation

2.2.1.1. Cash and cash equivalents

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

2.2.1.2. Investment

All investments (except government treasury bill and bond) have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accredited by using the effective or historical yield method. Government Treasury Bills and Bonds (categorized as HFT and/or HTM) are accounted for as per Bangladesh Bank DOS circular letter no. 5 dated 26 May 2008 and DOS circular no. 5 dated 28 January 2009. Details of the valuation methods of investment are given below:

i. Govt. securities – Held to Maturity (HTM)

Investments 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 held in this category are acquired principally for the purpose of selling and purchasing in short trading. After initial recognition, investments are revalued weekly on mark to market basis. 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*. Under this method, the investment is initially recorded at cost and the increase and decreases on the carrying amount is recognized in investor's share of the profit & losses of the investee after the date of acquisition. The consolidated financial statements include the IFIC's share of the profit and loss of equity accounted investees, after adjustments to align the accounting policies with those of the IFIC Bank Limited, from the date that significant influence commences until the date that significant influence ceases.

2.2.1.3. Loans and advances

- i. Loans and advances are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business. It has been stated at gross value as per requirements of the Banking Companies Act, 1991.
- ii. Provision for loans and advances are made in line with the direction contained in the BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 5 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 4 dated 29 January 2015, BRPD circular no. 15 dated 27 September 2017, BRPD circular no. 1 dated 20 February 2018, BRPD circular no. 7 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018 and BRPD circular No. 3 dated 21 April 2019 issued by Bangladesh Bank. As per BRPD circular no. 4 dated 29 January 2015, 1% additional provision has to be maintained for restructured large loan and also as per BRPD circular no. 56 dated 10 December 2020, facilities for which payment was deferred during COVID-19. The rates of provision by classification of loans and advances are disclosed in note number 15.1.1 and 15.2.1 of the financial statements.
- iii. Interest on unclassified loans and advances (except those of rescheduled and stay order accounts) is recognized as

income on accrual basis, interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account. However actual recovery of interest on rescheduled, stay order accounts and classified loan credited to income account as per instruction of BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December, BRPD circular no. 16 dated 18 November 2014 and BRPD Circular No. 56 dated 10 December 2020.

- iv. The Bank are providing concessional interest rate 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
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 in its financial statements where the Bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of initial application on a lease by lease basis.

Right-of-use assets (ROU)

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

Lease Liability

At the commencement date of 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 and short term leases for which the lease term ends within 12 months of the date of initial application. The Bank recognizes lease payments associated with these 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

2.2.1.8. Subordinated Bond

The Bank issued 1st Non-Convertible, Redeemable, Unsecured Floating Rate Subordinated Bond of BDT 3,500,000,000 with 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/ 14B (P)/2016-

938 dated 8 February 2016. The tenure of the bond is 7 years and the redemption of the Bond has been started from the year 2019 and the Bond will be fully redeemed in the year 2023.

The Bank issued 2nd Non-Convertible, Redeemable, Unsecured Floating Rate Subordinated Bond of BDT 5,000,000,000 with approval of Bangladesh Bank vide letter no. BRPD(BFIS)661/14B(P)/2021-4427 dated 30 May 2021 and Bangladesh Securities and Exchange Commission vide letter no. BSEC/CI/DS-144/2021/442 dated 30 June 2021. The bond was fully subscribed on 14 September 2021. The tenure of the bond is 7 years and will be fully redeemed in the year 2028.

2.2.1.9. 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	SMA	SS	DF	BL
Consumer Finance	Housing Finance (HF)	1%	1%	20%	50%	100%
	Professional	2%	2%	20%	50%	100%
	Other than HF & prof. to set up business	5%	5%	20%	50%	100%
Loan to broker house, merchant banks, stock dealers etc.		2%	2%	20%	50%	100%
Short-term agri-credit and micro credit		1%	1%	5%	5%	100%
Small and medium enterprise finance		0.25%	0.25%	20%	50%	100%
Others		1%	1%	20%	50%	100%
Loan under Deferral during COVID 19		1%				
Off-balance sheet		1%				

ii. Provision for taxation

Income tax on profit for the period 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 period, 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.

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 measured 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 disclose 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 FEPD (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).

2.2.1.10. 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.

2.2.2. Income

Revenue recognition

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 arising 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 period in which the significant risks and rewards of ownership are transferred to buyer.

2.2.3. Expenses

2.2.3.1. 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.

2.2.3.2. Management and other expenses

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

2.2.4. Shareholders' equity

2.2.4.1. Share capital

i. Authorized capital

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

ii. Paid up share capital

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

2.2.4.2. Statutory reserve

As per 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.

2.2.4.3. 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.

2.2.4.4. 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.

2.2.5. General

2.2.5.1. Earnings per share (EPS)

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

i. Basic earnings per share

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

2.2.5.2. Related party transactions

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

2.2.5.3. Operating segments

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

2.2.5.4. Events after the reporting period

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

2.2.6. Risk management

Risk is the exposure to uncertainty and risk exposure is the extent to which an entity is sensitive to underlying risks. As risk is an inherent part of 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 form 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:

- a. Management anticipates and responds to changes of a market or regulatory nature that affect its reputation in the market place;
- b. The Bank effectively develops its policies for risk management to refrain from committing violations of laws, regulations, best banking practices, and consumer rights that could affect its reputation;
- c. The Bank has continuous awareness that it is not subject to significant litigation, large monetary losses, or a high volume of customer complaints;
- d. The bank is routinely seen in a leadership role in community development and corporate social responsibility; and
- e. Management has a clear awareness of privacy issues and uses customer information responsibly.

2.2.7. Audit Committee

The Audit Committee of the Board was duly formed by the Board of Directors of the Bank in accordance with the BRPD circular no. 11 dated 27 October 2013 of Bangladesh Bank. Pursuant to the BSEC notification no. BSEC/CMRRCD/2006-158/207/ADMIN/80 dated 3 June 2018 on Corporate Governance, the current Committee is constituted with three members of the Board. The details of the Audit Committee is provided in **Annexure-G**.

2.2.8. Directors’ responsibility statement

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

2.2.9. Management Committee (MANCOM)

The Management Committee (MANCOM) is functioning as a structured unit to take important management decisions. Presently, it comprises of members holding key positions in the Management of the Bank. The Committee is headed by the Managing Director & CEO who is assisted by Deputy Managing Directors, Heads of Divisions of strategically important divisions along with Branch Managers of large and important Branches. The Managing Director’s Secretariat provides secretarial services to the Committee. The members of the Committee, having long experience in commercial banking activities, are concerned with management of respective Divisions as well as monitoring day to day activities taking place in different areas of the Bank.

Generally the Committee sits at least once in every month to review and evaluate strategic operational issues of the bank, identify specific problems which need to be immediately attended, identify weakness (if any) of the Bank and take remedial measures or any other measures for enhancing the reputation of the Bank. Generally, the MANCOM is concerned with major decision making, planning and framing of policy guidelines of the Bank.

2.2.10. Credit rating of the bank

The Bank has been awarded its credit rating done by Emerging Credit Rating Limited (ECRL) and Credit Rating Agency of Bangladesh Ltd. (CRAB) based on the financial statements and other relevant information as at and for the year ended 31 December 2020 and 2019 respectively as per BRPD Circular no. 6 dated 5 July 2006. The following ratings for different years have been awarded:

Types of Rating	Financial Statement	Rating Status			Validity
		Long Term	Short Term	Outlook	
Entity	Jan to Dec 2020	AA	ST-2	Stable	30-Jun-22
Entity	Jan to Dec 2019	AA2	ST-2	Stable	30-Jun-21

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

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

Name of the IFRS	IFRS No.	Status
First-time Adoption International Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	Complied
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Complied*
Operating Segments	8	Complied
Financial Instruments	9	Complied*
Consolidated Financial Statements	10	Complied
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied*
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Complied*
Leases	16	Complied

Name of the IAS	IAS No.	Status
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 2021 and earlier application is permitted. However, the Bank has not early applied the following new standards in preparing these financial statements.

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

IFRS 17 Insurance Contract

Insurance Contract are effective for annual periods beginning on or after 1 January 2021. Earlier adoption is permitted. This has not been applied in preparing these consolidated and separate financial statements.

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

Notes to the Financial Statements
as at and for the period ended 30 September 2021

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
3 Cash					
Cash in hand (including foreign currency)	3.1	5,418,380,906	4,088,663,229	5,418,148,996	4,084,799,668
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	15,681,491,634	14,407,730,302	15,681,491,634	14,407,730,302
		21,099,872,540	18,496,393,531	21,099,640,630	18,492,529,970
3.1 Cash in hand (including foreign currency)					
Local currency in hand		5,199,451,007	3,897,956,857	5,199,219,097	3,894,093,296
Foreign currencies in hand		40,343,507	48,580,124	40,343,507	48,580,124
Cash with ATM		178,586,392	142,126,248	178,586,392	142,126,248
		5,418,380,906	4,088,663,229	5,418,148,996	4,084,799,668
3.2 Balance with Bangladesh Bank and its agents bank					
Bangladesh Bank					
Local currency		14,169,236,954	12,617,035,050	14,169,236,954	12,617,035,050
Foreign currency		1,193,969,268	1,294,221,438	1,193,969,268	1,294,221,438
		15,363,206,222	13,911,256,488	15,363,206,222	13,911,256,488
Sonali Bank as agent of Bangladesh Bank		318,285,412	496,473,814	318,285,412	496,473,814
		15,681,491,634	14,407,730,302	15,681,491,634	14,407,730,302
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 up to date) and MPD circular no. 2, dated 3 April 2020, and MPD circular no. 2, dated 10 December 2013.					
3.3.1 Cash Reserve Requirement (CRR)					
As per Bangladesh Bank issued MPD Circular no. 3 dated 9 April 2020 [effective from 15 April 2020], all scheduled banks have to maintain a CRR of a minimum of 3.5% [Y2020: 3.5%] on daily basis and 4.0% [Y2020: 4.0%] 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 September 2021 as based on a weekly average balance of July 2021]. CRR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				329,542,070,000	286,188,268,000
Required reserve				13,181,522,000	11,444,715,000
Actual reserve maintained*				14,090,302,600	12,795,868,070
Surplus				908,780,600	1,351,153,070
* 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 a minimum of 13.0% of weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e., SLR of September 2021 was based on a weekly average balance of July 2021]. SLR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				329,542,070,000	286,188,268,000
Required reserve				42,840,469,000	37,204,475,000
Actual reserve maintained				58,615,429,451	52,908,409,407
Surplus				15,774,960,451	15,703,934,407
Actual reserve maintained for SLR					
Cash in hand	3.1			5,418,148,996	4,084,799,668
Balance with Bangladesh Bank in excess of CRR				908,780,600	1,351,153,070
Balance with Sonali Bank as agent	3.2			318,285,412	496,473,814
Government securities (HFT)	6.3			5,057,934,001	10,541,051,600
Government securities (HTM)	6.3			46,912,280,442	36,434,931,255
				58,615,429,451	52,908,409,407
4 Balance with other banks and financial institutions					
In Bangladesh	4.1	4,117,557,279	6,682,557,302	4,919,053,142	7,511,869,424
Outside Bangladesh *		1,869,903,909	1,385,770,211	1,854,513,708	1,383,521,545
		5,987,461,188	8,068,327,513	6,773,566,850	8,895,390,969

* Details of Balance with outside Bangladesh [solo basis] are shown in "Annexure-A".

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
4.1 In Bangladesh					
In current deposit account with					
Agrani Bank Limited		11,039,907	17,556,362	11,039,907	17,556,362
Sonali Bank Limited		32,123	35,023,733	32,123	35,023,733
		11,072,030	52,580,095	11,072,030	52,580,095
In special notice deposit account with					
Trust Bank Limited		78,037,578	73,068,651	78,037,578	73,068,651
Standard Chartered Bank		63,450,740	66,693,489	63,450,740	66,693,489
		141,488,318	139,762,140	141,488,318	139,762,140
In beneficiary owner (BO) account with					
IFIC Securities Limited		-	-	801,495,863	829,312,122
Latif Securities Limited		28,834	28,834	28,834	28,834
Asian Tiger Capital Partners Investments Limited		48,113,430	3,331,566	48,113,430	3,331,566
		48,142,264	3,360,400	849,638,127	832,672,522
In short term & fixed deposit account with banks and NBFIs					
Short term deposit					
South Bangla Bank Limited		400,000,000	-	400,000,000	-
Midland Bank Limited		600,000,000	-	600,000,000	-
Jamuna Bank Limited		1,600,000,000	-	1,600,000,000	-
NCC Bank Limited		700,000,000	-	700,000,000	-
NRB Commercial Bank Limited		450,000,000	-	450,000,000	-
Bank Asia Limited		-	900,000,000	-	900,000,000
Social Islami Bank Limited		-	450,000,000	-	450,000,000
Bank Alfalah Limited		-	850,000,000	-	850,000,000
Midland Bank Limited		-	450,000,000	-	450,000,000
		3,750,000,000	2,650,000,000	3,750,000,000	2,650,000,000
Fixed deposit					
Investment Corporation of Bangladesh		-	3,670,000,000	-	3,670,000,000
Peoples Leasing & Financial Services Limited		166,854,667	166,854,667	166,854,667	166,854,667
		166,854,667	3,836,854,667	166,854,667	3,836,854,667
		4,117,557,279	6,682,557,302	4,919,053,142	7,511,869,424
4.2 Maturity grouping of balance with other banks and FIs					
Receivable on demand		1,850,702,613	362,557,302	2,652,198,476	1,191,869,424
Upto 1 month		3,969,903,909	4,035,770,211	3,954,513,707	4,033,521,545
More than 1 month but not more than 3 months		166,854,666	3,670,000,000	166,854,666	3,670,000,000
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		-	-	-	-
		5,987,461,188	8,068,327,513	6,773,566,850	8,895,390,969
5 Money at call and on short notice					
Banking companies					
National Bank Limited		-	200,000,000	-	200,000,000
Modhumoti Bank Limited		-	230,000,000	-	230,000,000
Dhaka Bank Limited		1,000,000,000	1,900,000,000	1,000,000,000	1,900,000,000
Investment Corporation of Bangladesh		3,300,000,000	-	3,300,000,000	-
		4,300,000,000	2,330,000,000	4,300,000,000	2,330,000,000
6 Investments					
Government Securities	6.1	51,974,111,543	46,979,431,855	51,974,111,543	46,979,431,855
Other Investments	6.2	11,242,079,917	11,120,648,728	5,346,037,972	5,742,993,615
		63,216,191,460	58,100,080,583	57,320,149,515	52,722,425,470
6.1 Government securities					
Treasury bills	6.1.1	5,057,934,001	10,541,051,600	5,057,934,001	10,541,051,600
Treasury bonds	6.1.2	46,912,280,442	36,434,931,255	46,912,280,442	36,434,931,255
Prize bond		3,897,100	3,449,000	3,897,100	3,449,000
		51,974,111,543	46,979,431,855	51,974,111,543	46,979,431,855

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
6.1.1 Treasury bills					
91 Days Govt Treasury Bill		-	2,699,526,000	-	2,699,526,000
182 Days Govt Treasury Bill		-	3,640,558,100	-	3,640,558,100
364 Days Govt Treasury Bill		5,057,934,001	4,200,967,500	5,057,934,001	4,200,967,500
		5,057,934,001	10,541,051,600	5,057,934,001	10,541,051,600
6.1.2 Treasury bonds					
2 years Treasury bond		8,576,864,547	11,283,962,191	8,576,864,547	11,283,962,191
5 years Treasury bond		17,006,463,808	12,503,630,124	17,006,463,808	12,503,630,124
10 years Treasury bond		13,701,850,613	7,240,941,278	13,701,850,613	7,240,941,278
15 years Treasury bond		5,904,850,588	3,684,146,776	5,904,850,588	3,684,146,776
20 years Treasury bond		1,722,250,886	1,722,250,886	1,722,250,886	1,722,250,886
		46,912,280,442	36,434,931,255	46,912,280,442	36,434,931,255
6.2 Other investments					
Unquoted shares		99,088,970	125,048,970	42,847,220	68,807,220
Quoted shares		5,429,056,840	5,595,547,248	2,135,059,327	2,526,209,347
Mutual funds		267,986,473	267,986,473	267,986,473	267,986,473
Foreign Investment		5,445,947,634	5,132,066,037	2,900,144,952	2,879,990,576
		11,242,079,917	11,120,648,728	5,346,037,972	5,742,993,615

Details of investment in shares [solo basis] are shown in "Annexure-B".

On the 13th of July 2021, the Board of Directors of the Bank has decided to withdraw the investment from Nepal by selling the entire shareholding of the IFIC Bank held in Nepal Bangladesh Bank Ltd. as promoter and to repatriate the fund to Bangladesh. This is subject to execution of an agreement with suitable buyer at a desired price and all necessary approvals from the regulatory authorities in Bangladesh and Nepal.

6.3 Government securities classified according to Bangladesh Bank Circular

Held for trading (HFT)		5,057,934,001	10,541,051,600	5,057,934,001	10,541,051,600
Held to maturity (HTM)		46,912,280,442	36,434,931,255	46,912,280,442	36,434,931,255
Other securities	6.1	3,897,100	3,449,000	3,897,100	3,449,000
		51,974,111,543	46,979,431,855	51,974,111,543	46,979,431,855

6.4 Maturity grouping of investments

On demand	1,771,462,905	953,449,000	1,771,462,905	953,449,000
Up to 1 month	3,444,882,025	3,312,985,939	3,444,882,025	3,312,985,939
Over 1 month but not more than 3 months	6,294,499,860	7,130,355,380	3,194,614,822	4,061,017,479
Over 3 months but not more than 6 months	1,189,693,146	3,694,425,420	1,189,693,146	3,694,425,420
Over 6 months but not more than 1 years	4,829,463,462	6,865,721,529	4,829,463,462	6,865,721,529
Over 1 year but not more than 5 years	21,710,940,234	21,971,225,013	21,710,940,234	21,981,612,395
Over 5 years	23,975,249,828	14,171,918,301	21,179,092,921	11,853,213,708
	63,216,191,460	58,100,080,583	57,320,149,515	52,722,425,470

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	Trust Bank Ltd.	29/09/2021	3/10/2021	1,767,565,800
Total		-	-	1,767,565,800

Disclosure regarding overall transaction of Repo and Reverse Repo

Counterparty name	Minimum outstanding in Q3-Y2021	Maximum outstanding in Q3-Y2021	Daily average outstanding in Q3-Y2021
Securities sold under Repo			
With Bangladesh Bank	-	-	-
With other Banks and FIs	-	-	-
Securities purchased under Reverse Repo			
From Bangladesh Bank	-	-	-
From other Banks and FIs	303,465,750	1,999,826,600	94,957,736

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
7 Loans and advances					
Loans, cash credit, overdraft etc.	7.1	278,009,370,247	247,051,243,375	276,837,876,966	246,004,105,427
Bill purchased and discounted	8	15,833,548,860	14,646,184,098	15,833,548,860	14,646,184,098
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.1 Loans, cash credit, overdraft etc.					
Inside Bangladesh					
Term loan industrial		19,335,257,248	18,131,446,121	19,335,257,248	18,131,446,121
Term loan consumer finance		175,293,992	170,452,264	175,293,992	170,452,264
Agricultural loan		350,564,407	286,356,663	350,564,407	286,356,663
Term loan women entrepreneur		31,165,834	32,775,026	31,165,834	32,775,026
Term loan-others		90,876,944,689	76,226,478,748	90,876,944,689	76,226,478,748
House building loans		53,699,295,324	42,944,834,123	53,699,295,324	42,944,834,123
Staff loan		1,100,631,944	1,266,619,147	1,100,631,944	1,266,619,147
Transport loan		56,891,832	76,702,824	56,891,832	76,702,824
Loan general		3,319,319,908	3,277,257,317	3,319,319,908	3,277,257,317
Demand loan		7,714,389,245	8,658,568,399	7,714,389,245	8,658,568,399
Overdrafts		69,655,784,550	60,985,063,864	72,445,038,308	63,845,327,297
Cash credit		22,555,217,730	23,785,985,647	22,555,217,730	23,785,985,647
Credit card finance		139,182,199	143,384,520	139,182,199	143,384,520
Loan against trust receipt (LTR)		3,039,871,406	4,877,015,257	3,039,871,406	4,877,015,257
Lease finance		199,789,711	227,184,826	199,789,711	227,184,826
Margin loan		3,960,747,039	3,907,401,381	-	-
		276,210,347,058	244,997,526,127	275,038,853,777	243,950,388,179
Outside Bangladesh					
Term Loan-Foreign Currency (OBU)		1,799,023,189	2,053,717,248	1,799,023,189	2,053,717,248
		278,009,370,247	247,051,243,375	276,837,876,966	246,004,105,427
7.2 Net loans and advances including bills purchased and discounted					
Total loans and advances		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
Provision against loans and advances		(9,100,014,138)	(7,637,565,576)	(8,868,717,299)	(7,406,268,737)
Interest suspense account		(9,544,496,868)	(8,972,123,118)	(8,043,654,058)	(7,471,280,308)
		275,198,408,101	245,087,738,778	275,759,054,469	245,772,740,479
7.3 Residual maturity grouping of Loans, cash credit, overdraft etc.					
On demand		65,174,415,928	69,365,480,414	65,174,415,928	69,365,480,414
Up to 1 month		6,562,693,954	4,636,346,663	6,562,693,954	4,636,346,663
Over 1 month but not more than 3 months		23,367,575,423	19,768,001,992	22,196,082,141	18,720,864,045
Over 3 months but not more than 1 years		38,848,836,091	20,913,449,237	38,848,836,091	20,913,449,237
Over 1 year but not more than 5 years		72,914,809,740	55,795,097,917	72,914,809,740	55,795,097,917
Over 5 years		71,141,039,113	76,572,867,151	71,141,039,113	76,572,867,151
		278,009,370,247	247,051,243,375	276,837,876,966	246,004,105,427
7.4 Loans and advances under broad categories					
In Bangladesh					
Loans		183,009,114,209	159,419,930,431	181,837,620,928	158,372,792,483
Cash credit		22,555,217,730	23,785,985,647	22,555,217,730	23,785,985,647
Overdrafts		72,445,038,308	63,845,327,297	72,445,038,308	63,845,327,297
		278,009,370,247	247,051,243,375	276,837,876,966	246,004,105,427
Bill purchased and discounted	8	15,833,548,860	14,646,184,098	15,833,548,860	14,646,184,098
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.5 Loans and advances on the basis of significant concentration					
Loans and advances to Directors, executives and others					
Loans and advances to directors and their allied concerns		-	-	-	-
Loans and advances to Managing Director, Senior Executives and others		1,100,631,944	1,266,619,147	1,100,631,944	1,266,619,147
Advances to customers' groups		292,742,287,163	260,430,808,326	291,570,793,882	259,383,670,378
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
7.6 Loans and advances allowed to each customer exceeding 10% of Bank's total capital					
Number of customers				27	28
Outstanding - Funded				109,944,603,226	107,020,256,369
Outstanding - Non-funded				26,175,300,000	13,890,600,000
Amount classified				-	-
Amount of loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 3,840 million [Y2020 BDT 3,129 million]					
representing 10% of the Bank's total capital (as defined in Bank Companies Act 1991 as amended) as at 30 September 2021 are furnished in Annexure-C.					
7.7 Industry wise position of loans and advances including bills purchased and discounted					
Agriculture		1,524,069,266	1,549,034,081	1,524,069,266	1,549,034,081
Jute		5,216,142,409	4,688,649,495	5,216,142,409	4,688,649,495
Textile		13,056,061,221	12,008,054,318	13,056,061,221	12,008,054,318
Garments		43,770,380,616	36,205,734,042	43,770,380,616	36,205,734,042
Chemical and chemical products		125,653,218	54,928,753	125,653,218	54,928,753
Cement		3,034,972,497	2,242,982,069	3,034,972,497	2,242,982,069
Bricks & ceramic		4,391,384,073	1,228,855,597	4,391,384,073	1,228,855,597
Food products & processing		5,061,701,572	5,614,527,142	5,061,701,572	5,614,527,142
Engineering & metal		6,291,480,248	5,970,450,060	6,291,480,248	5,970,450,060
Drugs & pharmaceuticals		1,653,806,737	882,241,618	1,653,806,737	882,241,618
Hospital & clinics		79,012,235	94,862,671	79,012,235	94,862,671
Paper & paper products		3,015,028,178	2,951,564,934	3,015,028,178	2,951,564,934
Other small industries		10,061,894,738	8,937,475,690	10,061,894,738	8,937,475,690
IT sector		4,678,418,002	4,488,377,896	4,678,418,002	4,488,377,896
Other service industries		25,895,497,902	27,835,622,387	25,895,497,902	27,835,622,387
Trade & commerce		22,398,033,402	23,358,849,646	22,398,033,402	23,358,849,646
Transport		1,172,523,607	1,214,043,298	1,172,523,607	1,214,043,298
Construction firms/companies		25,799,705,943	19,969,381,860	25,799,705,943	19,969,381,860
Housing societies/companies		32,938,175,805	31,426,089,915	32,938,175,805	31,426,089,915
Cold storage		36,490,384	53,439,785	36,490,384	53,439,785
Consumer finance		56,493,787,120	45,925,172,870	56,493,787,120	45,925,172,870
Energy		8,907,303,627	8,243,559,495	8,907,303,627	8,243,559,495
Telecommunication		10,122,015,547	9,655,497,612	10,122,015,547	9,655,497,612
NBFI's		50,528,708	8,201,326	50,528,708	8,201,326
Others		8,068,852,055	7,089,830,914	6,897,358,773	6,042,692,966
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.8 Sector wise position of loans and advances including bills purchased and discounted					
Government sector		-	-	-	-
Other public sector		-	-	-	-
Private sector		293,795,882,075	261,691,807,454	292,624,388,794	260,644,669,506
Co-operative sector		47,037,032	5,620,019	47,037,032	5,620,019
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.9 Geographical location-wise loans and advances including bills purchased and discounted					
Dhaka division		253,734,001,874	223,022,107,064	252,562,508,592	221,974,969,117
Chittagong division		21,143,386,430	20,697,570,914	21,143,386,430	20,697,570,914
Sylhet division		1,794,163,531	1,619,909,173	1,794,163,531	1,619,909,173
Rajshahi division		6,727,596,716	6,454,997,299	6,727,596,716	6,454,997,299
Khulna division		4,456,574,515	4,257,671,076	4,456,574,515	4,257,671,076
Barisal division		1,906,124,687	987,915,973	1,906,124,687	987,915,973
Rangpur division		976,538,730	2,922,144,063	976,538,730	2,922,144,063
Mymensingh division		3,104,532,625	1,735,111,910	3,104,532,625	1,735,111,910
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
7.10 Business segment-wise concentration of loans and advances as per CL					
Corporate		208,414,339,242	186,464,843,732	207,242,845,961	185,417,705,784
SME		30,079,711,189	29,464,095,457	30,079,711,189	29,464,095,457
Short term agri credit		1,096,949,129	1,181,874,743	1,096,949,129	1,181,874,743
Consumer (including staff)		5,671,765,226	5,758,860,305	5,671,765,226	5,758,860,305
Others		48,580,154,321	38,827,753,236	48,580,154,321	38,827,753,236
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.11 Loans and advances including bills purchased and discounted as per CL					
Continuous loan					
Consumer finance		3,884,086,770	3,359,204,861	3,884,086,770	3,359,204,861
Small and medium enterprise		19,438,128,453	20,555,584,599	19,438,128,453	20,555,584,599
Loans to BHs/MBs/SDs		30,030,278	10,572,037	30,030,278	10,572,037
Other continuous loans		70,455,508,630	62,251,447,133	69,284,015,349	61,204,309,185
		93,807,754,131	86,176,808,630	92,636,260,850	85,129,670,682
Demand loans					
Consumer finance		789,066,864	779,815,020	789,066,864	779,815,020
Small and medium enterprise		3,116,423,235	3,281,056,634	3,116,423,235	3,281,056,634
Other demand loans		27,745,775,197	29,115,536,486	27,745,775,197	29,115,536,486
		31,651,265,296	33,176,408,140	31,651,265,296	33,176,408,140
Term loan					
Consumer finance (including staff, other than HF)		998,611,592	1,619,840,424	998,611,592	1,619,840,424
Small and medium enterprise		7,525,159,501	5,627,454,224	7,525,159,501	5,627,454,224
Housing finance (HF)		48,496,431,489	38,746,079,105	48,496,431,489	38,746,079,105
Loans to BHs/MBs/SDs		53,692,554	71,102,094	53,692,554	71,102,094
Other fixed term loan		110,213,055,415	95,097,860,113	110,213,055,415	95,097,860,113
		167,286,950,551	141,162,335,960	167,286,950,551	141,162,335,960
Short term loan					
Short term agri credit		1,096,949,129	1,181,874,743	1,096,949,129	1,181,874,743
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.12 Security/collateral-wise concentration of loans and advances including bills purchased and discounted					
Collateral of movable/immovable assets		245,766,785,546	212,556,605,934	245,766,785,546	212,556,605,934
Local banks and financial institutions' guarantee		315,733,220	240,986,168	315,733,220	240,986,168
Government guarantee		755,519,134	811,142,115	755,519,134	811,142,115
Foreign bank guarantee		-	-	-	-
Export documents		919,163,483	1,075,423,583	919,163,483	1,075,423,583
Import documents		11,685,820,804	13,097,388,867	11,685,820,804	13,097,388,867
Fixed deposit receipts		5,684,603,568	7,537,789,233	5,684,603,568	7,537,789,233
Personal guarantee		8,073,535,082	7,768,832,141	8,073,535,082	7,768,832,141
Other securities		20,641,758,271	18,609,259,430	19,470,264,989	17,562,121,483
		293,842,919,107	261,697,427,473	292,671,425,826	260,650,289,525
7.13 Particulars of loans and advances					
i) Loans considered good in respect of which the Bank is fully secured				284,458,708,545	252,738,072,864
ii) Loans considered good for which the Bank holds no other security than the debtors' personal guarantee				139,182,198	143,384,520
iii) Loans considered good being secured by personal security of one or more persons in addition to the personal security of the debtors				8,073,535,082	7,768,832,141
iv) Loans adversely classified; provision not maintained there against				-	-
				292,671,425,826	260,650,289,525

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons.				1,100,631,944	1,266,619,147
vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;				-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the period to directors or employees of the Bank or any of them either separately or jointly with any other person				1,280,861,121	1,453,455,114
viii) Maximum total amount of advances, including temporary advances granted during the period 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				186,288,070	(349,126,284)
Amount of loan written off				-	-
Amount recovered against the loans previously written off				208,510,143	363,275,164
b) Amount of provision kept against loans classified as bad/loss as at the Balance Sheet date				2,638,733,000	2,455,830,502
c) Amount of interest creditable to the interest suspense account				1,184,883,013	1,477,570,087
xi) Cumulative amount of written off loan:					
Opening balance				14,701,301,803	15,064,576,967
Amount written off during the period				-	-
Interest charged				-	-
Recovery from written-off during the period*				(208,510,143)	(363,275,164)
				14,492,791,660	14,701,301,803
* Recovery from written-off loans during the period include interest waiver of BDT 74,040,000 [Y2020: Interest waiver BDT 17,175,347].					
7.14 Cumulative amount of written off loans for which law suits have been filed					
Opening balance				20,972,282,771	20,972,282,771
During the period				-	-
				20,972,282,771	20,972,282,771
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				275,881,149,390	245,050,321,578
Special mention account				5,290,504,813	5,254,206,092
				281,171,654,204	250,304,527,669
Classified					
Substandard				2,986,398,988	2,782,581,601
Doubtful				570,237,794	463,122,331
Bad/Loss				7,943,134,840	7,100,057,923
				11,499,771,622	10,345,761,856
				292,671,425,826	260,650,289,525
8 Bills purchased and discounted					
Payable in Bangladesh	8.1	15,133,681,240	14,141,724,304	15,133,681,240	14,141,724,304
Payable outside Bangladesh	8.1	699,867,620	504,459,794	699,867,620	504,459,794
		15,833,548,860	14,646,184,098	15,833,548,860	14,646,184,098

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
8.1 Bill purchased and discounted					
Payable in Bangladesh					
Local bills/documents					
Inland documentary bill purchase (IDBP)		788,386,313	659,374,049	788,386,313	659,374,049
Payment against documents-cash		63,003,822	139,983,935	63,003,822	139,983,935
Payment against documents-EDF		11,750,945,426	9,880,117,837	11,750,945,426	9,880,117,837
Payment against documents-forced (Inland)		1,305,254,543	1,361,594,788	1,305,254,543	1,361,594,788
Payment against documents-forced (Foreign)		199,510,520	664,145,629	199,510,520	664,145,629
Payment against documents-Others		1,026,580,616	1,436,508,066	1,026,580,616	1,436,508,066
		15,133,681,240	14,141,724,304	15,133,681,240	14,141,724,304
Payable outside Bangladesh					
Foreign documentary bill purchase (FDBP)		384,134,400	263,473,626	384,134,400	263,473,626
Usance Bill Discounted (OBU)		315,733,220	240,986,168	315,733,220	240,986,168
		699,867,620	504,459,794	699,867,620	504,459,794
		15,833,548,860	14,646,184,098	15,833,548,860	14,646,184,098
8.2 Residual maturity grouping of bill purchased and discounted					
On demand		5,201,176,461	4,651,948,851	5,201,176,461	4,651,948,851
Up to 1 month		765,907,739	1,312,579,764	765,907,739	1,312,579,764
Over 1 month but not more than 3 months		2,818,732,399	1,026,523,210	2,818,732,399	1,026,523,210
Over 3 months but not more than 6 months		6,025,509,400	4,729,856,640	6,025,509,400	4,729,856,640
Over 6 months		1,022,222,861	2,925,275,633	1,022,222,861	2,925,275,633
		15,833,548,860	14,646,184,098	15,833,548,860	14,646,184,098
9 Fixed assets including premises, furniture and fixtures					
Cost/revalued:					
Land		2,423,609,559	2,423,609,559	2,423,609,559	2,423,609,559
Buildings and premises		1,902,617,204	1,902,617,204	1,902,617,204	1,902,617,204
Right of Use Assets		1,981,900,504	1,979,330,915	1,938,582,527	1,938,582,527
Wooden furniture		322,716,174	288,496,137	321,801,576	287,581,539
Steel furniture		133,312,431	111,193,993	133,312,431	111,193,993
Computer equipment		1,162,625,267	1,054,899,844	1,149,139,554	1,049,746,984
Office equipment		1,271,660,218	1,085,482,116	1,271,660,218	1,085,482,116
Electrical & gas equipment		347,294,435	292,981,559	344,717,835	290,404,959
Leasehold improvement		691,806,327	528,640,273	679,152,895	508,637,207
Vehicles		208,353,474	212,708,501	208,353,474	212,708,501
Soft furnishing		13,119,919	12,960,055	13,119,919	12,960,055
Software		1,120,365,197	1,108,927,318	1,118,111,167	1,107,209,905
		11,579,380,709	11,001,847,474	11,504,178,359	10,930,734,549
Capital work in progress		171,351,376	88,200,413	171,351,376	88,200,413
		11,750,732,085	11,090,047,887	11,675,529,735	11,018,934,962
Less: Accumulated depreciation		4,154,168,284	3,552,923,311	4,124,802,189	3,523,762,842
Written down value		7,596,563,802	7,537,124,576	7,550,727,546	7,495,172,120
Details of fixed assets [solo basis] are shown in "Annexure-D"					
10 Other assets					
Stationery and stamps		42,564,602	42,897,670	42,562,124	42,895,192
Suspense account	10.1	1,124,569,918	850,058,824	1,112,988,358	840,559,567
Advance, deposit and prepayments	10.2	9,336,230,208	7,545,055,046	8,964,264,843	7,208,526,113
Accrued interest & other income receivable	10.3	1,561,177,810	1,323,991,985	1,474,237,810	1,323,991,985
Investment in subsidiaries	10.4	-	-	2,634,426,980	2,234,342,260
Deferred tax assets	10.5	808,950,441	731,058,171	808,173,461	730,988,041
Dividend Receivable and others		176,058,596	933,675,990	157,867,695	71,181,064
		13,049,551,575	11,426,737,686	15,194,521,271	12,452,484,222

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
10.1 Suspense account					
Advance against bills, new branches		157,944,531	61,807,914	157,944,531	61,807,914
Advance against TA / DA		978,400	1,012,700	978,400	1,012,700
Law charges		314,611,043	297,658,828	314,611,043	297,658,828
Sanchaypatra paid		298,712,470	239,526,291	298,712,470	239,526,291
Wage earners development bond paid		146,526,915	98,125,282	146,526,915	98,125,282
Investment bond		26,932,500	12,174,046	26,932,500	12,174,046
Sundry debtors		131,976,733	139,220,862	120,395,173	129,721,605
Cash incentive audit fees		1,981,000	-	1,981,000	-
Cash incentive remittance		12,184,892	-	12,184,892	-
Payment gateway receivable		32,721,434	532,901	32,721,434	532,901
		1,124,569,918	850,058,824	1,112,988,358	840,559,567
10.2 Advance, deposit and prepayments					
Rent		479,084,835	300,948,581	478,424,755	299,440,239
Income tax	10.2.1	8,386,065,506	6,932,516,876	8,015,649,101	6,598,635,166
Security deposit including demand note		19,884,874	23,867,575	19,884,874	23,867,575
Car purchase		128,685,436	128,964,094	127,796,556	127,825,212
Money remittance company		20,130,889	265,800	20,130,889	265,800
Protested bills		44,543,206	47,820,206	44,543,206	47,820,206
Cash remittance		122,950,000	78,500,000	122,950,000	78,500,000
Supplier		134,885,462	28,793,262	134,885,462	28,793,262
Lease vehicle		-	896,021	-	896,021
Share money deposits		-	2,482,632	-	2,482,632
		9,336,230,208	7,545,055,046	8,964,264,843	7,208,526,113
10.2.1 Advance income tax					
Opening balance on 1 January		6,932,516,876	5,818,370,764	6,598,635,166	5,507,367,245
Add: Payment made during the period		1,453,548,630	1,114,146,112	1,417,013,935	1,091,267,921
Closing balance		8,386,065,506	6,932,516,876	8,015,649,101	6,598,635,166
10.3 Accrued interest & other income receivable					
Treasury bonds and bills		769,439,941	624,924,948	769,439,941	624,924,948
Receivables from Government		41,272,375	41,272,375	41,272,375	41,272,375
Interest accrued on loans and advances		746,639,445	648,268,049	659,699,445	648,268,049
Investment on term and call		3,826,049	9,526,613	3,826,049	9,526,613
		1,561,177,810	1,323,991,985	1,474,237,810	1,323,991,985
10.4 Investment in subsidiaries					
IFIC Securities Limited				2,199,994,000	2,199,994,000
IFIC Investment Limited				399,994,000	-
IFIC Money Transfer (UK) Limited				34,438,980	34,348,260
				2,634,426,980	2,234,342,260
10.5 Deferred tax assets					
Deferred tax assets have been recognized and measured as per <i>International Accounting Standards 12: Income Taxes</i> and BRPD Circular no. 11, dated 12 December 2011 based on the temporary difference in the carrying amount of the assets and liabilities in the financial statements and its tax base. Calculation of deferred tax assets is as follows:					
Deferred tax assets				1,026,817,755	955,727,024
Deferred tax liabilities				(218,644,294)	(224,738,983)
Deferred tax assets/(liabilities)				808,173,461	730,988,041
i) Deferred tax on provision for loans and advances classified as doubtful and bad & loss					
Carrying amount				2,696,443,247	2,510,293,263
Tax base				-	-
Deductible/(taxable) temporary difference				2,696,443,247	2,510,293,263
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				1,011,166,218	941,359,974
Opening deferred tax assets/(liabilities)				941,359,974	1,057,211,288
Deferred tax (expense)/income (A)				69,806,244	(115,851,314)

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
ii) Deferred tax on fixed assets					
Carrying amount				3,913,324,266	3,621,024,521
Tax base				3,330,272,815	3,021,720,566
Deductible/(Taxable) temporary difference				583,051,450	599,303,955
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				(218,644,294)	(224,738,983)
Opening deferred tax assets/(liabilities)				(224,738,983)	(194,057,071)
Deferred tax (expense)/income (B)				6,094,689	(30,681,912)
iii) Deferred tax on leased assets					
Right-of-Use Assets				1,040,893,440	1,354,456,802
Less: Lease Liabilities				(938,238,097)	(1,199,683,069)
Carrying amount				102,655,343	154,773,733
Tax base				144,392,776	193,085,866
Temporary difference				41,737,433	38,312,133
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				15,651,537	14,367,050
Opening deferred tax assets/(liabilities)				14,367,050	6,948,176
Deferred tax (expense)/income (C)				1,284,488	7,418,874
Deferred tax (expense)/income (A+B+C)				77,185,421	(139,114,352)
11 Non-banking assets					
Income generating		-	-	-	-
Non-income generating	11.1	148,474,800	373,474,800	148,474,800	373,474,800
		148,474,800	373,474,800	148,474,800	373,474,800
Through the verdict of honourable court under section 33(7) of the Artharin Adalat Act 2003, the Bank has got absolute ownership on few mortgaged properties. These properties were recorded at Tk. 373,474,800 as non-banking assets in the year 2013.					
11.1 Non-income generating					
Balance at the beginning of the period		373,474,800	373,474,800	373,474,800	373,474,800
Add: Addition during the period		-	-	-	-
Less: sale during the period		(225,000,000)	-	(225,000,000)	-
		148,474,800	373,474,800	148,474,800	373,474,800
12 Borrowing from other banks, financial institutions and agents					
In Bangladesh	12.1	14,725,000,083	12,512,987,412	14,725,000,083	12,512,987,412
Outside Bangladesh	12.2	188,335,980	508,806,600	188,335,980	508,806,600
		14,913,336,063	13,021,794,012	14,913,336,063	13,021,794,012
12.1 In Bangladesh					
Term borrowing					
Obligation under lease finance		-	3,181,639	-	3,181,639
		-	3,181,639	-	3,181,639
Refinance from Bangladesh Bank					
Export Development Fund (EDF)		11,061,103,527	9,666,178,492	11,061,103,527	9,666,178,492
Small and Medium Enterprise (SME)		302,570,375	324,677,867	302,570,375	324,677,867
Long Term Financing Facility (LTFF)		285,464,152	34,162,919	285,464,152	34,162,919
Stimulus Package		3,075,862,029	2,484,786,495	3,075,862,029	2,484,786,495
		14,725,000,083	12,509,805,773	14,725,000,083	12,509,805,773
		14,725,000,083	12,512,987,412	14,725,000,083	12,512,987,412
12.2 Outside Bangladesh					
Nepal Bangladesh Bank Limited		-	508,806,600	-	508,806,600
PBL Finance (HK) Limited		160,464,263	-	160,464,263	-
Standard Chartered Bank, Singapore		27,871,718	-	27,871,718	-
		188,335,980	508,806,600	188,335,980	508,806,600

Borrowing from outside Bangladesh is used for Off-shore Banking unit.

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
12.3 Secured and unsecured borrowing from other banks, financial institutions and agents					
Secured borrowing		-	-	-	-
Unsecured borrowing		14,913,336,063	13,021,794,012	14,913,336,063	13,021,794,012
		14,913,336,063	13,021,794,012	14,913,336,063	13,021,794,012
12.4 Maturity grouping of borrowing from other banks, financial institutions and agents					
Payable					
On demand		-	-	-	-
Up to 1 month		1,333,687,911	1,482,457,108	1,333,687,911	1,482,457,108
Over 1 month but not more than 3 months		3,980,645,863	4,191,908,871	3,980,645,863	4,191,908,871
Over 3 months but not more than 1 year		9,105,545,539	7,088,478,478	9,105,545,539	7,088,478,478
Over 1 year but not more than 5 years		359,710,362	123,803,291	359,710,362	123,803,291
Over 5 years		133,746,387	135,146,264	133,746,387	135,146,264
		14,913,336,063	13,021,794,012	14,913,336,063	13,021,794,012
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 30 September 2021	Outstanding 31 December 2020
IFIC Bank 1st Subordinated debt					
Sonali Bank Limited		1,000,000,000	600,000,000	400,000,000	600,000,000
Janata Bank Limited		1,000,000,000	600,000,000	400,000,000	600,000,000
Rupali Bank Limited		1,000,000,000	600,000,000	400,000,000	600,000,000
Agrani Bank Limited		500,000,000	300,000,000	200,000,000	300,000,000
		3,500,000,000	2,100,000,000	1,400,000,000	2,100,000,000
IFIC Bank 2nd Subordinated debt					
Agrani Bank Limited		1,500,000,000	-	1,500,000,000	-
Janata Bank Limited		1,000,000,000	-	1,000,000,000	-
Dutch Bangla Bank Limited		1,000,000,000	-	1,000,000,000	-
Eastern Bank Limited		1,000,000,000	-	1,000,000,000	-
Mercantile Bank Limited		500,000,000	-	500,000,000	-
		5,000,000,000	-	5,000,000,000	-
		8,500,000,000	2,100,000,000	6,400,000,000	2,100,000,000
* Details of Subordinated debt are explained in note: 2.2.1.8.					
14 Deposits and other accounts					
Current deposit and other accounts	14.1	117,658,933,278	92,689,795,114	118,693,864,472	92,715,704,209
Bills payable	14.2	2,038,833,262	2,547,263,402	2,038,833,262	2,547,263,402
Savings bank deposits	14.3	26,203,048,270	25,343,706,980	26,203,048,270	25,343,706,980
Fixed deposits	14.4	179,800,341,797	175,760,802,599	179,800,519,429	175,762,350,267
		325,701,156,606	296,341,568,095	326,736,265,433	296,369,024,858
14.1 Current deposit and other accounts					
Current accounts		26,358,436,034	20,541,856,918	27,393,367,228	20,567,766,013
IFIC AAMAR account		79,924,409,836	63,263,202,940	79,924,409,836	63,263,202,940
IFIC Shohoj Account		1,870,212,088	869,665,186	1,870,212,088	869,665,186
Foreign currency deposit		390,572,077	330,848,835	390,572,077	330,848,835
Resident foreign currency deposit		47,538,375	48,287,936	47,538,375	48,287,936
Exporters foreign currency account		5,318,432,589	5,189,408,559	5,318,432,589	5,189,408,559
Margin on letters of credit		2,739,970,458	1,462,856,896	2,739,970,458	1,462,856,896
Margin on letters of guarantee		427,831,967	393,140,325	427,831,967	393,140,325
Sundry deposit	14.1.1	581,529,854	590,527,519	581,529,854	590,527,519
		117,658,933,278	92,689,795,114	118,693,864,472	92,715,704,209
14.1.1 Sundry deposit					
Sundry creditor		70,154,262	109,042,803	70,154,262	109,042,803
Lease deposit		13,745,769	14,727,414	13,745,769	14,727,414
Risk fund-lease, CCS & others		218,057	224,303	218,057	224,303
Clearing collection		56,495,366	22,903,192	56,495,366	22,903,192

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
Card deposit		199,964,732	125,603,536	199,964,732	125,603,536
Sundry deposit BFF		25,912,400	25,912,400	25,912,400	25,912,400
FDD issued but not presented		13,323,391	13,323,391	13,323,391	13,323,391
Key deposit		6,121,875	5,977,675	6,121,875	5,977,675
CIB Charges		-	3,173,013	-	3,173,013
Other sundry deposits		195,594,002	269,639,792	195,594,002	269,639,792
		581,529,854	590,527,519	581,529,854	590,527,519
14.2 Bills payable					
Payment order		2,031,923,041	2,539,556,145	2,031,923,041	2,539,556,145
Demand draft		5,019,143	5,728,179	5,019,143	5,728,179
Security deposit receipt		1,891,078	1,979,078	1,891,078	1,979,078
		2,038,833,262	2,547,263,402	2,038,833,262	2,547,263,402
14.3 Savings bank deposit					
Savings account		19,988,673,839	19,488,529,745	19,988,673,839	19,488,529,745
Super savings plus		4,357,346,385	4,430,654,105	4,357,346,385	4,430,654,105
Payroll savings		436,105,829	385,717,213	436,105,829	385,717,213
Sanchita-female savings		1,097,508,364	1,038,072,461	1,097,508,364	1,038,072,461
Interest payable on savings deposit		323,413,853	733,456	323,413,853	733,456
		26,203,048,270	25,343,706,980	26,203,048,270	25,343,706,980
14.4 Fixed deposit					
Special notice deposit (SND)		26,613,557,471	30,028,622,318	26,613,735,103	30,030,169,986
Term deposit	14.4.1	140,898,963,437	134,376,901,295	140,898,963,437	134,376,901,295
Recurring deposit	14.4.2	11,755,049,611	10,660,411,907	11,755,049,611	10,660,411,907
Non resident foreign currency deposit (NFCD)		5,611,922	6,385,181	5,611,922	6,385,181
Export retention quota (ERQ)		527,159,356	688,481,898	527,159,356	688,481,898
		179,800,341,797	175,760,802,599	179,800,519,429	175,762,350,267
14.4.1 Term deposit					
Fixed deposits		128,179,148,468	120,912,851,010	128,179,148,468	120,912,851,010
Double return deposit scheme		4,922,033,082	5,059,921,698	4,922,033,082	5,059,921,698
Three years deposit plus		3,467,505	3,044,250	3,467,505	3,044,250
Monthly income scheme		4,716,721,029	5,174,309,817	4,716,721,029	5,174,309,817
Monthly income scheme - Arjon		28,750,000	27,950,000	28,750,000	27,950,000
Interest payable on term deposit		3,048,843,353	3,198,824,520	3,048,843,353	3,198,824,520
		140,898,963,437	134,376,901,295	140,898,963,437	134,376,901,295
14.4.2 Recurring deposit					
Pension savings scheme (PSS)		5,556,608,342	6,261,776,512	5,556,608,342	6,261,776,512
Pension savings scheme - Joma		6,788,627	5,678,197	6,788,627	5,678,197
Flexi DPS - Freedom		1,249,242,400	1,279,477,985	1,249,242,400	1,279,477,985
Millionaire dream plan		587,549,005	558,566,205	587,549,005	558,566,205
School savings plan		21,505,040	28,883,953	21,505,040	28,883,953
IFIC Aamar Bhubishawt		3,954,916,500	2,166,063,856	3,954,916,500	2,166,063,856
Interest payable on recurring deposit		378,439,697	359,965,199	378,439,697	359,965,199
		11,755,049,611	10,660,411,907	11,755,049,611	10,660,411,907
14.5 Deposit and other accounts of the banks					
Deposit from banks	14.9	118,380,375	116,847,774	118,380,375	116,847,774
Deposit from customers		325,582,776,231	296,224,720,321	326,617,885,058	296,252,177,084
		325,701,156,606	296,341,568,095	326,736,265,433	296,369,024,858
14.6 Payable on demand and time deposit					
Demand deposits					
Current deposits		109,123,762,055	85,747,181,227	110,158,870,882	85,774,637,990
Savings deposits		2,358,274,344	2,280,933,628	2,358,274,344	2,280,933,628
Sundry deposit		3,749,332,278	2,446,524,742	3,749,332,278	2,446,524,742
Bills payable		2,038,833,262	2,547,263,402	2,038,833,262	2,547,263,402
		117,270,201,939	93,021,902,999	118,305,310,766	93,049,359,762

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
Time deposits					
Savings deposits		23,844,773,926	23,062,773,351	23,844,773,926	23,062,773,351
Fixed deposits		146,804,945,031	140,124,876,059	146,804,945,031	140,124,876,059
Special notice deposits		26,613,735,102	30,030,169,985	26,613,735,102	30,030,169,985
Deposits under schemes		11,167,500,608	10,101,845,701	11,167,500,608	10,101,845,701
		208,430,954,667	203,319,665,096	208,430,954,667	203,319,665,096
		325,701,156,606	296,341,568,095	326,736,265,433	296,369,024,858
14.7 Sector-wise concentration of deposits and other accounts					
Government deposits		4,152,522,239	7,529,049,900	4,152,522,239	7,529,049,900
Other public sector		30,519,410,880	36,338,930,114	30,519,410,880	36,338,930,114
Deposit from banks		118,380,375	116,847,774	118,380,375	116,847,774
Foreign currency deposits		5,756,543,041	5,568,545,330	5,756,543,041	5,568,545,330
Private sectors		285,154,300,071	246,788,194,978	286,189,408,897	246,815,651,741
		325,701,156,606	296,341,568,095	326,736,265,433	296,369,024,858
14.8 Unclaimed deposits		35,803,244	35,803,244	35,803,244	35,803,244
14.9 Residual maturity grouping of deposits and other accounts					
Maturity grouping of deposit from banks					
On demand		-	-	-	-
Up to 1 month		118,380,375	116,847,774	118,380,375	116,847,774
Over 1 month but not more than 3 months		-	-	-	-
Over 3 months but not more than 1 year		-	-	-	-
Over 1 year but not more than 5 years		-	-	-	-
Over 5 years		-	-	-	-
		118,380,375	116,847,774	118,380,375	116,847,774
Maturity grouping of deposit from customers excluding bills payable					
On demand		4,233,036,661	5,949,154,679	4,233,036,661	5,949,154,679
Up to 1 month		42,259,965,250	40,783,082,019	42,259,965,250	40,810,538,782
Over 1 month but not more than 3 months		68,243,105,956	47,894,233,494	68,243,105,956	47,899,155,066
Over 3 months but not more than 1 year		63,031,020,494	64,596,057,382	63,031,020,494	64,596,057,382
Over 1 year but not more than 5 years		30,519,114,200	32,739,167,299	30,519,114,200	32,739,167,299
Over 5 years		115,257,700,408	101,715,762,047	116,292,809,234	101,710,840,475
		323,543,942,969	293,677,456,919	324,579,051,796	293,704,913,682
Maturity grouping of bills payable					
On demand		203,883,326	254,726,340	203,883,326	254,726,340
Up to 1 month		407,766,652	509,452,680	407,766,652	509,452,680
Over 1 month but not more than 3 months		407,766,652	509,452,680	407,766,652	509,452,680
Over 3 months but not more than 1 year		203,883,326	254,726,340	203,883,326	254,726,340
Over 1 year but not more than 5 years		407,766,652	509,452,680	407,766,652	509,452,680
Over 5 years		407,766,652	509,452,680	407,766,652	509,452,680
		2,038,833,262	2,547,263,402	2,038,833,262	2,547,263,402
		325,701,156,606	296,341,568,095	326,736,265,433	296,369,024,858
15 Other liabilities					
Specific provision for classified loans and advance	15.1	2,923,864,788	2,737,576,718	2,923,864,788	2,737,576,718
General provision for unclassified loans and advance	15.2	4,976,149,350	3,699,988,858	4,744,852,511	3,468,692,019
Special general provision COVID-19	15.3	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Provision for loans and advance		9,100,014,138	7,637,565,576	8,868,717,299	7,406,268,737
Provision for off balance sheet items	15.4	585,171,318	435,409,089	585,171,318	435,409,089
Provision for diminution in value of investments	15.5	355,661,414	354,475,761	355,661,414	354,475,761
Provision for nostro account	15.6	10,734,525	10,646,778	10,734,525	10,646,778
Provision for other assets	15.7	469,068,286	452,469,411	469,068,286	452,469,411
Provision for loans, investments and other assets		10,520,649,681	8,890,566,615	10,289,352,842	8,659,269,776
Provision for taxation	15.8	10,277,495,572	8,398,477,805	9,940,797,244	8,133,240,938
Interest suspense accounts	15.9	9,544,496,868	8,972,123,118	8,043,654,058	7,471,280,308
Incentive bonus	15.10	1,090,182	1,662,000	-	-
Unclaimed dividend account	15.11	-	7,736,018	-	7,736,018
Start-up fund	15.12	5,622,475	-	5,622,475	-

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
Lease Liability		973,894,722	1,233,531,392	938,238,097	1,199,683,069
Rebate to good borrowers		21,870,000	21,870,000	21,870,000	21,870,000
Interest payable on borrowing and bond		101,751,623	31,336,762	101,751,623	31,336,762
Accrued expenses		278,367,418	109,026,021	262,004,390	104,222,561
Withholding Tax payable to government *		207,572,415	362,976,044	207,472,048	362,830,343
Withholding VAT payable to government *		92,159,748	111,520,816	92,030,946	111,388,832
Excise duty payable to government *		12,647,646	291,542,361	12,647,646	291,542,361
Revaluation of investment abroad		30,946,297	30,946,297	30,946,297	30,946,297
Payable against Govt Bond & Sanchaypatra		99,747,332	88,416,642	99,747,332	88,416,642
Others		197,095,175	190,550,054	196,892,695	190,229,318
		32,365,407,155	28,742,281,946	30,243,027,693	26,703,993,226

* Subsequently deposited to government exchequer.

15.1 Specific provision for classified loans and advances

Provision held at the beginning of the period		2,737,576,718	3,086,703,002	2,737,576,718	3,086,703,002
Less: Fully provided debts written off		-	-	-	-
Add: Recoveries of amounts previously written off		134,470,143	161,055,817	134,470,143	161,055,817
Add: Specific provision for the period	41	51,817,927	(510,182,101)	51,817,927	(510,182,101)
		2,923,864,788	2,737,576,718	2,923,864,788	2,737,576,718

15.1.1 Specific provision required for classified loans and advances

Status of loans and advances	Base for provision	Rate (%)	Required provision	
			30 September 2021	31 December 2020
Sub-standard	1,099,567,629	20%	219,913,526	223,947,988
Sub-standard-Cottage, Micro and Small	145,971,053	5%	7,298,553	3,096,005
Sub-standard- Short term agri. credit	4,189,216	5%	209,462	239,462
Doubtful	66,070,158	50%	33,035,079	36,148,313
Doubtful-Cottage, Micro and Small	121,601,731	20%	24,320,346	17,965,711
Doubtful- Short term agri. credit	7,096,424	5%	354,822	348,736
Bad/loss*	2,388,855,689	100%	2,638,733,000	2,455,830,503
	3,833,351,901		2,923,864,788	2,737,576,718
Specific provision maintained (note-15.1)			2,923,864,788	2,737,576,718
Excess/(short)			-	-

* As per Bangladesh Bank instruction, BDT 28,888,310.97 has been maintained as an additional provision against rescheduling of loans against 2% down payment in line with the BRPD Circular No. 05 dated 16 May 2019 and the Bank has also maintained provision of BDT 221 million upto Q3 Y2021 out of BDT 1,473 million as per the requirement of Bangladesh Bank vide its letter no. DBI-1/32/2021/927 dated 31 March 2021.

15.2 General provision for un-classified loans & advances

Provision held at the beginning of the period		3,677,041,823	2,690,833,981	3,445,744,984	2,459,537,142
Adjustment of previously written off loan		-	148,377,233	-	148,377,233
Provision made/(release) during the period	41	1,277,959,962	837,830,609	1,277,959,962	837,830,609
		4,955,001,785	3,677,041,823	4,723,704,946	3,445,744,984
Off-shore Banking Unit (OBU)					
Provision held at the beginning of the period		22,947,035	26,429,201	22,947,035	26,429,201
Provision made/(release) during the period	41	(1,799,470)	(3,482,166)	(1,799,470)	(3,482,166)
		21,147,565	22,947,035	21,147,565	22,947,035
		4,976,149,350	3,699,988,858	4,744,852,511	3,468,692,019

15.2.1 General provision required for un-classified loans and advances

Status of loans and advances	Base for provision	Rate (%)	Required provision	
			30 September 2021	31 December 2020
Standard				
Small and medium enterprise	23,978,990,405	0.25%	59,947,476	59,495,145
Consumer finance (house building)	47,588,819,363	1.00%	475,888,194	381,061,698
Loans to LP/BHs/MBs/SDs share etc.	83,722,832	2.00%	1,674,457	1,633,483
Consumer finance	5,457,228,876	2.00%	109,144,578	85,637,802
Consumer finance (card)	107,521,380	2.00%	2,150,428	2,144,689
Short term agri. and micro-credit	1,019,430,283	1.00%	10,194,303	11,028,830
Staff loan	1,100,631,945	0.00%	-	-
Other unclassified loan*	74,430,047,892	1.00%	3,802,851,754	2,813,311,889
	153,766,392,976		4,461,851,190	3,354,313,536

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
Special Mention Account (SMA)					
Small and medium enterprise		128,308,730	0.25%	320,772	393,676
Consumer finance (house building)		366,195,542	1.00%	3,661,955	2,227,205
Consumer finance		14,543,225	2.00%	290,864	45,282
Consumer finance (card)		2,894,975	2.00%	57,899	52,558
Other unclassified loan **		4,778,562,342	1.00%	90,667,600	88,712,728
		5,290,504,813		94,999,090	91,431,449
Off-shore banking unit					
Un-classified loans		2,114,756,409	1.00%	21,147,564	22,947,034
		2,114,756,409		21,147,564	22,947,034
				4,577,997,844	3,468,692,019
General provision maintained (note-15.2)				4,744,852,511	3,468,692,019
Excess/(short)				166,854,667	-

*The Bank has maintained provision of BDT 1,429 million upto Q3 Y2021 out of BDT 2,890 million as per the requirement of Bangladesh Bank vide its letter no. DBI-1/32/2020/1543 dated 14 June 2020.

** 1% additional provision has been maintained against the restructured loan in line with the BRPD Circular No. 04, dated 29 January 2015. Details Restructured Loan are shown in Annexure-J.

15.3 Special general provision COVID-19

1% additional provision has been maintained against the facilities for which payment was deferred during COVID-19 under the purview of BRPD Circular No. 56, dated 10 December 2020.

15.4 Provision for off-balance sheet

Provision held at the beginning of the period		435,409,089	460,901,538	435,409,089	460,901,538
Provision made/(release) during the period	41	149,762,229	(25,492,449)	149,762,229	(25,492,449)
		585,171,318	435,409,089	585,171,318	435,409,089

15.4.1 Provision required for off-balance sheet exposure

Status	Base for provision	Rate (%)	Required provision	
			30 September 2021	31 December 2020
Acceptances and endorsements	26,156,452,990	1.00%	261,564,530	163,509,516
Letters of guarantee *	8,750,992,801	1.00%	100,015,960	93,095,955
Irrevocable letters of credit	22,359,082,842	1.00%	223,590,828	178,803,618
Bills for collection	8,459,864,833	0.00%	-	-
Required provision			585,171,318	435,409,089
Provision maintained (note-15.3)			585,171,318	435,409,089
Excess/(short)			-	-

As per Bangladesh Bank instruction, BDT 537,544 and BDT 11,968,588 have been maintained as an additional provision against a letter of guarantee of M/s. Hannan Works and M/s ATCO International, respectively.

15.5 Provision for diminution in value of investments

Provision held at the beginning of the period		354,475,761	651,829,320	354,475,761	651,829,320
Provision made/(release) during the period	41	1,185,653	(297,353,559)	1,185,653	(297,353,559)
		355,661,414	354,475,761	355,661,414	354,475,761

15.6 Provision for nostro account

Provision held at the beginning of the period		10,646,778	10,659,195	10,646,778	10,659,195
Provision made/(release) during the period	41.1	87,747	(12,417)	87,747	(12,417)
		10,734,525	10,646,778	10,734,525	10,646,778

15.7 Provision for other assets

Provision held at the beginning of the period		452,469,411	416,485,498	452,469,411	416,485,498
Provision made/(release) during the period	41.1	16,598,875	35,983,913	16,598,875	35,983,913
		469,068,286	452,469,411	469,068,286	452,469,411

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
15.7.1 Particulars of required provision for other assets					
Status	Base for provision	Rate (%)	Required provision		
			30 September 2021	31 December 2020	
Other assets for 6-12 months	34,789,525	50%	17,394,762	9,942,485	
Other assets for more than 12 months	407,130,318	100%	407,130,318	394,706,721	
Protested bills	44,543,206	100%	44,543,206	47,820,206	
Required provision			469,068,286	452,469,411	
Provision maintained (note-15.7)			469,068,286	452,469,411	
Excess/(Short)			-	-	
15.8 Provision for taxation					
Provision held at the beginning of the period	8,398,477,805	7,569,815,580	8,133,240,938	7,317,502,199	
Provision made during the period	1,960,011,461	975,923,486	1,888,550,000	963,000,000	
	10,358,489,266	8,545,739,066	10,021,790,938	8,280,502,199	
Less: Settlement of tax on stock dividend	(80,993,694)	(147,261,261)	(80,993,694)	(147,261,261)	
	10,277,495,572	8,398,477,805	9,940,797,244	8,133,240,938	
15.9 Interest suspense account					
Balance at the beginning of the period	8,972,123,118	8,134,196,969	7,471,280,308	6,633,354,159	
Add: Amount transferred to interest suspense account during the	1,184,883,013	1,477,570,087	1,184,883,013	1,477,570,087	
Less: Amount transferred to interest income account during the p	(612,509,263)	(639,643,938)	(612,509,263)	(639,643,938)	
	9,544,496,868	8,972,123,118	8,043,654,058	7,471,280,308	
15.10 Incentive bonus					
Balance at the beginning of the period	-	250,000,000	-	250,000,000	
Add: Provision made during the period	1,090,182	1,662,000	-	-	
Less: Paid during the period	-	(250,000,000)	-	(250,000,000)	
	1,090,182	1,662,000	-	-	
15.11 Unclaimed dividend account					
More than 3 years	-	-	-	-	
More than 4 years	-	-	-	-	
More than 5 years & above	-	7,736,018	-	7,736,018	
	-	7,736,018	-	7,736,018	
Unclaimed or undistributed dividend amounting BDT 7,677,503.50 has been transferred to the Capital Market Stabilization Fund (CMSF) as per the notification: SEC/SRMIC/165-2020/part-1/166 dated 06 July 2021 issued by the Bangladesh Securities and Exchange Commission (BSEC).					
15.12 Start-up fund has recognised according to BB SME&SP Circular no. 05 dated 26 April 2021 on 1% Net profit for the year ended 31 December 2020.					
16 Share Capital					
16.1 Authorized Capital					
4,000,000,000 ordinary shares of Taka 10 each		40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
16.2 Issued, subscribed and fully paid up capital					
8,000,000 ordinary shares of Taka 10 each issued for cash		80,000,000	80,000,000	80,000,000	80,000,000
4,400,000 ordinary shares of Taka 10 each issued as rights share	16.2.1	44,000,000	44,000,000	44,000,000	44,000,000
563,821,907 ordinary shares of Taka 10 each issued as rights share	16.2.2	5,638,219,070	5,638,219,070	5,638,219,070	5,638,219,070
1,124,645,654 ordinary shares of Taka 10 each issued for bonus share		11,246,456,540	10,436,519,610	11,246,456,540	10,436,519,610
		17,008,675,610	16,198,738,680	17,008,675,610	16,198,738,680
16.3 Issued, subscribed and fully paid up Capital-Shareholders' Category					
1,143,857,969 [Year 2020: 1,089,388,542 ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.		11,438,579,690	10,893,885,420	11,438,579,690	10,893,885,420
557,009,592 [Year 2020: 530,485,326 ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.		5,570,095,920	5,304,853,260	5,570,095,920	5,304,853,260
		17,008,675,610	16,198,738,680	17,008,675,610	16,198,738,680

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020

16.4 Shareholding by category

Category	30 September 2021			31 December 2020		
	No. of Share	%	Taka	No. of Share	%	Taka
Sponsors & Directors	69,933,264	4.11	699,332,640	66,603,111	4.11	666,031,110
Government (Director also)	557,009,592	32.75	5,570,095,920	530,485,326	32.75	5,304,853,260
Sub-Total	626,942,856	36.86	6,269,428,560	597,088,437	36.86	5,970,884,370
Institutions	433,760,208	25.5	4,337,602,080	470,454,459	29.04	4,704,544,590
Foreign investors	14,349,174	0.84	143,491,740	12,717,884	0.79	127,178,840
General investors	625,815,323	36.80	6,258,153,230	539,613,088	33.31	5,396,130,880
Sub-Total	1,073,924,705	63.14	10,739,247,050	1,022,785,431	63.14	10,227,854,310
Total	1,700,867,561	100	17,008,675,610	1,619,873,868	100	16,198,738,680

The Government is representing in the Board of the Bank by nomination 03 (Three) Directors and as such, Sponsors & Directors are at present holding 36.86% shares of the Bank.

16.5 Distribution of paid up capital

Holding of share	30 September 2021			31 December 2020		
	No. of holder	Total shares	%	No. of holder	Total shares	%
1 to 500 shares	15,441	2,276,031	0.14	14,608	2,051,350	0.13
501 to 5,000 shares	20,707	41,388,617	2.39	14,325	29,969,707	1.85
5,001 to 10,000 shares	4,491	34,341,071	2.29	3,888	29,134,724	1.80
10,001 to 20,000 shares	3,102	46,044,440	3.23	2,692	39,307,003	2.43
20,001 to 30,000 shares	1,229	30,777,936	2.19	1,151	28,833,294	1.78
30,001 to 40,000 shares	598	21,072,657	1.48	544	19,086,097	1.18
40,001 to 50,000 shares	535	25,089,198	1.61	449	20,831,451	1.28
50,001 to 100,000 shares	928	68,056,086	4.58	783	56,545,941	3.49
100,001 to 1,000,000 shares	844	222,462,111	13.79	697	201,241,451	12.42
More than 1,000,000 shares	135	1,209,359,414	68.30	130	1,192,872,850	73.64
Total	48,010	1,700,867,561	100	39,267	1,619,873,868	100

16.6 Shareholding of Directors

Sl.	Name of the Directors	Status	Holding %	Closing Position	Opening Position
1	Mr. Salman F Rahman	Chairman	2.00	34,026,928	32,406,599
2	Mr. Ahmed Shayan Fazlur Rahman*	Vice-Chairman	2.11	35,906,336	34,196,512
3	Ms. Rabeya Jamali	Independent Director	Nil	Nil	Nil
4	Mr. Sudhangshu Shekhar Biswas	Independent Director	Nil	Nil	Nil
5	Mr. A. R. M. Nazmus Sakib**	Govt. nominated Director			
6	Ms. Quamrun Naher Ahmed**	Govt. nominated Director	32.75	557,009,592	530,485,326
7	Mr. Md. Zafar Iqbal, ndc**	Govt. nominated Director			
8	Mr. Mohammad Shah Alam Sarwar	Managing Director	Nil	Nil	Nil

* Represents M/s. New Dacca Industries Limited against its holding of 2.11% shares in the Bank.

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

16.7 Capital Adequacy Ratio (BASEL-III)

As per section 13(2) of the Banking Companies Act, 1991 (as amended to date), BRPD circular no. 18 dated 21 December 2014, the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel-III) was issued and effective from 1 January 2015. Capital to Risk-weighted Asset Ratio (CRAR) is calculated as follows:

Common Equity Tier 1 (going-concern capital)

Paid-up capital	16.2	17,008,675,610	16,198,738,680	17,008,675,610	16,198,738,680
Statutory reserve	17	6,864,775,853	6,864,775,853	6,864,775,853	6,864,775,853
General reserve	18	155,071,397	155,071,397	155,071,397	155,071,397
Retained earnings	21	5,571,580,495	4,248,076,927	2,572,596,483	1,775,205,220
		29,600,103,355	27,466,662,857	26,601,119,343	24,993,791,150
Less: Regulatory Adjustments:					
Deduction from Tier-1 Capital (95% of deferred tax assets)		960,607,907	907,940,673	960,607,907	907,940,673
Total Common Equity Tier 1 Capital		28,639,495,448	26,558,722,185	25,640,511,436	24,085,850,478

Amount in BDT

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
Tier-2 (Gone-Concern Capital)					
General provision		6,761,320,668	5,104,101,108	6,530,023,829	5,104,101,108
Subordinated debt that meet the qualifying criteria for Tier 2		6,400,000,000	2,100,000,000	6,400,000,000	2,100,000,000
Total Tier-2 Capital		13,161,320,668	7,204,101,108	12,930,023,829	7,204,101,108
Total Regulatory Capital (A)		41,800,816,116	33,762,823,293	38,570,535,266	31,289,951,586
Total assets including off-balance sheet items		474,967,427,937	418,513,245,012	470,784,899,903	413,895,445,927
Total risk-weighted Assets		300,685,097,964	231,554,686,630	294,234,166,613	255,638,666,438
Required capital @12.5% (B)		37,585,637,245	28,944,335,829	36,779,270,827	31,954,833,305
Total capital surplus/(Deficit) C=(A-B)		4,215,178,871	4,818,487,464	1,791,264,439	(664,881,718)
Capital to Risk-weighted Asset Ratio (CRAR):					
Common Equity Tier 1 to RWA		9.52%	11.47%	8.71%	9.42%
Tier - 2 Capital to RWA		4.38%	3.11%	4.39%	2.82%
Capital to Risk-weighted Asset Ratio (CRAR)		13.90%	14.58%	13.11%	12.24%
Details computation of risk-weighted assets [solo basis] are shown in "Annexure - E"					
17 Statutory reserve					
Balance at the beginning of the period		6,864,775,853	6,531,903,475	6,864,775,853	6,531,903,475
Transferred from profit during the period		-	332,872,378	-	332,872,378
		6,864,775,853	6,864,775,853	6,864,775,853	6,864,775,853
18 General reserve					
		155,071,397	155,071,397	155,071,397	155,071,397
General reserve also includes the surplus provision of Tk. 99,300,000 against the restructured large loan of RR Holdings which was transferred from the specific provision in the year 2015 as per BRPD Circular No. 04 dated 29 January 2015 and extra ordinary foreign exchange gain of Tk. 28,559,248 transferred from profit in the year 2010.					
19 Revaluation reserve against securities					
HTM securities	19.1	49,117,875	80,968,715	49,117,875	80,968,715
HFT securities	19.2	325,326	26,880,411	325,326	26,880,411
		49,443,201	107,849,126	49,443,201	107,849,126
19.1 Revaluation reserve HTM securities					
Balance at the beginning of the period		80,968,715	48,258,777	80,968,715	48,258,777
Gain/(loss) from revaluation on investments		(31,850,840)	32,709,938	(31,850,840)	32,709,938
		49,117,875	80,968,715	49,117,875	80,968,715
19.2 Revaluation reserve HFT securities					
Balance at the beginning of the period		26,880,411	1,862,360	26,880,411	1,862,360
Gain/(loss) from revaluation on investments		(26,555,085)	25,018,051	(26,555,085)	25,018,051
		325,326	26,880,411	325,326	26,880,411
20 Revaluation reserve against fixed assets					
		115,314,704	115,314,704	115,314,704	115,314,704
In terms of International Accounting Standard (IAS) 16: Property, Plant & Equipment and instruction contained in BRPD Circular No. 10, dated 25 November 2002 issued by Bangladesh Bank, gain on revaluation of Tk. 115,314,704 has been credited to the revaluation reserve account.					
20.a Consolidated foreign currency translation reserve					
IFIC Money Transfer (UK) Limited		1,513,125	1,442,548	-	-
Investment in joint venture/associate (NBBL)		81,379,939	119,996,466	-	-
Investment in joint venture/associate (OE LLC)		13,366,593	12,649,392	-	-
		96,259,657	134,088,406	-	-
21 Surplus in profit and loss account					
Balance at the beginning of the period		-	-	1,775,205,220	3,018,442,662
Net profit after tax for the period		-	-	1,612,950,668	562,247,536
Transfer to statutory reserve during the period		-	-	-	(332,872,378)
Transfer to Start-up fund of Y2020		-	-	(5,622,475)	-
Issue of bonus shares		-	-	(809,936,930)	(1,472,612,600)
		-	-	2,572,596,483	1,775,205,220

Particulars	Note	Group		Bank	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
22 Consolidated surplus in profit and loss account					
IFIC Bank Limited	21	2,572,596,483	1,775,205,220	-	-
IFIC Securities Limited		558,445,206	372,552,596	-	-
IFIC Investment Limited		13,868,652	-	-	-
IFIC Money Transfer (UK) Limited		(24,385,996)	(19,110,491)	-	-
Share of profit of investment in joint venture/associate (NBBL)		2,484,051,152	2,152,120,471	-	-
Share of profit of investment in joint venture/associate (OE LLC)		87,239,947	70,358,359	-	-
Exchange (gain)/loss on investment in joint venture/associate (NBBL)		(106,868,356)	(90,399,836)	-	-
Exchange (gain)/loss on investment in joint venture/associate (OE LLC)		(13,366,594)	(12,649,393)	-	-
		5,571,580,495	4,248,076,927	-	-
23 Non-controlling interest (NCI)					
IFIC Securities Limited	23.1	7,523	7,016	-	-
IFIC Investment Limited	23.2	6,208	-	-	-
IFIC Money Transfer (UK) Limited		-	-	-	-
		13,731	7,016	-	-
23.1 NCI of IFIC Securities Limited					
Opening balance on 1 January		7,016	6,880	-	-
Add: Share of profit during the period		507	136	-	-
		7,523	7,016	-	-
23.2 NCI of IFIC Investment Limited					
Opening balance on 1 January		6,000	-	-	-
Add: Share of profit during the period		208	-	-	-
		6,208	-	-	-
24 Contingent liabilities					
Acceptances and endorsements	24.1	26,156,452,990	16,350,951,601	26,156,452,990	16,350,951,601
Letters of guarantee	24.2	8,750,992,801	8,058,992,366	8,750,992,801	8,058,992,366
Irrevocable Letters of credit	24.3	22,359,082,842	17,880,361,773	22,359,082,842	17,880,361,773
Bills for collection	24.4	8,459,864,833	8,193,373,111	8,459,864,833	8,193,373,111
		65,726,393,466	50,483,678,851	65,726,393,466	50,483,678,851
24.1 Acceptances and endorsements					
Back to back bills (local currency)		279,594,776	279,594,776	279,594,776	279,594,776
Back to back bills (foreign currency)		25,876,858,214	16,071,356,825	25,876,858,214	16,071,356,825
		26,156,452,990	16,350,951,601	26,156,452,990	16,350,951,601
24.2 Letters of guarantee					
Letters of guarantee (local currency)		8,592,874,724	7,979,200,054	8,592,874,724	7,979,200,054
Letters of guarantee (foreign currency)		158,118,077	79,792,312	158,118,077	79,792,312
		8,750,992,801	8,058,992,366	8,750,992,801	8,058,992,366
Money for which the bank is contingently liable in respect of guarantee issued favouring:					
Directors		-	-	-	-
Government		3,876,728,872	3,819,557,827	3,876,728,872	3,819,557,827
Banks and other financial institutions		1,855,691,070	1,454,967,826	1,855,691,070	1,454,967,826
Others		3,018,572,859	2,784,466,712	3,018,572,859	2,784,466,712
		8,750,992,801	8,058,992,366	8,750,992,801	8,058,992,366
24.3 Irrevocable letters of credit					
Letter of credit (LC) - cash sight		12,045,399,636	9,102,343,168	12,045,399,636	9,102,343,168
Letter of credit (LC) - back to back		10,147,289,402	8,539,680,148	10,147,289,402	8,539,680,148
Letter of credit (LC) - cash usance		166,393,804	238,338,457	166,393,804	238,338,457
		22,359,082,842	17,880,361,773	22,359,082,842	17,880,361,773
24.4 Bills for collection					
Inland bills collection		6,312,033	20,994,127	6,312,033	20,994,127
Foreign bills collection		-	745,436	-	745,436
Inland documentary bills for collection		3,089,827,097	2,826,418,019	3,089,827,097	2,826,418,019
Foreign documentary bills for collection		5,363,725,703	5,345,215,529	5,363,725,703	5,345,215,529
		8,459,864,833	8,193,373,111	8,459,864,833	8,193,373,111

Notes to the Financial Statements
as at and for the period ended 30 September 2021

Amount in BDT

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
25 Income statement					
Income					
Interest, discount and similar income	26, 28	18,777,983,266	18,723,816,675	18,604,445,463	18,705,691,390
Dividend income	28	45,791,665	36,205,415	44,078,266	33,499,729
Fees, commission and brokerage	29.1	1,455,436,245	928,112,813	1,368,678,188	888,066,456
Gains less losses arising from dealing in securities	28	2,619,192	167,524,486	2,619,192	167,524,486
Gains less losses arising from investment securities	28.1	704,471,981	2,473,651	637,355,790	2,148,772
Gain less losses arising from dealing in foreign currencies	29.2	366,854,276	420,022,802	384,039,997	418,457,383
Other operating income	30	477,501,242	422,574,430	125,547,809	83,070,160
		21,830,657,868	20,700,730,272	21,166,764,706	20,298,458,376
Expenses					
Interest, fee and commission	27	11,611,578,354	14,208,645,702	11,612,588,608	14,208,648,868
Administrative expenses	31-38	2,982,005,656	2,634,880,376	2,957,119,544	2,610,376,004
Other operating expenses	39, 40	1,041,899,278	880,012,025	1,005,847,599	865,428,431
Depreciation on banking assets		678,378,779	416,653,795	671,280,784	411,022,499
		16,313,862,067	18,140,191,897	16,246,836,536	18,095,475,801
Profit before provision		5,516,795,801	2,560,538,374	4,919,928,170	2,202,982,575
26 Interest income					
Term loan-industrial		1,202,556,518	1,257,164,448	1,202,556,518	1,257,164,448
Term Loan-Agricultural Loan		17,519,456	182,807,116	17,519,456	182,807,116
Term loan-consumer finance		11,655,966	17,373,116	11,655,966	17,373,116
Term Loan-Housing Finance		3,191,594,256	2,659,855,128	3,191,594,256	2,659,855,128
Term Loan-Transport loan		4,141,004	7,491,538	4,141,004	7,491,538
Term Loan-Lease finance		10,691,481	20,715,000	10,691,481	20,715,000
Term Loan-Foreign Currency (OBU)		77,337,177	90,431,454	77,337,177	90,431,454
Term loan-others		4,142,654,457	4,095,543,084	4,142,654,457	4,095,543,084
Overdrafts		4,522,969,564	4,281,141,510	4,705,448,530	4,281,141,510
Cash credit		1,245,970,321	1,596,282,573	1,245,970,321	1,596,282,573
Credit card		13,460,913	16,376,796	13,460,913	16,376,796
Demand loan		461,433,014	640,658,530	461,433,014	640,658,530
Loan general		89,045,708	106,611,472	89,045,708	106,611,472
Loan against trust receipt (LTR)		279,945,823	491,437,331	279,945,823	491,437,331
Staff loan		29,223,747	41,066,155	29,223,747	41,066,155
Overdue interest		288,042,769	125,103,572	288,042,769	125,103,572
Interest on Margin Loan		356,016,769	18,125,285	-	-
Interest income from loans and advances		15,944,258,943	15,648,184,108	15,770,721,140	15,630,058,823
Inland documentary bill purchased (IDBP)		50,901,642	72,091,629	50,901,642	72,091,629
Usance Bill Discounted (OBU)		3,876,862	2,327,616	3,876,862	2,327,616
Payment against document (cash)		5,151,614	31,884,391	5,151,614	31,884,391
Payment against document (forced)		28,173,221	50,157,384	28,173,221	50,157,384
Payment against document (EDF)		150,191,958	171,285,809	150,191,958	171,285,809
Payment against document (inland)		73,111,356	72,646,712	73,111,356	72,646,712
Payment against document (others)		85,079,476	130,951,040	85,079,476	130,951,040
Interest income from bills paid and discounted		396,486,129	531,344,581	396,486,129	531,344,581
Money at call on short notice		7,035,611	71,760,806	7,035,611	71,760,806
Balance held outside Bangladesh		172,456	4,140,078	172,456	4,140,078
Balance held inside Bangladesh		1,261,164	13,172,239	1,261,164	13,172,239
		16,349,214,303	16,268,601,812	16,175,676,500	16,250,476,527
27 Interest paid on deposits, borrowings etc.					
Interest paid on deposits					
Current deposit		3,346,640,672	2,843,281,975	3,347,555,597	2,843,285,141
Saving bank deposit		436,602,329	603,778,113	436,602,329	603,778,113
Special notice deposit		819,680,514	752,121,608	819,775,844	752,121,608
Fixed deposit		5,497,233,451	8,227,763,097	5,497,233,451	8,227,763,097
Non resident FC deposit		92,132	98,287	92,132	98,287
Resident FC deposit		164,988	173,867	164,988	173,867
Pension savings scheme		574,363,430	497,120,854	574,363,430	497,120,854
Monthly income scheme		658,262,065	923,289,467	658,262,065	923,289,467
Foreign currency deposit		220,346	205,716	220,346	205,716
		11,333,259,928	13,847,832,984	11,334,270,182	13,847,836,150

Amount in BDT

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
Interest paid on borrowings					
Term borrowing		10,379,509	38,547,506	10,379,509	38,547,506
Repurchase agreement (repo)		354,530	-	354,530	-
Bangladesh Bank- Refinance		43,845,364	17,618,158	43,845,364	17,618,158
Payment against lease obligation		79,987	823,818	79,987	823,818
Interest on subordinated bond		114,420,833	186,539,013	114,420,833	186,539,013
Bangladesh Bank- EDF		108,168,811	116,823,549	108,168,811	116,823,549
Bangladesh Bank- LTFF Refinance		1,069,392	460,674	1,069,392	460,674
		278,318,426	360,812,718	278,318,426	360,812,718
		11,611,578,354	14,208,645,702	11,612,588,608	14,208,648,868
28 Investment income					
Interest income					
Interest on Treasury bills and bonds		2,176,779,071	2,164,520,965	2,176,779,071	2,164,520,965
Interest on term placement		251,989,892	290,693,898	251,989,892	290,693,898
Interest on reverse repo		2,619,192	167,524,486	2,619,192	167,524,486
Gain/(loss) on share sale	28.1	704,471,981	2,473,651	637,355,790	2,148,772
Dividend income - local		45,791,665	36,205,415	44,078,266	33,499,729
		3,181,651,801	2,661,418,416	3,112,822,211	2,658,387,850
28.1 Gain from sale of shares of listed companies					
Gain on share sale		792,099,195	6,183,774	724,983,004	5,858,896
Less: Loss on sale of share		(87,627,214)	(3,710,123)	(87,627,214)	(3,710,123)
		704,471,981	2,473,651	637,355,790	2,148,772
29 Commission, exchange and brokerage					
Commission	29.1	1,386,058,953	914,125,732	1,368,678,188	888,066,456
Exchange gain/(loss)	29.2	366,854,276	420,022,802	384,039,997	418,457,383
Brokerage		69,377,292	13,987,080	-	-
		1,822,290,522	1,348,135,614	1,752,718,186	1,306,523,839
29.1 Commission					
Bills purchased (Inland)		182,152	297,917	182,152	297,917
Remittances (inland)		3,812,504	3,684,703	3,812,504	3,684,703
Remittances (foreign)		2,471,686	1,921,874	2,471,686	1,921,874
Letter of guarantee (LG)-local		91,881,351	55,255,405	94,953,351	55,255,405
Letter of credit (back to back)		395,253,769	242,160,982	395,253,769	242,160,982
Letter of credit (cash)		166,770,262	88,521,090	166,770,262	88,521,090
Letter of credit (others)		78,638,249	72,315,287	78,638,249	72,315,287
Wage earners development bond		1,747,813	3,076,563	1,747,813	3,076,563
Local documentary bills collection (LDBC)		1,280,098	1,030,635	1,280,098	1,030,635
Inward foreign documentary bills collection (IFDBC)		166,228,705	85,188,069	166,228,705	85,188,069
Foreign documentary bills collection (FDBC)		984,100	1,184,400	984,100	1,184,400
Foreign bills collection (FBC)		57,737	268,315	57,737	268,315
Add confirmation		28,166,221	12,890,003	28,166,221	12,890,003
Bill collection commission OBU		2,400,905	784,004	2,400,905	784,004
Loan origination fees		102,047,789	72,257,352	102,047,789	72,257,352
Service charge on accounts		129,295,325	115,010,364	128,527,025	115,008,864
Fees and Commission-Cards		86,731,049	53,463,803	86,731,049	53,463,803
Sanchaypatra		20,541,346	94,825	20,541,346	94,825
Foreign correspondent charges		27,499,621	27,428,584	27,499,621	27,428,584
Negotiation against contract		22,403,350	17,383,708	22,403,350	17,383,708
Rebate from foreign correspondent		37,222,332	33,358,678	37,222,332	33,358,678
Commission others		20,442,590	26,549,170	758,125	491,394
		1,386,058,953	914,125,732	1,368,678,188	888,066,456
29.2 Exchange gain/(loss)					
Exchange gain from revaluation of FC		366,854,276	420,022,802	384,039,997	418,457,383
		366,854,276	420,022,802	384,039,997	418,457,383

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
30 Other operating income					
Locker rent		10,357,400	11,797,265	10,357,400	11,797,265
Cheque Book charge recovery		31,448,812	18,543,386	31,448,812	18,543,386
SWIFT charges recovery		12,674,457	11,302,956	12,674,457	11,302,956
Fund transfer fee		9,248,416	4,609,822	9,248,416	4,609,822
Management fee - Foreign*		-	3,185,625	-	3,185,625
Miscellaneous earning		64,959,889	36,816,887	61,818,725	33,631,106
		128,688,973	86,255,941	125,547,809	83,070,160
* The Bank has received Management fee from NBBL under Management service/Technical Know-how fee agreement which has credited Bank's Nostro Account in 2020.					
31 Salary and allowances					
Basic salary		952,963,854	864,264,264	939,817,575	852,958,045
House rent allowance		419,988,729	369,712,948	417,790,292	367,471,282
Conveyance allowance		53,804,465	50,584,388	53,517,554	49,961,481
Medical allowances		91,031,110	82,855,268	90,546,127	82,366,383
Entertainment allowance		25,935,231	31,685,918	25,706,231	31,181,918
Other allowances		64,378,117	139,715,578	63,782,041	139,457,808
Incentive bonus		70,000,002	-	70,000,002	-
Leave encashment		10,943,202	5,930,118	10,943,202	5,930,118
Festival bonus		169,902,572	159,719,130	168,886,109	158,644,130
Leave fare assistance		73,817,365	74,822,747	73,274,365	74,309,747
Provident fund- Bank's contribution		75,799,822	79,574,257	75,799,822	79,574,257
Contribution to gratuity fund		101,000,000	19,000,000	101,000,000	19,000,000
		2,109,564,468	1,877,864,616	2,091,063,320	1,860,855,169
Number of employees for the 3rd quarter ended 30 September 2021 who were paid remuneration less than Tk. 36,000 was nil (Q3 2020: nil). Total number of employees in the Bank at the 3rd quarter ended 30 September 2021 were 3,740 (Q2 2020: 2,660).					
32 Rent, taxes, insurance, electricity etc.					
Rent paid		191,104,351	260,803,319	189,079,103	258,794,255
Rates & taxes		9,207,311	8,440,893	9,412,889	8,155,820
Insurance premium		188,480,934	155,406,459	188,341,574	155,306,882
Electricity & water		92,029,836	66,829,687	91,430,830	66,400,706
		480,822,432	491,480,357	478,264,396	488,657,663
Total office rent expenses for 3rd quarter ended 30 September 2021 are Tk. 530,220,807 Due to application of IFRS 16: Leases, Tk. 344,567,005 has been distributed as depreciation (Annexure-D) and interest expense (note 40). Required withholding tax and VAT on total rental expense have been deducted and deposited accordingly. Details are disclosed in Note 2.2.1.7.					
33 Legal expenses					
Legal expenses		2,059,682	2,376,280	1,390,000	384,112
Professional fees		9,780,758	5,782,796	8,829,772	4,261,511
		11,840,440	8,159,077	10,219,772	4,645,623
34 Postage, stamp, telecommunication etc.					
Postage expenses		9,956,494	4,286,562	9,946,409	4,282,954
Telephone		18,081,583	13,147,990	17,950,831	13,061,484
Communication facilities		49,206,643	37,256,892	48,922,662	36,964,911
		77,244,720	54,691,444	76,819,902	54,309,349
35 Stationery, printing, advertisement etc.					
Printing stationery		1,922,662	2,334,273	1,613,953	2,068,679
Security stationery		12,203,948	3,471,933	12,203,948	3,471,933
Petty stationery		29,129,264	12,555,108	29,129,264	12,555,108
Computer stationery		10,970,771	8,663,802	10,970,771	8,663,802
Advertisement and publicity		223,161,133	155,040,736	223,161,133	154,992,345
		277,387,778	182,065,851	277,079,069	181,751,867
36 Managing Director's salary					
Basic salary		12,622,500	11,475,000	12,622,500	11,475,000
House rent allowance		900,000	900,000	900,000	900,000
Provident fund- Bank's contribution		1,262,250	1,147,500	1,262,250	1,147,500
Festival & Performance bonus		4,085,500	3,805,000	4,085,500	3,805,000
		18,870,250	17,327,500	18,870,250	17,327,500

Amount in BDT

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
37 Directors' fees					
Meeting attendance fees		3,266,400	1,178,500	1,832,000	1,008,000
		3,266,400	1,178,500	1,832,000	1,008,000
Each Director is paid Tk. 8,000 for attending each meeting as per the latest BRPD Circular no. 11, dated 04 October 2015.					
38 Auditors' fees*					
Statutory annual audit fees		3,009,168	2,113,031	2,970,835	1,820,833
		3,009,168	2,113,031	2,970,835	1,820,833
* Audit fee is inclusive of tax and VAT.					
39 Depreciation and repair of bank's assets					
Depreciation					
Buildings and premises		35,187,516	35,316,408	35,187,516	35,316,408
Right of Use Assets		317,453,949	146,449,344	313,563,363	142,944,195
Wooden furniture		18,736,791	15,633,923	18,668,196	15,565,328
Steel furniture		4,736,349	2,936,454	4,736,349	2,936,454
Computer equipment		73,523,661	51,720,570	71,860,492	50,744,626
Office equipment		19,734,325	12,766,968	19,734,325	12,766,968
Electrical & gas equipment		91,044,287	68,647,934	90,828,356	68,329,850
Leasehold improvement		37,026,761	22,654,849	35,767,046	22,053,152
Vehicles		12,400,478	15,241,858	12,400,478	15,241,858
Soft furnishing		617,410	585,348	617,410	585,348
Software		67,917,254	44,700,139	67,917,254	44,538,313
		678,378,779	416,653,795	671,280,784	411,022,499
Repairs and maintenance					
Property maintenance and repairs		183,403,844	113,422,563	182,282,757	112,197,104
Vehicles maintenance and repairs		30,944,702	35,539,322	30,750,256	35,539,322
		214,348,546	148,961,885	213,033,013	147,736,426
		892,727,326	565,615,679	884,313,797	558,758,925
40 Other expenses					
Entertainment		17,953,260	20,105,109	17,683,076	19,954,515
Petrol, oil and lubricants	40.1	42,647,911	44,362,148	42,647,261	44,362,148
Training and internship	40.2	4,366,462	6,366,132	4,366,462	6,365,132
Traveling expenses	40.3	17,721,415	43,552,212	17,413,085	43,287,570
Casual and contractual service	40.4	276,347,999	202,454,268	276,093,983	202,326,956
Loss on sales of fixed assets	40.5	15,401,856	3,033,740	15,401,857	305,700
Subscription and donation		31,402,089	82,615,934	30,086,079	82,273,554
Corporate Social Responsibility (CSR)		42,860,226	54,711,318	42,860,226	54,711,318
Books, newspapers and magazines, etc.		562,368	1,387,029	556,798	1,380,649
Interest on leased assets		33,147,930	28,337,203	31,003,642	26,300,195
NID verification charge		1,286,866	435,749	1,286,866	435,749
Reward and recognition		214,950	80,000	214,950	80,000
Uniforms and liveries		1,530	937,218	1,530	937,218
AGM and EGM expense		6,222,866	3,671,361	6,042,066	3,503,361
Business development		4,416,521	8,988,979	4,336,521	8,988,979
Croceries		1,181,932	722,340	1,173,087	705,410
Security services		153,311,657	111,008,150	152,533,984	110,413,752
Bank charges and commission		16,878,144	10,810,337	5,520,486	5,333,800
Recovery and sales agent		3,541,445	32,184,753	3,541,445	32,184,753
Visa card expense		70,676,592	21,791,562	70,676,592	21,791,562
Branch Charge		8,914,093	8,538,903	8,914,093	8,538,903
Bond & Rights Share issue		38,000,000	53,987	38,000,000	53,987
Miscellaneous		40,492,618	44,901,710	22,460,497	43,456,793
		827,550,731	731,050,140	792,814,586	717,692,005
Expenses incurred by the Bank shown in these Financial Statements are inclusive of VAT where applicable as per Value Added Tax and Supplementary Duty Act, 2012.					
40.1 Petrol, oil and lubricants					
Petrol, oil and lubricants - pool car		14,485,555	10,947,765	14,484,905	10,947,765
Petrol, oil and lubricants - car purchase scheme		28,162,356	33,414,383	28,162,356	33,414,383
		42,647,911	44,362,148	42,647,261	44,362,148
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.				

Amount in BDT

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
40.4 Casual and contractual service					
Driver salary - car purchase scheme		30,654,311	36,105,296	30,654,311	36,105,296
DSA salary and incentive		101,295,778	75,003,454	101,295,778	75,003,454
Casual and contractual - staff		144,397,910	91,345,518	144,143,894	91,218,206
		276,347,999	202,454,268	276,093,983	202,326,956
40.5 Gain/ (loss) on sales of fixed assets					
Cost of fixed assets sold					
Wooden furniture		2,434,147	5,253,139	2,434,147	961,616
Steel furniture		872,709	181,629	872,709	181,629
Computer equipment		18,527,473	2,489,833	18,527,473	2,489,833
Office equipment		3,285,648	623,899	3,285,648	623,899
Electrical & gas equipment		31,079,261	7,006,753	31,079,261	3,845,922
Leasehold improvement		13,306,215	5,566,677	13,306,215	2,742,868
Vehicles		4,355,027	-	4,355,027	-
Soft furnishing		330,725	393,008	330,725	56,825
Software		13,000	85,333	13,000	85,333
Non-banking assets		225,410,120	-	225,410,120	-
		299,614,324	21,600,271	299,614,324	10,987,925
Less : Accumulated depreciation					
Wooden furniture		2,185,399	3,471,818	2,185,399	862,520
Steel furniture		596,276	126,807	596,276	126,807
Computer equipment		18,342,716	2,462,908	18,342,716	2,462,908
Office equipment		3,285,597	616,910	3,285,597	616,910
Electrical & gas equipment		30,225,765	6,421,696	30,225,765	3,724,612
Leasehold improvement		10,912,201	3,915,924	10,912,201	1,810,155
Vehicles		4,355,022	-	4,355,022	-
Soft furnishing		325,463	387,476	325,463	56,821
Software		12,999	85,332	12,999	85,332
		70,241,437	17,488,871	70,241,437	9,746,065
Written down value		229,372,887	4,111,399	229,372,887	1,241,859
Sale proceeds of above fixed assets		213,971,031	1,077,659	213,971,031	936,159
Gain / (loss) on sales of fixed assets		(15,401,856)	(3,033,740)	(15,401,856)	(305,700)
40.a Details of investment in joint ventures/associates - under equity method					
i) Nepal Bangladesh Bank Limited					
Opening balance		4,614,483,965	4,025,376,164	-	-
Add/ (less): Share of post acquisition profit during the period		331,930,681	319,999,774	-	-
Add/ (less): Effect of changes in foreign currency exchange rate		(38,616,528)	(130,355,258)	-	-
Closing balance		4,907,798,118	4,215,020,680	-	-
ii) Oman Exchange LLC					
Opening balance		157,380,003	133,400,738	-	-
Add/ (less): Share of post acquisition profit/(loss) during the period		16,881,588	16,318,715	-	-
Add/ (less): Effect of changes in foreign currency exchange rate		717,201	(57,356)	-	-
Closing balance		174,978,792	149,662,096	-	-
iii) Share of post acquisition profit during the period					
Nepal Bangladesh Bank Limited		331,930,681	319,999,774	-	-
Oman Exchange LLC		16,881,588	16,318,715	-	-
		348,812,269	336,318,489	-	-
iv) Investment in joint ventures/associates-under equity method					
A. Book value of investment					
Nepal Bangladesh Bank Limited		2,449,235,383	2,433,589,228	-	-
Oman Exchange LLC		87,738,845	76,028,557	-	-
		2,536,974,228	2,509,617,785	-	-
B. Cumulative share of post acquisition profit					
Nepal Bangladesh Bank Limited		2,458,562,736	1,781,431,452	-	-
Oman Exchange LLC		87,239,947	73,633,539	-	-
		2,545,802,683	1,855,064,992	-	-
Total (A+B)		5,082,776,910	4,364,682,777	-	-

Amount in BDT

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
41 Provision for loans, investments and other assets					
Specific provision	15.1	51,817,927	(210,716,273)	51,817,927	(210,716,273)
General provision	15.2	1,277,959,962	704,892,541	1,277,959,962	704,892,541
Provision for off-shore banking unit	15.2	(1,799,470)	(2,340,737)	(1,799,470)	(2,340,737)
Special general provision COVID-19	15.3	-	-	-	-
Provision for off-balance sheet exposure	15.4	149,762,229	(57,830,343)	149,762,229	(57,830,343)
Provision for loans and advances		1,477,740,648	434,005,188	1,477,740,648	434,005,188
Provision for diminution in value of investments	15.5	1,185,653	(67,962,184)	1,185,653	(67,962,184)
Other provisions	41.1	16,686,622	47,721,338	16,686,622	47,721,338
		1,495,612,923	413,764,342	1,495,612,923	413,764,342
41.1 Other provisions					
Provision for nostro account	15.6	87,747	(6,277)	87,747	(6,277)
Provision for other assets	15.7	16,598,875	47,727,615	16,598,875	47,727,615
		16,686,622	47,721,338	16,686,622	47,721,338
42 Provision for taxation					
Current tax		1,960,011,461	883,754,470	1,888,550,000	880,000,000
Deferred tax expense/(income)	42.1	(77,892,270)	39,914,218	(77,185,421)	40,886,529
		1,882,119,190	923,668,688	1,811,364,579	920,886,529
42.1 Deferred tax expense/(income)					
Deferred tax on provision for loans and advances (DF & BL)	10.5	(69,806,244)	41,092,159	(69,806,244)	41,092,159
Deferred tax on fixed assets	10.5	(6,801,539)	5,141,919	(6,094,689)	6,114,230
Deferred tax on leased assets	10.5	(1,284,488)	(6,319,860)	(1,284,488)	(6,319,860)
		(77,892,270)	39,914,218	(77,185,421)	40,886,529
43 Receipts from other operating activities					
Rent received		10,357,400	11,797,265	10,357,400	11,797,265
Other receipts		118,331,573	74,458,676	115,190,409	71,272,895
Capital gain/(loss)	28.1	704,471,981	2,473,651	637,355,790	2,148,772
		833,160,955	88,729,593	762,903,599	85,218,932
44 Cash paid for other operating activities					
Postage, stamp, telecommunication etc.		77,244,720	54,399,464	76,819,902	54,309,349
Rent paid		532,246,055	258,794,255	530,220,807	258,794,255
Rates, taxes & utilities		9,207,311	11,536,089	9,412,889	8,155,820
Insurance premium		188,480,934	155,306,882	188,341,574	155,306,882
Electricity & water		92,029,836	66,400,706	91,430,830	66,400,706
Traveling expenses		17,721,415	43,287,570	17,413,085	43,287,570
Auditors' fees		3,009,168	1,820,833	2,970,835	1,820,833
Directors' fees		3,266,400	1,178,500	1,832,000	1,008,000
Legal expenses		11,840,440	6,637,791	10,219,772	4,645,623
Repairs and maintenance		214,348,546	147,736,426	213,033,013	147,736,426
Other expenses		746,342,908	655,298,257	714,604,781	612,634,107
		1,895,737,734	1,402,396,774	1,856,299,488	1,354,099,571
45 (Increase)/decrease of other assets					
Stationery and stamps		42,564,602	45,638,470	42,562,124	45,638,470
Suspense account		1,124,569,918	1,105,377,278	1,112,988,358	1,105,377,278
Advance, deposit and prepayments		805,771,926	577,168,320	804,222,966	575,096,104
Receivable others		176,058,596	248,838,939	157,867,695	238,679,564
Closing other assets		2,148,965,042	1,977,023,007	2,117,641,143	1,964,791,416
Opening other assets		1,977,023,007	1,835,342,099	1,371,440,904	1,821,092,973
		(171,942,035)	(141,680,908)	(746,200,239)	(143,698,443)

Amount in BDT

Particulars	Note	Group		Bank	
		1 January to 30 September 2021	1 January to 30 September 2020	1 January to 30 September 2021	1 January to 30 September 2020
46 Increase/(decrease) of other liabilities					
Withholding Tax payable to government		207,572,415	241,150,308	207,472,048	241,150,308
Withholding VAT payable to government		92,159,748	78,785,140	92,030,946	78,785,140
Excise duty payable to government		12,647,646	13,183,207	12,647,646	13,183,207
Dividend payable		-	2,814,447	-	2,814,447
Revaluation of investment abroad		30,946,297	30,946,297	30,946,297	30,946,297
Payable against Govt Bond & Sanchaypatra		99,747,332	152,022,993	99,747,332	152,022,993
Others		197,095,175	178,921,845	196,892,695	152,183,950
Closing other liabilities		640,168,613	697,824,237	639,736,964	671,086,342
Opening other liabilities		1,183,801,787	863,523,887	1,078,168,240	827,498,078
		(543,633,174)	(165,699,650)	(438,431,276)	(156,411,736)
47 Cash and cash equivalents					
Cash in hand		5,418,380,906	3,851,984,084	5,418,148,996	3,847,302,610
Balance with Bangladesh Bank and its agent Bank (s)		15,681,491,634	14,093,353,548	15,681,491,634	14,093,353,548
Balance with other banks and financial Institutions		5,987,461,188	6,596,441,575	6,773,566,850	6,524,181,279
Money at call and on short notice		4,300,000,000	2,740,000,000	4,300,000,000	2,740,000,000
Prize Bonds		3,897,100	3,010,900	3,897,100	3,010,900
		31,391,230,828	27,284,790,107	32,177,104,580	27,207,848,337
48 Reconciliation of statement of cash flows from operating activities					
Profit before provision				4,919,928,170	2,202,982,575
Adjustment for non cash items					
Depreciation on fixed asset				603,363,530	366,484,186
Amortization on software				67,917,254	44,538,313
Adjustment with non-operating activities				671,280,784	411,022,499
Recovery of written off loans				134,470,143	65,799,320
Interest receivable				(150,245,825)	(262,564,099)
Interest payable on deposits				261,668,576	115,994,895
Exchange gain from revaluation of FC				(384,039,997)	(418,457,383)
Rent paid - lease adjustment				(341,141,704)	-
Accrued Expense				157,781,829	66,834,065
Interest on leased assets				31,003,642	26,300,195
				(290,503,336)	(406,093,006)
Changes in operating assets and liabilities					
Changes in loans & advances				(31,422,390,620)	(21,285,405,117)
Changes in deposit and other accounts				30,176,066,847	24,764,193,356
Changes in other assets				(746,200,239)	(143,698,443)
Changes in other liabilities				(438,431,276)	(156,411,736)
				(2,430,955,287)	3,178,678,060
Income tax paid				(1,417,013,935)	(895,508,754)
Net cash flows from/(used in) operating activities				1,452,736,396	4,491,081,373
49 Number of ordinary shares outstanding					
Balance at the beginning of the period		1,619,873,868	1,472,612,608	1,619,873,868	1,472,612,608
Add: Bonus share issued		80,993,693	147,261,260	80,993,693	147,261,260
		1,700,867,561	1,619,873,868	1,700,867,561	1,619,873,868
50 Earnings Per Share (EPS)*					
Net profit after tax		2,139,062,973	1,223,105,341	1,612,950,668	868,331,704
Number of ordinary shares outstanding		1,700,867,561	1,700,867,561	1,700,867,561	1,700,867,561
Earning Per Share (EPS)		1.26	0.72	0.95	0.51
The consolidated and separate EPS of the Bank as of Q3 Y2021 is higher compared to Q3 Y2020 due to higher level of Net Interest Income, Investment Income and Fee based income.					
51 Net Operating Cash Flow per Share*					
Net cash flows from operating activities		1,618,384,787	4,549,170,468	1,452,736,396	4,491,081,373
Number of ordinary shares outstanding in respective periods		1,700,867,561	1,700,867,561	1,700,867,561	1,700,867,561
Net Operating Cash Flow per Share		0.95	2.67	0.85	2.64
The consolidated and separate NOCFPS of the Bank as of Q3 Y2021 is lower compared to Q3 Y2020 due to lower level of deposits growth than lending growth.					
52 Net Asset Value (NAV) per Share*					
Net assets value at the end of the period		29,861,120,917	27,678,105,215	26,765,877,248	25,507,228,260
Number of ordinary shares outstanding in respective periods		1,700,867,561	1,700,867,561	1,700,867,561	1,700,867,561
Net Asset Value (NAV) per Share		17.56	16.27	15.74	15.00

* Previous period's figure has been restated.

Balance with other Banks and Financial Institutions-Outside Bangladesh

as at 30 September 2021

Annexure-A

Name of the Bank and Financial Institutions	Account type	Currency type	30 September 2021			31 December 2020		
			FC amount	Conversion rate	Equivalent BDT	FC amount	Conversion rate	Equivalent BDT
AB Bank Ltd., Mumbai	CD	USD	809,289	85.50	69,194,240	395,913	84.80	33,573,878
Amana Bank, Sri Lanka	CD	USD	41,325	85.50	3,533,314	11,790	84.80	999,805
Bank of Bhutan, Phuentsoling	CD	USD	77,927	85.50	6,662,729	77,927	84.80	6,608,266
Citi Bank N.A. New York	CD	USD	2,029,548	85.50	173,526,376	1,290,776	84.80	109,459,226
Commerz Bank AG, Frankfurt	CD	USD	784,976	85.50	67,115,444	870,894	84.80	73,852,764
Commerz Bank AG, Frankfurt	CD	EUR	201,667	99.15	19,996,194	259,390	103.87	26,943,552
Habib Bank, New York	CD	USD	925,462	85.50	79,127,033	642,042	84.80	54,445,833
Habib Bank AG, Zurich	CD	CHF	72,458	91.45	6,626,165	16,161	95.87	1,549,398
ICIC Bank Ltd., India	CD	USD	834,676	85.50	71,364,810	777,170	84.80	65,904,870
J.P. Morgan Chase Bank AG, Frankfurt	CD	EUR	30,297	99.15	3,004,048	27,150	103.87	2,820,185
J.P. Morgan Chase Bank, New York	CD	USD	2,008,241	85.50	293,001,171	3,139,002	84.80	266,190,838
J.P. Morgan Chase Bank, Sydney	CD	AUD	39,818	61.37	2,443,542	60,073	64.50	3,874,664
Mashreq Bank, PSC, India	CD	USD	334,677	85.50	28,614,844	323,691	84.80	27,449,330
Masreq Bank PSC, New York	CD	USD	1,823,390	85.50	155,899,842	1,283,113	84.80	108,809,368
MCB Bank Ltd, Pakistan	CD	USD	115,393	85.50	9,866,119	149,715	84.80	12,696,015
Nations Trust Bank Ltd., Colombo	CD	USD	-	-	-	-	-	-
Nepal Bangladesh Bank Ltd., Nepal	CD	USD	227,696	85.50	19,467,990	198,346	84.80	16,819,930
Sonali Bank Limited, Kolkata	CD	USD	139,264	85.50	11,907,040	152,559	84.80	12,937,139
Standard Chartered Bank, New York	CD	USD	6,812,125	85.50	582,436,727	4,900,230	84.80	415,544,859
Standard Chartered Bank, Kolkata	CD	USD	109,398	85.50	9,353,508	645,508	84.80	54,739,795
Standard Chartered Bank, London	CD	GBP	334,079	114.80	38,351,138	140,208	114.49	16,053,022
Standard Chartered Bank, London	CD	USD	122,970	85.50	10,513,927	122,970	84.80	10,427,984
Standard Chartered Bank, Tokyo	CD	JPY	16,572,671	0.76	12,654,892	14,114,314	0.82	11,555,389
Wells Fargo Bank, New York	CD	USD	2,103,539	85.50	179,852,614	592,745	84.80	50,265,436
Total			36,550,886		1,854,513,708	30,191,685		1,383,521,546

Details of investment in shares

as at 30 September 2021

Annexure-B

Amount in BDT

Name of the Company	Face value	No. of share	Cost/share	Cost price	Mkt or NAV price/share	Total value	Gain/(loss)
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	34.69	79,250,463	56,403,243
				42,847,220		102,472,166	59,624,946
Quoted shares							
Under General/own Fund							
Bangladesh Submarine Cable	10	50,000	187.04	9,351,870	218.50	10,925,000	1,573,130
Beximco Limited	10	8,265,000	65.23	539,131,594	137.20	1,133,958,000	594,826,406
Beximco Pharmaceuticals Limited	10	3,040,600	105.26	320,041,062	240.30	730,656,180	410,615,118
Brac Bank Limite	10	57,434	47.46	2,725,622	47.60	2,733,858	8,236
British American Tobacco Bangladesh Company Limit	10	15,000	463.26	6,948,852	651.00	9,765,000	2,816,148
Energypac Power Generation Limited	10	619,500	41.90	25,960,000	53.10	32,895,450	6,935,450
Fareast Life Insurance Limited	10	979,224	125.11	122,511,641	68.30	66,880,999	(55,630,641)
Grameenphone Limited	10	25,000	367.69	9,192,230	380.20	9,505,000	312,770
IDLC Finance Limited	10	520,000	77.86	40,487,941	73.10	38,012,000	(2,475,941)
LafargeHolcim Bangladesh Limited	10	75,000	79.24	5,943,233	92.40	6,930,000	986,768
National Housing Finance & Investment Limited	10	5,288,910	7.38	39,010,000	81.50	431,046,165	392,036,165
Power Grid Company Limited	10	200,000	69.13	13,825,061	63.10	12,620,000	(1,205,061)
Reliance Insurance Ltd.	10	70,000	106.30	7,440,958	96.10	6,727,000	(713,958)
Square Pharmaceuticals Limited	10	174,025	210.18	36,576,615	242.20	42,148,855	5,572,240
Summit Power Limited	10	208,545	49.92	10,411,536	47.70	9,947,597	(463,940)
TITAS Gas Transmission and Distribution Limited	10	1,665,760	76.60	127,592,706	44.10	73,460,016	(54,132,690)
Unique Hotel and Resorts Limited	10	200,000	105.15	21,029,385	62.80	12,560,000	(8,469,385)
Walton Hi-Tech Industries Limited	10	11,000	1,376.49	15,141,398	1,276.10	14,037,100	(1,104,298)
Total				1,353,321,702		2,644,808,220	1,291,486,518
Under Special Fund as per BB DOS Circular number 1, dated 10 February 2020							
Beximco Pharmaceuticals Limited	10	7,371,650	106.05	781,737,625	240.30	1,771,407,495	989,669,870
Total				781,737,625		1,771,407,495	989,669,870
Mutual funds							
IFIC Bank 1 st Mutual Fund	10	37,951,655	6.59	250,000,000	9.75	370,009,660	120,009,660
ICB Employee 1 st Mutual Fund	10	1,339,500	13.43	17,986,473	9.15	12,262,453	(5,724,020)
				267,986,473		382,272,113	114,285,641

Foreign Investment: In associate/joint venture

Nepal Bangladesh Bank Limited	36,827,426	66.51	2,449,235,383	334.65	12,324,312,695	9,875,077,312
Oman Exchange LLC	627,841	139.75	87,738,845	254.43	159,741,427	72,002,582
			2,536,974,228		12,484,054,122	9,947,079,894
Other foreign Investment: MCB Bank Limited, Pakistan	175,508	2,069.25	363,170,724	75.40	13,233,330	(349,937,394)
Total foreign investment			2,900,144,952		12,497,287,452	9,597,142,500
Total			5,346,037,972		17,398,247,446	12,052,209,474

Required provision for investment in shares

Particulars	Amount in BDT		
	Cost price	Market value	Req. Provision
Unquoted shares ¹	42,847,220	102,472,166	-
Quoted- own/general Fund ²	1,353,321,702	2,644,808,220	-
Quoted- under special fund ²	781,737,625	1,771,407,495	-
Mutual funds ³	267,986,473	382,272,113	5,724,020
Sub-total	2,445,893,020	4,900,959,994	5,724,020
Foreign Investment: In associate/joint venture	2,536,974,228	12,484,054,122	-
Other foreign investment-MCB Bank Ltd.	363,170,724	13,233,330	349,937,394
Grand Total	5,346,037,972	17,398,247,446	355,661,414

¹ Provision is kept against unrealized loss for investment in unquoted shares.

² Provision against quoted- own/general Fund has been made following DOS circular no. 4 dated 24 November 2011

³ Provision against Mutul Fund made in line with the directives contained in Bangladesh Bank DOS Circular number 03 and 10 dated 12 March and 28 June 2015 respectively. Calculation as under:

Name of the Company	No. of share	Cost/Share	NAV/share	NAV x 85%	MV/share	Higher of C & D	(NAVx85%) - CP	Required Provision
	A	B	C	D	E	F=(E-B)	G=(A x F)	
IFIC Bank 1 st MF	37,951,655	6.59	11.47	9.75	6.20	9.75	-	-
ICB EP 1 st MF	1,339,500	13.43	10.77	9.15	7.70	9.15	(4.27)	(5,724,020)
Total provision required								(5,724,020)

Loans and advances allowed to each customer exceeding 10% of Bank's total capital
as at 30 September 2021

						BDT in million
Sl.	Name of the group	Name of clients	Outstanding as on 30 September 2021			Amount classified
			Funded	Non-funded	Total	
1	Uttara	Uttara Traders(Pvt.) Ltd.	4,355.30	5,006.10	9,361.40	-
		Sub Total:	4,355.30	5,006.10	9,361.40	-
2	Silver Line	Silver Composite Textile Mills Ltd.	2,615.91	1,519.60	4,135.51	-
		Silver Line Composite Textile Mill Ltd.	2,005.50	1,479.80	3,485.30	-
			-	5.00	5.00	-
		Sub Total:	4,621.41	3,004.40	7,625.81	-
3	Pran Group	Agricultural Marketing Ltd.	68.23	-	68.23	-
		Banga Building Materials Ltd.	104.53	735.10	839.63	-
		Banga Millers Ltd.	15.40	-	15.40	-
		Durable Plastic Ltd.	190.00	248.70	438.70	-
		Pran Dairy Ltd.	280.00	2,873.10	3,153.10	-
		RFL Plastics Ltd.	28.80	1,800.30	1,829.10	-
		Sub Total:	686.96	5,657.20	6,344.16	-
4	Nassa	Nassa Properties Ltd.	3,848.00	-	3,848.00	-
		Nassa Spinners & Garments	755.10	601.20	1,356.30	-
		Nassa Supreme Wash Ltd.	426.20	19.40	445.60	-
		Sub Total:	5,029.30	620.60	5,649.90	-
5	Doha-Global	Dohatec Newmedia Ltd.	1,714.22	42.60	1,756.82	-
		Global Voice Telecom Ltd.	2,479.48	1,351.30	3,830.78	-
		Sub Total:	4,193.70	1,393.90	5,587.60	-
6	Habib Hotel	Habib Hotel International Ltd.	5,453.96	-	5,453.96	-
		Sub Total:	5,453.96	-	5,453.96	-
7	Knit Concern	Knit Concern Ltd.	1,096.20	2,537.20	3,633.40	-
		KC Apparels Ltd.	54.30	152.90	207.20	-
		Pack Concern Ltd.	42.30	15.30	57.60	-
		KC Lingerie Ltd.	744.70	599.10	1,343.80	-
		Zas Concern Ltd.	6.00	8.10	14.10	-
		JMJ Mollah Cold Storage Ltd.	36.47	-	36.47	-
		Surecell Medical (BD) Ltd.	11.51	-	11.51	-
		KC Spinning Mills Ltd.	-	38.90	38.90	-
		Sub Total:	1,991.48	3,351.50	5,342.98	-
8	SQ	SQ Celsius Ltd.	2,326.89	310.40	2,637.29	-
		SQ Birichina Ltd.	1,551.60	942.10	2,493.70	-
		Sub Total:	3,878.49	1,252.50	5,130.99	-
9	Uttara Jute	Uttara Jute Fibres & Industries Ltd.	4,801.54	314.60	5,116.14	-
		Sub Total:	4,801.54	314.60	5,116.14	-
10	ENA	Ena Properties Ltd.	2,073.03	28.20	2,101.23	-
		Northern Power Solutions Ltd.	2,012.16	111.00	2,123.16	-
		Ena Building Products Ltd.	303.00	-	303.00	-
		Sakoatex Ltd.	504.31	11.00	515.31	-
		Sub Total:	4,892.50	150.20	5,042.70	-
11	Uttara	Uttara Acrylic Mills Ltd.	100.12	20.90	121.02	-
		Uttara Spinning Mills Ltd.	2,365.53	873.20	3,238.73	-
		Six Seasons Food and Beverage Ltd.	-	5.10	5.10	-
		Six Seasons Traders	-	1,234.50	1,234.50	-
		Uttara Rotors Yarn Mills Ltd.	194.10	15.20	209.30	-
		Sub Total:	2,659.75	2,148.90	4,808.65	-
		Islam Garments Ltd.	2,497.40	2,017.00	4,514.40	-

Sl.	Name of the group	Name of clients	Outstanding as on 30 September 2021			Amount classified
			Funded	Non-funded	Total	
12	Islam	Islam Knit Designs Ltd.	129.20	84.20	213.40	-
		Euro Jeans Ltd.	43.80	-	43.80	-
		Sub Total:	2,670.40	2,101.20	4,771.60	-
13		Northstone Construction & Engineering Ltd.	4,716.73	-	4,716.73	-
		Sub Total:	4,716.73	-	4,716.73	-
14		Absolute Construction & Engineering Ltd.	4,705.10	-	4,705.10	-
		Sub Total:	4,705.10	-	4,705.10	-
15		Global LPG Ltd.	4,648.14	-	4,648.14	-
		Sub Total:	4,648.14	-	4,648.14	-
16	Teambuild	Teambuild Construction & Engineering Ltd.	4,628.43	-	4,628.43	-
		Sub Total:	4,628.43	-	4,628.43	-
17		Serve Construction & Engineering Ltd.	4,627.60	-	4,627.60	-
		Sub Total:	4,627.60	-	4,627.60	-
18		Sristi Real Estate Ltd.	4,627.49	-	4,627.49	-
		Sub Total:	4,627.49	-	4,627.49	-
19	Navana	Navana Ltd.	548.28	701.10	1,249.38	-
		Navana Real Estate Ltd.	2,931.00	-	2,931.00	-
		Navana Interlinks Ltd.	146.69	60.70	207.39	-
		Navana Electronics Ltd.	110.99	8.40	119.39	-
		Sub Total:	3,736.97	770.20	4,507.17	-
20		Central Land & Buildings Ltd.	4,386.39	-	4,386.39	-
		Sub Total:	4,386.39	-	4,386.39	-
21	Sikder	Powerpac Mutiara Keraniganj Ltd.	2,230.91	-	2,230.91	-
		R & R Holdings Ltd.	2,113.95	-	2,113.95	-
		Sub Total:	4,344.86	-	4,344.86	-
22		Quick Real Estate Ltd.	4,279.12	-	4,279.12	-
		Sub Total:	4,279.12	-	4,279.12	-
23		Raj Housing Ltd.	4,211.23	-	4,211.23	-
		Sub Total:	4,211.23	-	4,211.23	-
24		Wisdom Attires Ltd.	3,917.30	285.40	4,202.70	-
		Sub Total:	3,917.30	285.40	4,202.70	-
25	Phonix	Appollo Ispat Complex Ltd.	4,039.10	118.60	4,157.70	-
		Sub Total:	4,039.10	118.60	4,157.70	-
26		Vestel Cable TV Networks	3,931.40	-	3,931.40	-
		Sub Total:	3,931.40	-	3,931.40	-
27		Crystal Construction Ltd.	3,909.94	-	3,909.94	-
		Sub Total:	3,909.94	-	3,909.94	-
		Grand Total:	109,944.60	26,175.30	136,119.90	-

Schedule of fixed assets including premises, furniture and fixture

Annexure - D

as at 30 September 2021

Particulars	Cost					Depreciation/Amortization				Written down value as at 30 September 2021
	Balance as at 1 January 2021	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 30 September 2021	Balance as at 1 January 2021	Charged during the year	Disposal during the year	Balance as at 30 September 2021	
Land	2,423,609,559	-	-	-	2,423,609,559	-	-	-	-	2,423,609,559
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	422,008,536	35,187,516	-	457,196,052	1,445,421,152
Right of Use Assets	1,938,582,527	-	-	-	1,938,582,527	584,125,725	313,563,363	-	897,689,087	1,040,893,440
Wooden furniture	287,581,539	36,654,184	-	2,434,147	321,801,576	147,092,121	18,668,196	2,185,399	163,574,918	158,226,658
Steel furniture	111,193,993	22,991,147	-	872,709	133,312,431	49,804,274	4,736,349	596,276	53,944,347	79,368,084
Computer equipment	1,049,746,984	88,888,743	29,031,300	18,527,473	1,149,139,554	743,955,942	71,860,492	18,342,716	797,473,718	351,665,836
Electrical & gas equipment	1,085,482,116	187,431,781	29,825,582	31,079,261	1,271,660,218	562,544,470	90,828,356	30,225,765	623,147,061	648,513,157
Office equipment	290,404,959	57,598,524	-	3,285,648	344,717,835	219,524,399	19,734,325	3,285,597	235,973,127	108,744,708
Leasehold improvement	508,637,207	140,547,443	43,274,460	13,306,215	679,152,895	208,944,409	35,767,046	10,912,201	233,799,255	445,353,640
Vehicles	212,708,501	-	-	4,355,027	208,353,474	171,833,744	12,400,478	4,355,022	179,879,201	28,474,273
Soft furnishing	12,960,055	490,589	-	330,725	13,119,919	11,745,436	617,410	325,463	12,037,382	1,082,537
Software	1,107,209,905	8,500,942	2,413,320	13,000	1,118,111,167	402,183,786	67,917,254	12,999	470,088,041	648,023,126
	10,930,734,549	543,103,352	104,544,662	74,204,204	11,504,178,359	3,523,762,842	671,280,784	70,241,437	4,124,802,189	7,379,376,170
Capital work in progress *	88,200,413	187,695,625	(104,544,662)	-	171,351,376	-	-	-	-	171,351,376
Total	11,018,934,962	730,798,977	-	74,204,204	11,675,529,735	3,523,762,842	671,280,784	70,241,437	4,124,802,189	7,550,727,546

* Capital work in progress represents the amount paid for EKYC Solution, Computers, Router and Fusion Banking Essence.

Particulars	Cost					Depreciation/Amortization				Written down value as at 31 December 2020
	Balance as at 1 January 2020	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2020	Balance as at 1 January 2020	Charged during the year	Disposal during the year	Balance as at 31 December 2020	
Land	2,423,609,559	-	-	-	2,423,609,559	-	-	-	-	2,423,609,559
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	374,834,064	47,174,472	-	422,008,536	1,480,608,668
Right of Use Assets	951,944,753	1,045,628,181	-	58,990,406	1,938,582,527	134,709,167	454,886,479	5,469,921	584,125,725	1,354,456,803
Wooden furniture	254,570,346	38,998,932	-	5,987,739	287,581,539	131,702,993	21,075,551	5,686,424	147,092,121	140,489,418
Steel furniture	77,057,552	25,087,869	10,125,000	1,076,428	111,193,993	46,253,874	4,127,431	577,031	49,804,274	61,389,719
Computer equipment	863,236,002	77,513,866	117,214,225	8,217,109	1,049,746,984	680,401,945	71,735,012	8,181,015	743,955,942	305,791,043
Electrical & gas equipment	902,371,888	197,864,907	-	14,754,679	1,085,482,116	483,273,963	93,429,031	14,158,524	562,544,470	522,937,646
Office equipment	242,661,330	51,323,052	-	3,579,423	290,404,959	204,996,742	18,099,158	3,571,502	219,524,399	70,880,560
Leasehold improvement	329,274,712	173,277,081	17,061,674	10,976,260	508,637,207	186,421,607	30,567,987	8,045,185	208,944,409	299,692,798
Vehicles	147,985,565	17,122,936	-	-	165,108,501	115,581,655	11,833,728	-	127,415,383	37,693,118
Leased vehicles	47,600,000	-	-	-	47,600,000	35,598,988	8,819,373	-	44,418,361	3,181,639
Soft furnishing	12,646,335	802,092	-	488,372	12,960,055	11,438,534	795,240	488,338	11,745,436	1,214,619
Software	693,375,354	33,888,255	380,261,630	315,333	1,107,209,905	339,695,937	62,803,177	315,327	402,183,786	705,026,119
	8,848,950,600	1,661,507,171	524,662,529	104,385,750	10,930,734,550	2,744,909,469	825,346,640	46,493,267	3,523,762,842	7,406,971,708
Capital work in progress *	297,219,437	315,643,505	(524,662,529)	-	88,200,413	-	-	-	-	88,200,413
Total	9,146,170,037	1,977,150,676	-	104,385,750	11,018,934,962	2,744,909,469	825,346,640	46,493,267	3,523,762,842	7,495,172,120

* Capital work in progress represents the amount paid for Disaster Recovery Centre, Iron safe, EKYC Solution and Fusion Banking Essence.

Computation of Risk Weighted Assets
Annexure -E

Solo Basis

as at 30 September 2021

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	5,418.15	-
b.	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank		0	62,597.67	-
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	395.53	79.11
		2,3	0.50	63.36	31.68
		4,5	1.00	3.43	3.43
		6	1.50	-	-
		Unrated	1.00	51.10	51.10
	ii) Maturity less than 3 months		0.20	11,732.66	2,346.53
h.	Claims on Corporate (excluding equity exposure)	1	0.20	13,929.24	2,785.85
		2	0.50	24,262.32	12,131.16
		3,4	1.00	82,716.41	82,716.41
		5,6	1.50	-	-
		Unrated	1.25	20,086.44	25,108.05
h(1)	Claims on SME	SME 1	0.20	199.52	39.90
		SME 2	0.40	277.98	111.19
		SME 3	0.60	2,080.81	1,248.48
		SME 4	0.80	1,188.89	951.11
		SME 5	1.20	-	-
		SME 6	1.50	-	-
		Unrated (small enterprise & <BDT 3m)	0.75	2,115.14	1,586.36
		Unrated (small enterprise having ≥ BDT 3m&Medium enterprise)	1.00	10,694.65	10,694.65

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
i.	Claims under Credit Risk Mitigation	PSE		-	-
		Banks & NBFIs		-	-
		Corporate		6,001.30	3,340.87
		Retail		444.33	23.69
		SME		684.52	58.20
		Consumer finance		1,523.51	138.55
		Residential property		46.32	13.91
	Commercial real estate		73.35	71.35	
j.	Claims categorized as retail portfolio (excluding SME, Consumer Finance and Staff loan) up to 1 crore		0.75	1,337.80	1,003.35
k.	Consumer finance		1.00	1,943.85	1,943.85
l.	Claims fully secured by residential property		0.50	68,673.12	34,336.56
m.	Claims fully secured by Commercial real estate		1.00	37,331.00	37,331.00
n.	1. Past Due Claims that is past due for 60 days or more (Risk weights are to be assigned net of specific provision):			-	
	i) Where specific provisions are less than 20 percent of the outstanding amount of the past due claim		1.50	6,499.09	9,748.64
	ii) Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim		1.00	1,896.56	1,896.56
	iii) Where specific provisions are more than 50 percent of the outstanding amount of the past due claim		0.50	398.94	199.47
	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	741.38	741.38
	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	42.24	31.68
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	110.59	138.23
q.	Investments in venture capital		1.50	-	-
r.	Investments in premises, plant and equipment and all other fixed assets		1.00	7,550.73	7,550.73
s.	Claims on all fixed assets under operating lease		1.00	170.95	170.95
t.	All other assets			-	-
	i) Claims on GoB & BB		0.00	9,271.60	-
	ii) Staff loan/Investment		0.20	1,100.63	220.13
	iii) Cash items in Process of Collection		0.20	-	-
	iv) Claims on Off-shore Banking Units (OBU)		1.00	2,114.76	2,114.76
	v) Other assets (net off specific provision, if any)		1.00	6,937.33	6,937.33
Sub-Total				392,727.19	247,906.19

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	8,204.86	1,640.97
		2	0.50	10,100.14	5,050.07
		3,4	1.00	8,060.54	8,060.54
		5,6	1.50	-	-
		Unrated	1.25	5,725.13	7,156.41
h)	Claims under retail exposure		0.75	2.11	1.58
h(1)	Claims under SME Credit Rating-wise exposure	1	0.20	0.52	0.10
		2	0.40	21.80	8.72
		3	0.60	482.15	289.29
		4	0.80	330.34	264.28
		5	1.20	-	-
		6	1.50	-	-
		Unrated (small enterprise & <BDT 3.00m)	0.75	62.09	46.57
	Unrated (small enterprise having ≥ BDT 3.00m & Medium enterprise)	1.00	1,115.90	1,115.90	
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				34,105.58	23,634.43

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	16.96	10.00	169.46
b	Equities	959.70	10.00	9,596.98
c	Foreign Exchange Position	101.26	10.00	1,012.64
d	Commodities	-	-	-
Sub-Total		1,077.92		10,779.17

4.0 Capital Charge for Operational Risk (Basic Indicator Approach)

Sl. No.	Operational Risk	Capital Charge	Risk Weight	RWA
a	Gross Income	1,191.44	10.00	11,914.37
Sub-Total		1,191.44	10.00	11,914.37
Grand Total Risk Weighted Assets				294,234.17

Name of Directors and their interest in different entities
as at 30 September 2021

SI No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
1	Mr. Salman F Rahman	Chairman	Chairman	Bangladesh Enterprise Institute
			Chairman	Abahani Limited
			Vice Chairman	Bangladesh Export Import Co. Ltd.
			Vice Chairman	Beximco Pharmaceuticals Ltd.
			Vice Chairman	Beximco Synthetics Ltd.
			Vice Chairman	Shinepukur Ceramics Ltd.
			Vice Chairman	Independent Television Ltd.
			Vice Chairman	Beximco Holdings Ltd.
			Vice Chairman	Beximco Computers Ltd.
			Vice Chairman	Beximco Pharma Center for Bio & Industrial Research Ltd.
			Vice Chairman	Beximco Property Development and Management Ltd.
			Vice Chairman	Sonali Ansh Limited
			Vice Chairman	Esses Exporters Ltd.
			Shareholder	Beximco Power Company Ltd.
			Shareholder	Beximco Engineering Ltd.
Shareholder	I & I Services Ltd.			
2	Mr. Ahmed Shayan Fazlur Rahman	Vice-Chairman	Chairman	Beximco Communications Limited
			Chairman	Escorp LPG Limited
			Chairman	Beximco Petroleum Limited
			Chairman	Escorp Cylinders Limited
			Chairman (Nominee Director)	Beximco LPG Unit-1 Limited
			Chairman (Nominee Director)	Beximco LPG Unit-2 Limited
			Chairman (Nominee Director)	Giga Tech Limited
			Managing Director (Nominee Director)	Beximco Power Company Limited
			Managing Director (Nominee Director)	Escorp Holdings Limited
			Managing Director (Nominee Director)	OK Company Limited
			Managing Director	Eses Holdings Limited
			Shareholder	Crescent Fashion and Design Limited
			Shareholder	SFR Estates Limited
3	Mr. Anwaruzzaman Chowdhury (Upto 17 July 2021)	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 Investment Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Alternate Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Partner	Jamali & Morshed
			Independent Director	Confidence Cement Limited
5	Mr. Sudhangshu Shekhar Biswas (Since 18 July 2021)	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)	Oman Exchange LLC

SI No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
6	Mr. A. R. M. Nazmus Sakib	Govt. nominated Director	Chairman (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Chairman (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Investment Limited
7	Ms. Quamrun Naher Ahmed	Govt. nominated Director	Chairman (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	Nepal Bangladesh Bank Limited, Nepal
			Director (Nominated by IFIC Bank)	Beximco Pharmaceuticals Ltd.
			Member (Nominated by Govt. of Bangladesh)	National River Conservation Commission
8	Mr. Md. Zafar Iqbal, ndc	Govt. nominated Director	Chairman (Nominated by IFIC Bank)	IFIC Investment Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Alternate Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Additional Secretary (On PRL)	Ministry of Public Administration, Bangladesh Secretariat
9	Mr. Mohammad Shah Alam Sarwar	Managing Director	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

- i) Significant contracts with the Bank wherein Directors have interest during the year is nil.
- ii) Share issued to Directors and Executive without consideration or exercisable at a discount is nil.
- iii) The details of the related party transactions are as follows:

Amount in BDT

Nature of Transaction	As at and for the year ended	
	30 September 2021	31 December 2020
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	910,341,299	82,462,094
C. BO account balance	801,495,863	829,312,122
D. Loan	2,789,253,758	2,860,263,433
2) Name of the Party : IFIC Money Transfer (UK) Limited		
Relationship with the company : Subsidiary		
A. Capital investment	34,438,980	34,348,260
3) Name of the Party : IFIC Investment Limited		
Relationship with the company : Subsidiary		
A. Capital investment	399,994,000	-
B. Current & SND Account	222,194,110	-
4) Name of the Party : Oman Exchange LLC		
Relationship with the company : Associate		
A. Capital investment	87,738,845	87,021,644
5) Name of the Party : Nepal Bangladesh Bank Limited		
Relationship with the company : Associate		
A. Capital investment	2,449,235,383	2,432,766,863
B. Borrowing	-	508,806,600

iv) Lending facility of Director and their related concern:

Name of the Borrower	Related Director	Relation with the Bank	Loan Type & Date of expiry	Relation with Borrower	Investment at Cost
<i>Beximco Computers Limited</i>	<i>Mr. Salman F Rahman</i>	<i>Chairman</i>	<i>Guarantee (19.01.22)</i>	<i>Director</i>	563,000
<i>Giga Tech Limited</i>	<i>Mr. Ahmed Shayan Fazlur Rahman</i>	<i>Vice Chairman</i>	<i>Guarantee (31.12.21)</i>	<i>Chairman</i>	1,880,000

In case of approval of Loan to related parties, the Bank follows the BRPD circular no. 04 dated 23 February 2014 and requirement of section 27(1) of the Banking Companies Act 1991 as amended.

v) Business other than banking business with any related concern of the Directors as per section 18(2) of Bank Companies Act 1991:

Bank has executed maintenance agreement with Beximco Computers Limited for maintenance of Nostro Reconciliation Software with a fees of BDT 50,000 per year, Bangladesh Bank Taka Account Reconciliation software with a fees of BDT 50,000 per year and Bangladesh Bank Foreign Exchange Return software with a fee of BDT 95,000 per month and also an agreement with Giga Tech Limited for implementation of EKYC Solution with a fees of BDT 29,895,000. Bank has also a service agreement with Bangladesh Export Import Co. Limited for Broadband Internet Service with a fees of BDT 60,000 per month. Bank also paid BDT 8,657,340 to Independent Television Ltd. for the period ended 30 September 2021.

vi) Investment in the securities of Director and their related concern:

Investee Entity	Related Director	Relation with the Bank	Relation with Investee Entity	Investment at Cost
<i>Beximco Pharmaceuticals Limited</i>	<i>Mr. Salman F Rahman</i>	<i>Chairman</i>	<i>Vice Chairman</i>	1,101,778,687
<i>Beximco Limited</i>	<i>Mr. Salman F Rahman</i>	<i>Chairman</i>	<i>Vice Chairman</i>	539,131,594

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 (Upto 17 July 2021)	Independent Director	Member	MBA
3	Mr. Sudhangshu Shekhar Biswas (Since 18 July 2021)	Independent Director	Member	BA (Hons), MA (Economics)
4	Mr. Md. Zafar Iqbal, ndc	Director	Member	B. Com (Hons), M. Com (Accounting), MBA, Masters in Economics

* Mr. Sudhangshu Shekhar Biswas has been appointed as Independent Director for the 1st term w.e.f. 18 July 2021 in place of Mr. Anwaruzzaman Chowdhury who has completed his 2nd term as Independent Director on 17 July 2021 .

b) Particulars of meetings held by the Audit Committee during the period from 01 January to 30 September 2021

Sl.	Meeting No	Meeting held on
1	157 th Audit Committee Meeting	21.01.2021
2	158 th Audit Committee Meeting	28.01.2021
3	159 th Audit Committee Meeting	14.02.2021
4	160 th Audit Committee Meeting	28.02.2021
5	160 th Adjourned Audit Committee Meeting	03.03.2021
6	161 st Audit Committee Meeting	21.03.2021
7	162 nd Audit Committee Meeting	31.03.2021
8	163 rd Audit Committee Meeting	11.04.2021
9	164 th Audit Committee Meeting	25.04.2021
10	165 th Audit Committee Meeting	25.05.2021
11	166 th Audit Committee Meeting	08.06.2021
12	167 th Audit Committee Meeting	21.06.2021
13	168 th Audit Committee Meeting	05.07.2021
14	169 th Audit Committee Meeting	16.07.2021
15	170 th Audit Committee Meeting	27.07.2021
16	171 st Audit Committee Meeting	11.08.2021
17	172 nd Audit Committee Meeting	31.08.2021
18	173 rd Audit Committee Meeting	19.09.2021

Evaluation of the Audit Committee regarding strengthening of Internal Control System

The Internal Control & Compliance Division (ICCD) of the Bank reviews the Internal Control System of the Bank and ensures that the internal controls are being properly managed and supervised throughout all Divisions, Branches and Uposhakhas of the Bank.

As per guideline of Bangladesh Bank, the Audit Committee, in the meetings held during the period ended 30 September 2021, reviewed and evaluated various issues/reports/findings on financial reporting process, the system of internal control, the audit process and the process for monitoring compliance with laws and regulations and its own code of business conduct submitted by ICCD.

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

All audited/Un-audited yearly/quarterly Financial Statements submitted during the period ended 30 September 2021 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 the existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank and Bangladesh Securities and Exchange Commission.

The Committee has submitted compliance reports to the Board on a quarterly basis during the period ended 30 September 2021 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 30 September 2021

Amount in BDT

Particulars	IFIC Bank Limited				Subsidiaries			Associates		Adjustment	Consolidated
	Inside Bangladesh		Adjustment	Total	IFIC Securities Limited	IFIC Investment Limited	IFIC Money Transfer (UK) Limited	Nepal Bangladesh Bank Limited	Oman Exchange LLC		
	Conventional Banking	Off-Shore Banking Unit									
Interest income	16,094,462,461	81,214,039	-	16,175,676,500	356,016,769	-	-	-	-	(182,478,966)	16,349,214,303
Interest paid on deposits and borrowings, etc.	11,612,588,608	53,505,098	(53,505,098)	11,612,588,608	185,550,966	-	-	-	-	(186,561,220)	11,611,578,354
Net interest income	4,481,873,853	27,708,941	(53,505,098)	4,563,087,892	170,465,803	-	-	-	-	4,082,254	4,737,635,949
Investment income	3,112,822,211	-	-	3,112,822,211	39,955,673	28,873,917	-	-	-	-	3,181,651,801
Commission, exchange and brokerage	1,750,552,649	2,165,537	-	1,752,718,186	69,377,292	-	19,684,465	(16,468,520)	(717,201)	(3,072,000)	1,821,522,222
Other operating income	125,312,441	235,368	-	125,547,809	2,676,114	-	1,328,680	-	-	(95,330)	129,457,273
	4,988,687,301	2,400,905	-	4,991,088,206	112,009,079	28,873,917	21,013,144	(16,468,520)	(717,201)	(3,167,330)	5,132,631,296
Total operating income	9,470,561,154	30,109,846	(53,505,098)	9,554,176,098	282,474,882	28,873,917	21,013,144	(16,468,520)	(717,201)	914,925	9,870,267,245
Salary and allowances	2,091,063,320	-	-	2,091,063,320	8,482,494	1,762,690	8,255,965	-	-	-	2,109,564,468
Rent, taxes, insurance, electricity, etc.	478,264,396	-	-	478,264,396	441,095	-	2,116,941	-	-	-	480,822,432
Legal expenses	10,219,772	-	-	10,219,772	-	-	1,620,667	-	-	-	11,840,440
Postage, stamps, telecommunication, etc.	76,819,902	-	-	76,819,902	315,748	-	109,070	-	-	-	77,244,720
Stationery, printing, advertisement, etc.	277,079,069	-	-	277,079,069	236,257	600	71,852	-	-	-	277,387,778
Managing Director's salary	18,870,250	-	-	18,870,250	-	-	-	-	-	-	18,870,250
Directors' fees	1,832,000	-	-	1,832,000	862,400	572,000	-	-	-	-	3,266,400
Auditors' fees	2,970,835	-	-	2,970,835	-	38,333	-	-	-	-	3,009,168
Depreciation and repairs of Bank's assets	884,313,797	-	-	884,313,797	6,266,157	194,446	1,952,925	-	-	-	892,727,326
Other expenses	792,814,586	-	-	792,814,586	12,110,395	10,464,522	12,161,229	-	-	-	827,550,732
Total operating expenses	4,634,247,928	-	-	4,634,247,928	28,714,546	13,032,591	26,288,650	-	-	-	4,702,283,714
Operating profit	4,836,313,226	30,109,846	(53,505,098)	4,919,928,170	253,760,336	15,841,327	(5,275,505)	(16,468,520)	(717,201)	914,925	5,167,983,532
Share of profit of joint ventures/associates	-	-	-	-	-	-	-	331,930,681	16,881,588	-	348,812,269
Profit before provision	4,836,313,226	30,109,846	(53,505,098)	4,919,928,170	253,760,336	-	(5,275,505)	315,462,161	16,164,387	914,925	5,516,795,801
Provision against loans and advances	1,477,740,648	-	-	1,477,740,648	-	-	-	-	-	-	1,477,740,648
Provision for diminution in value of investments	1,185,653	-	-	1,185,653	-	-	-	-	-	-	1,185,653
Provisions for other assets	16,686,622	-	-	16,686,622	-	-	-	-	-	-	16,686,622
Total provision	1,495,612,923	-	-	1,495,612,923	-	-	-	-	-	-	1,495,612,923
Profit before taxation	3,340,700,303	30,109,846	(53,505,098)	3,424,315,247	253,760,336	-	(5,275,505)	315,462,161	16,164,387	914,925	4,021,182,878
Provision for taxation	-	-	-	-	-	-	-	-	-	-	-
Current tax	1,888,550,000	-	-	1,888,550,000	68,574,069	2,887,392	-	-	-	-	1,960,011,461
Deferred tax	(77,185,421)	-	-	(77,185,421)	(706,850)	-	-	-	-	-	(77,892,270)
	1,811,364,579	-	-	1,811,364,579	67,867,219	-	-	-	-	-	1,882,119,190
Net profit after taxation	1,529,335,724	30,109,846	(53,505,098)	1,612,950,668	185,893,118	-	(5,275,505)	315,462,161	16,164,387	914,925	2,139,063,687

The Bank reports its operations under geographical location and business segment as per IFRS:8 Operating Segment
Balance Sheet as at 30 September 2021

Amount in BDT

Particulars	IFIC Bank Limited				Subsidiaries			Associates		Adjustment	IFIC Bank & its subsidiaries
	Inside Bangladesh		Adjustment	Total	IFIC Securities Limited	IFIC Investment Limited	IFIC Exchange (UK) Ltd.	Nepal Bangladesh Bank Limited	Oman Exchange LLC		
	Conventional Banking	Off-Shore Banking Unit									
PROPERTY AND ASSETS											
Cash	21,099,640,630	-	-	21,099,640,630	36,527	-	185,167	-	-	-	21,099,862,324
Balance with other banks and financial institute	6,773,566,850	283,612,525	(283,612,525)	6,773,566,850	910,341,299	-	15,390,201	-	-	(1,711,837,162)	5,987,461,188
Money at call and on short notice	4,300,000,000	-	-	4,300,000,000	-	-	-	-	-	-	4,300,000,000
Investments	57,320,149,515	-	-	57,320,149,515	3,156,126,788	194,112,475	-	-	-	2,545,802,683	63,216,191,460
Loans and advances	290,556,669,417	2,114,756,409	-	292,671,425,826	3,960,747,039	-	-	-	-	(2,789,253,758)	293,842,919,107
Fixed assets	7,550,727,546	-	-	7,550,727,546	45,168,599	-	667,657	-	-	-	7,596,563,802
Other assets	15,189,899,176	4,622,095	-	15,194,521,271	479,068,414	-	10,297,366	-	-	(2,634,426,980)	13,049,460,071
Non-banking assets	148,474,800	-	-	148,474,800	-	-	-	-	-	-	148,474,800
Total Assets	402,939,127,934	2,402,991,029	(283,612,525)	405,058,506,438	8,551,488,666	194,112,475	26,540,391	-	-	(4,589,715,217)	409,240,932,753
LIABILITIES AND CAPITAL											
Borrowings from other banks, financial institution	14,913,336,063	2,368,585,980	(2,368,585,980)	14,913,336,063	2,789,253,758	-	-	-	-	(2,789,253,758)	14,913,336,063
Subordinated debt	6,400,000,000	-	-	6,400,000,000	-	-	-	-	-	-	6,400,000,000
Deposits and other accounts	326,736,265,433	-	-	326,736,265,433	899,333,887	-	-	-	-	(1,934,442,714)	325,701,156,606
Other Liabilities	30,238,732,488	4,295,205	-	30,243,027,693	2,104,454,291	2,950,877	14,974,293	-	-	-	32,365,407,155
Total Liabilities	378,288,333,984	2,372,881,185	(2,368,585,980)	378,292,629,189	5,793,041,936	2,950,877	14,974,293	-	-	(4,723,696,472)	379,379,899,825
Capital/Shareholders' equity											
Paid up capital	17,008,675,610	-	-	17,008,675,610	2,200,000,000	-	34,438,969	-	-	(2,234,438,969)	17,008,675,610
Statutory reserve	6,864,775,853	-	-	6,864,775,853	-	-	-	-	-	-	6,864,775,853
General reserve	155,071,397	-	-	155,071,397	-	-	-	-	-	-	155,071,397
Revaluation reserve against securities	49,443,201	-	-	49,443,201	-	-	-	-	-	-	49,443,201
Revaluation reserve against fixed assets	115,314,704	-	-	115,314,704	-	-	-	-	-	-	115,314,704
Foreign currency translation reserve	-	-	-	-	-	-	1,513,125	81,379,939	13,366,593	-	96,259,657
Surplus in profit and loss account	2,572,596,483	30,109,846	(30,109,846)	2,572,596,483	558,445,206	13,868,652	(24,385,996)	2,484,051,152	87,239,947	(120,234,950)	5,571,580,495
	26,765,877,248	30,109,846	(30,109,846)	26,765,877,248	2,758,445,206	13,868,652	11,566,098	2,565,431,091	100,606,540	(2,354,673,918)	29,861,120,917
Minority Interest	-	-	-	-	7,523	6,208	-	-	-	-	13,731
Total shareholders' equity	26,765,877,248	30,109,846	(30,109,846)	26,765,877,248	2,758,452,729	13,874,860	11,566,098	2,565,431,091	100,606,540	(2,354,673,918)	29,861,134,648
Total liabilities and shareholders' equity	405,054,211,233	2,402,991,031	(2,398,695,826)	405,058,506,438	8,551,494,665	16,825,737	26,540,391	2,565,431,091	100,606,540	(7,078,370,390)	409,241,034,472

**Financial highlights of the Bank
as at and for the year ended 30 September 2021**

Sl.	Particulars	Currency/ percentage	30 September 2021	31 December 2020
1	Paid up capital	BDT	17,008,675,610	16,198,738,680
2	Total capital	BDT	38,570,535,266	31,289,951,586
3	Capital surplus/(deficit)	BDT	1,791,264,439	(664,881,718)
4	Total assets	BDT	405,058,506,438	363,411,767,076
5	Total deposits	BDT	326,736,265,433	296,369,024,858
6	Total loan & advances	BDT	292,671,425,826	260,650,289,525
7	Total contingent liabilities & commitments	BDT	65,726,393,466	50,483,678,851
8	Credit deposit ratio	%	82.84	82.42
9	Percentage of classified loan against total loans & advances	%	3.93	3.97
10	Profit after tax & provision	BDT	1,612,950,668	562,247,536
11	Amount of classified loans	BDT	11,499,771,622	10,345,761,856
12	Provision kept against classified loans	BDT	2,923,864,788	2,737,576,718
13	Cost of fund	%	4.00	5.41
14	Interest earning assets	BDT	354,193,952,522	317,877,110,625
15	Non-interest earning assets	BDT	50,864,553,916	45,534,656,451
16	Return on Investment (ROI)	%	5.66	7.03
17	Return on Assets (ROA)	%	0.42	0.17
18	Income from investment	BDT	3,112,822,211	3,454,712,181
19	Earnings per share	BDT	0.95	0.33
20	Net income per share	BDT	0.95	0.33
21	Net Asset Value (NAV)	BDT	26,765,877,248	25,216,954,980
22	Net Asset Value (NAV) per share	BDT	15.74	14.83
23	Net Operating Cash Flow Per Share (NOCFPS)	BDT	0.85	5.69
24	Price earning ratio	Times	16.87	45.98

Disclosure of Restructured Loan

as at and for the year ended 30 September 2021

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 30 September 2021		Present Status	Outstanding as at 31 December 2020
				Required	Realized		At the time of taking NOC from BB	New/Fresh Disbursement amount after NOC	Outstanding as at 30 September 2021	Required	Maintained		
1	Power Pac - Mutiara KPP Plant Ltd.	TL (O)	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	1,833.20	Nil	2,230.88	44.33	44.33	SMA(RST)	2,084.01
2	M/s R&R Holdings	TL (O)-1	2nd time 01.01.18	N/A	N/A	07.04.2018 (Interest portion)	936.20	Nil	1,136.33	22.58	22.58	SMA(RST)	1,063.03
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	977.65	19.43	19.43	SMA(RST)	912.90
Total				-	-		3,573.30		4,344.86	86.33	86.33		4,059.94

Statement of Tax Position
as at 30 September 2021

Accounting year	Assessment year	Tax provision in Financial Statements	Tax as per assessment	Excess/ (shortage) provision	Advance income tax paid	Remarks
Balance of provision for up to Y2015 (except Y2005 & Y2010)		1,344,988,022	-	1,344,988,022	-	Assessments up to Y2015 (except Y2005 & Y2010) have been completed by the Tax Authority and there is no tax liability remained outstanding against related years
2005	2006-2007	140,397,922		140,397,922	-	Honorable High Court Division of Supreme Court 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	1,454,854,994	1,508,170,344	(53,315,350)	1,385,538,554	Honorable High Court Division of Supreme Court
2016	2017-2018	700,000,000	1,030,632,248	(330,632,248)	1,030,632,248	Subsequently settled in February 2021. Bank has received Tax Clearance Certificate and Zero Demand Notice. Now we are checking AIT in details for final adjustment
2017	2018-2019	750,000,000	1,361,487,496	(611,487,496)	1,361,487,496	Subsequently settled in February 2021. Bank has received Tax Clearance Certificate and Zero Demand Notice. Now we are checking AIT in details for final adjustment
2018	2019-2020	1,080,000,000	1,199,674,275	(119,674,275)	1,069,572,247	Bank has received the order from Commissioner of Taxes (Appeals) which are under review of the Management for next course of action.
2019	2020-2021	1,700,000,000	1,699,489,718	510,282	1,402,427,849	Appeal under process
2020	2021-2022	963,000,000	1,190,000,000	(227,000,000)	1,124,700,195	Return submitted
2021	2022-2023	1,888,550,000	1,810,000,000	78,550,000	641,290,511	
Total		10,021,790,938	9,799,454,081	222,336,857	8,015,649,100	
Less: Stock Div. Y2020		(80,993,694)	-	-	-	
Total after Adjustment		9,940,797,244	9,799,454,081	222,336,857	8,015,649,100	

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Off-shore Banking Unit

Balance Sheet

as at 30 September 2021

Particulars	Note	30 September 2021		31 December 2020	
		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		3,317,106	283,612,525	904,854	76,732,600
In Bangladesh		3,317,106	283,612,525	904,854	76,732,600
Outside Bangladesh		-	-	-	-
Money at call and on short notice		-	-	-	-
Investments		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
Loans and advances	3	24,733,993	2,114,756,409	27,059,831	2,294,703,416
Loans, cash credits, overdrafts etc.	3.1	21,041,207	1,799,023,189	24,218,050	2,053,717,248
Bills purchased and discounted	3.2	3,692,786	315,733,220	2,841,781	240,986,168
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets	4	54,060	4,622,095	61,203	5,190,073
Non banking assets		-	-	-	-
Total assets		28,105,158	2,402,991,030	28,025,888	2,376,626,090
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from other banks, financial Institutions and agents	5	27,702,760	2,368,585,980	27,686,395	2,347,836,793
Deposit and other accounts		-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed Deposits		-	-	-	-
Other liabilities	6	50,236	4,295,205	57,430	4,870,086
Total liabilities		27,752,996	2,372,881,185	27,743,825	2,352,706,879
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	352,161	30,109,846	282,063	23,919,211
Total shareholders' equity		352,161	30,109,846	282,063	23,919,211
Total liabilities and shareholders' equity		28,105,158	2,402,991,030	28,025,888	2,376,626,090

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Off-shore Banking Unit

Profit and Loss Account

for the 3rd quarter ended 30 September 2021

Particulars	Note	1 January to 30 September 2021		1 January to 30 September 2020	
		USD	Taka	USD	Taka
Interest income	8	949,871	81,214,039	1,093,393	92,759,070
Interest paid on deposits, borrowings etc.	9	625,791	53,505,098	1,168,821	99,158,134
Net interest income		324,080	27,708,941	(75,428)	(6,399,064)
Investment Income		-	-	-	-
Commission, exchange and brokerage	10	25,328	2,165,537	9,241	784,004
Other operating income	11	2,753	235,368	-	-
Total operating income		352,161	30,109,846	(66,187)	(5,615,060)
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telecommunication etc.		-	-	-	-
Stationery, printing, advertisement etc.		-	-	-	-
Managing Director's salary		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Charges on loan loss		-	-	-	-
Depreciation and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
Total operating expenses		-	-	-	-
Profit/(Loss) before provision		352,161	30,109,846	(66,187)	(5,615,060)
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		352,161	30,109,846	(66,187)	(5,615,060)

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

Off-Shore Banking Unit
Notes to the Financial Statements
as at and for the period ended 30 September 2021

1 Status of the unit

Off-shore Banking Units of IFIC Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission from Bangladesh Bank vide letter no. BRPD (P-3) 744 (104)/2009-4233 dated 17 November 2009. The Bank commenced the operation of its Off-shore Banking Unit on 10 May 2010. Presently the Bank has 1 (one) unit in Dhaka. The principal activity of the unit is to provide all kinds of commercial banking services to its customers through its off-shore Banking Unit in Bangladesh.

2 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of accounting

The Off-shore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Banking Companies Act 1991, International Accounting Standards (IASs), and other applicable directives issued by Bangladesh Bank.

2.2 Foreign currencies transaction and translation to presentation currency

Foreign currency transactions are converted into equivalent USD using the ruling exchange rates on the dates of respective transactions as per IAS 21: *The Effects of Changes in Foreign Exchange Rates*.

Particulars	Note	30 September 2021		31 December 2020	
		USD	Taka	USD	Taka
3 Loans and advances					
3.1 Loans, cash credits, overdrafts etc.					
Term loan		21,041,207	1,799,023,189	24,218,050	2,053,717,248
		21,041,207	1,799,023,189	24,218,050	2,053,717,248
3.2 Bills purchased and discounted					
Inside Bangladesh		3,692,786	315,733,220	2,841,781	240,986,168
Outside Bangladesh		-	-	-	-
		3,692,786	315,733,220	2,841,781	240,986,168
		24,733,993	2,114,756,409	27,059,831	2,294,703,416
4 Other assets					
Interest receivable on term loan		31,790	2,718,042	46,860	3,973,758
Interest receivable on bills discount		22,270	1,904,053	14,343	1,216,315
		54,060	4,622,095	61,203	5,190,073
5 Borrowing from other banks, financial Institutions and its agents					
In Bangladesh:					
IFIC Bank Limited		25,500,000	2,180,250,000	27,686,395	2,347,836,793
		25,500,000	2,180,250,000	27,686,395	2,347,836,793
Outside Bangladesh		2,202,760	188,335,980	-	-
		27,702,760	2,368,585,980	27,686,395	2,347,836,793
6 Other liabilities					
Interest on borrowing from abroad		-	-	-	-
Due to Head Office		50,236	4,295,205	57,430	4,870,086
		50,236	4,295,205	57,430	4,870,086
7 Surplus in profit and loss account					
Opening balance		282,063	23,919,211	422,036	35,830,868
Less: Adjustment/ payment for the year		(282,063)	(23,919,211)	(422,036)	(35,830,868)
Add: Addition during the year		352,161	30,109,846	282,063	23,919,211
		352,161	30,109,846	282,063	23,919,211

Particulars	Note	1 January to 30 September 2021		1 January to 30 September 2020	
		USD	Taka	USD	Taka
8 Interest income					
Term Loan		904,528	77,337,177	1,065,956	90,431,454
Bills discount		45,343	3,876,862	27,437	2,327,616
Interest on loans and advances		949,871	81,214,039	1,093,393	92,759,070
9 Interest paid on deposits, borrowings etc.					
Interest paid on IFIC Bank Limited		625,791	53,505,098	1,168,821	99,158,134
		625,791	53,505,098	1,168,821	99,158,134
10 Commission, exchange and brokerage					
Income-Fees & Commission		25,328	2,165,537	9,241	784,004
		25,328	2,165,537	9,241	784,004
11 Other operating income					
Income-Other Operating		2,753	235,368	-	-
		2,753	235,368	-	-