

**IFIC Bank PLC**

Independent Auditor's Report and Audited Financial Statements  
as at and for the year ended 31 December 2022

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

**Opinion**

We have audited the consolidated financial statements of IFIC Bank PLC and its subsidiaries (the "Group") as well as the separate financial statements of IFIC Bank PLC (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2022 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 year 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 31 December 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.1.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *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 of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

The key audit matter	How the matter was addressed in our audit
<b>1. Measurement of provision for loans and advances</b>	
<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"> <li>• Future business performance of the borrower;</li> <li>• Key assumptions relating to further business performance of the borrower;</li> <li>• Market value of the collateral;</li> <li>• Ability to repossess collateral; and</li> <li>• Recovery rates.</li> </ul> <p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued 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 year end the Group and the Bank reported total gross loans and advances of BDT 355,859 million (2021: BDT 306,333 million) and BDT 354,454 million (2021: BDT 305,061 million) respectively and provision for loans and advances of BDT 13,372 million (2021: BDT 10,356 million) and BDT 13,141million (2021: BDT 10,125 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"> <li>• Credit monitoring and provisioning process;</li> <li>• Identification of loss events, including early warning and default warning indicators; and</li> <li>• Review of quarterly Classification of Loans (CL)</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the companies general and specific provisions;</li> <li>• Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and</li> <li>• Finally, assessed the appropriateness of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul>

<b>2. Recognition of interest income from loans and advances</b>	
<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. Legal and Regulatory Matters	
<p>We focused on legal and regulatory matters because the Bank and its subsidiaries (the "Group") operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p>	<p>We tested the design and operating effectiveness of key controls over the legal provision and contingencies process.</p> <p>We inquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We inquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group's provisions and contingent liabilities disclosure.</p>

4. IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the business environment and changes to the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included:</p> <ul style="list-style-type: none"> <li>• testing that requests for access to systems were appropriately reviewed and authorized</li> <li>• testing the Bank's periodic review of access rights</li> </ul> <p>inspecting requests of changes to systems for appropriate approval and authorization</p>

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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



If, based on such work we perform, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

### **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 year 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**

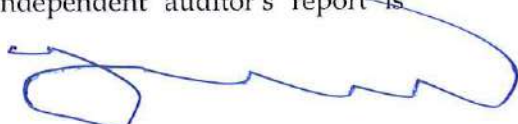
In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- 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.
- iii) financial statements for the year ended 31 December 2022 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 has been audited by Ahmed & Co. (UK), and 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 15.2.1;
- 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 4,800 person hours; and
- xii) Capital to Risk-Weighted Asset Ratio (CRAR) has been maintained adequately during the year.

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

Dated, Dhaka  
27 April 2023



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



**IFIC Bank PLC**  
Consolidated Balance Sheet  
as at 31 December 2022

Particulars	Note	Amount in BDT	
		31 December 2022	31 December 2021
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>31,593,213,516</b>	<b>25,065,301,074</b>
Cash in hand (including foreign currency)	3.1	11,829,060,999	7,206,054,519
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	19,764,152,517	17,859,246,555
<b>Balance with other banks and financial institutions</b>	<b>4</b>	<b>8,963,806,280</b>	<b>1,048,932,840</b>
In Bangladesh	4.1	6,962,563,426	303,039,633
Outside Bangladesh	4	2,001,242,854	745,893,207
<b>Money at call and on short notice</b>	<b>5</b>	<b>690,000,000</b>	<b>4,380,000,000</b>
<b>Investments</b>	<b>6</b>	<b>58,895,483,351</b>	<b>61,214,980,678</b>
Government securities	6.1	44,618,830,186	48,724,679,719
Other investments	6.2	14,276,653,165	12,490,300,959
<b>Loans and advances</b>	<b>7</b>	<b>355,858,871,517</b>	<b>306,333,354,843</b>
Loans, cash credit, overdrafts etc.	7.1	332,876,481,759	287,762,185,345
Bills purchased and discounted	8	22,982,389,758	18,571,169,498
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9</b>	<b>9,303,138,276</b>	<b>7,966,754,765</b>
<b>Other assets</b>	<b>10</b>	<b>5,095,032,712</b>	<b>4,245,116,584</b>
<b>Non-banking assets</b>	<b>11</b>	<b>148,474,800</b>	<b>148,474,800</b>
<b>Total assets</b>		<b>470,548,020,452</b>	<b>410,402,915,585</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other banks, financial institutions and agents</b>	<b>12</b>	<b>20,621,060,373</b>	<b>14,562,035,508</b>
<b>Subordinated debt</b>	<b>13</b>	<b>10,700,000,000</b>	<b>6,400,000,000</b>
<b>Deposits and other accounts</b>	<b>14</b>	<b>375,552,707,152</b>	<b>332,751,259,838</b>
Current deposit and other accounts		148,580,323,584	124,268,243,060
Bills payable		2,457,173,551	2,455,215,075
Savings bank deposits		24,846,308,549	25,716,666,242
Fixed deposits		199,668,901,468	180,311,135,461
<b>Other liabilities</b>	<b>15</b>	<b>30,065,238,822</b>	<b>26,453,296,458</b>
<b>Total liabilities</b>		<b>436,939,006,347</b>	<b>380,166,591,804</b>
<b>Capital/Shareholders' equity</b>			
Paid up capital	<b>16.2</b>	17,859,109,390	17,008,675,610
Statutory reserve	<b>17</b>	8,672,124,215	7,757,784,033
General reserve	<b>18</b>	155,071,397	155,071,397
Revaluation reserve against securities	<b>19</b>	109,963,943	80,926,888
Revaluation reserve against fixed assets	<b>20</b>	96,309,954	96,309,954
Foreign currency translation reserve	<b>20.a</b>	7,557,895	76,565,511
Surplus in profit and loss account	<b>22</b>	6,708,860,161	5,060,974,278
<b>Total shareholders' equity</b>		<b>33,608,996,955</b>	<b>30,236,307,671</b>
Non-controlling interest	<b>23</b>	17,150	16,111
<b>Total equity</b>		<b>33,609,014,105</b>	<b>30,236,323,782</b>
<b>Total liabilities and equity</b>		<b>470,548,020,452</b>	<b>410,402,915,585</b>



**IFIC Bank PLC**  
Consolidated Balance Sheet  
as at 31 December 2022

Particulars	Note	Amount in BDT	
		31 December 2022	31 December 2021
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>	<b>24</b>	<b>69,935,030,734</b>	<b>71,383,874,980</b>
Acceptances and endorsements	24.1	39,758,619,159	28,484,724,497
Letters of guarantee	24.2	8,025,221,783	8,612,473,288
Irrevocable letters of credit	24.3	11,926,244,318	23,825,249,182
Bills for collection	24.4	10,224,945,474	10,461,428,013
Other contingent liabilities		-	-
<b>Other commitments</b>			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total off-balance sheet exposures including contingent liabilities</b>		<b>69,935,030,734</b>	<b>71,383,874,980</b>

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



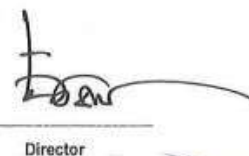
Managing Director  
& CEO



Director



Director



Director



Hasan Mahmood FCA, Partner

Enrolment no: 564

M. J. Abedin & Co. Chartered Accountants

DVC No.: 2305020564 AS 921521

Dhaka, 27 April 2023

**IFIC Bank PLC**  
Consolidated Profit and Loss Account  
for the year ended 31 December 2022

Amount in BDT

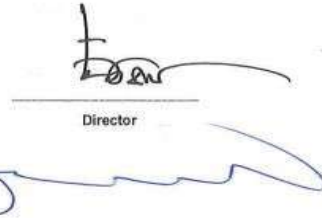
Particulars	Note	2022	2021
Interest income	26	26,293,284,875	22,591,013,320
Interest paid on deposits, borrowings etc.	27	18,194,037,136	15,426,170,206
<b>Net interest income</b>		<b>8,099,247,739</b>	<b>7,164,843,114</b>
Investment income	28	3,395,287,838	4,369,456,343
Commission, exchange and brokerage	29	3,857,159,223	2,649,787,975
Other operating income	30	221,326,883	187,755,600
		<b>7,473,773,943</b>	<b>7,206,999,918</b>
<b>Total operating income</b>		<b>15,573,021,682</b>	<b>14,371,843,032</b>
Salary and allowances	31	3,624,756,913	3,116,808,269
Rent, taxes, insurance, electricity etc.	32	898,236,041	709,050,031
Legal expenses	33	21,476,111	18,057,653
Postage, stamp, telecommunication etc.	34	231,721,873	118,248,961
Stationery, printing, advertisement etc.	35	511,013,400	386,496,624
Managing Director's salary	36	25,128,053	22,952,775
Directors' fees	37	4,257,600	4,346,400
Auditors' fees	38	4,332,625	4,126,749
Depreciation and repair of bank's assets	39	1,482,939,906	1,195,691,208
Other expenses	40	1,631,885,209	1,186,286,363
<b>Total operating expenses</b>		<b>8,435,747,730</b>	<b>6,762,065,033</b>
<b>Operating profit</b>		<b>7,137,273,952</b>	<b>7,609,777,999</b>
<b>Share of profit of joint ventures/associates</b>	40.a	58,926,798	256,382,220
<b>Profit before provision</b>		<b>7,196,200,750</b>	<b>7,866,160,219</b>
<b>Provision for loans, investments &amp; other assets</b>	41		
Provision for loans and advance		2,151,328,796	2,684,664,610
Provision for diminution in value of investments		15,953,403	4,002,860
Other provisions		49,464,436	13,957,367
<b>Total provision</b>		<b>2,216,746,635</b>	<b>2,702,624,837</b>
<b>Profit/(Loss) before taxes</b>		<b>4,979,454,114</b>	<b>5,163,535,382</b>
<b>Provision for taxation</b>	42		
Current tax		2,835,201,785	2,712,105,506
Deferred tax expense/(income)		(1,298,112,746)	(89,790,868)
		<b>1,537,089,039</b>	<b>2,622,314,639</b>
<b>Net profit after taxation</b>		<b>3,442,365,075</b>	<b>2,541,220,743</b>
<b>Net profit after tax attributable to:</b>			
Equity holders of the Bank		3,442,364,036	2,541,217,648
Non-controlling interest		1,039	3,095
		<b>3,442,365,075</b>	<b>2,541,220,743</b>
<b>Profit available for appropriation:</b>			
Retained earnings brought forward from previous year		5,060,974,278	4,242,454,452
Add: Net profit after tax (attributable to equity holders of the Bank)		3,442,364,036	2,541,217,648
		<b>8,503,338,314</b>	<b>6,783,672,100</b>
<b>Appropriations:</b>			
Statutory reserve		914,340,182	893,008,180
Start-up fund		29,704,190	19,752,712
Dividend		850,433,780	809,936,930
		<b>1,794,478,152</b>	<b>1,722,697,822</b>
<b>Retained surplus</b>		<b>6,708,860,162</b>	<b>5,060,974,278</b>
<b>Earnings Per Share (EPS)</b>	50	1.93	1.42

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

  
Managing Director  
& CEO

  
Director

  
Director

  
Director

Hasan Mahmood FCA, Partner  
Enrolment no: 564

M. J. Abedin & Co. Chartered Accountants

DVC No.: 2305020564 AS 921521

Dhaka, 27 April 2023



**IFIC Bank PLC**  
Consolidated Cash Flow Statement  
for the year ended 31 December 2022

		Amount in BDT	
Particulars	Note	2022	2021
<b>A. Cash flows from operating activities</b>			
Interest received		29,919,554,178	24,954,551,561
Interest payments		(17,641,097,651)	(15,907,447,590)
Dividend received		232,355,797	195,329,961
Fees and commission received		3,857,159,223	2,649,787,975
Recoveries of loans and advances previously written-off		852,890,685	220,307,550
Cash payments to employees		(3,587,764,966)	(2,839,973,044)
Cash payments to suppliers		(628,829,463)	(350,074,834)
Income taxes paid		(2,549,487,761)	(2,098,978,203)
Receipts from other operating activities	43	234,857,145	1,579,971,629
Payments for other operating activities	44	(3,512,141,332)	(2,672,617,123)
<b>Operating cash flows before changing in operating assets and liabilities</b>		<b>7,177,495,855</b>	<b>5,730,857,882</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Statutory deposits		-	-
Purchase/sale of trading securities		2,867,725,460	7,673,478,939
Loans and advances to other banks		-	-
Loans and advances to customers		(50,610,546,498)	(43,536,172,393)
Other assets	45	(28,670,905)	571,363,867
Deposits from other banks		(1,341,378,386)	5,815,211,891
Deposits from customers		43,756,746,251	31,210,269,701
Other liabilities	46	316,708,189	(120,622,535)
		<b>(5,039,415,890)</b>	<b>1,613,529,470</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>2,138,079,965</b>	<b>7,344,387,352</b>
<b>B. Cash flows from investing activities</b>			
Net proceeds/(payments) from sale/(purchase) of Government securities		1,268,139,327	(9,445,801,841)
Net proceeds/(payments) from sale/(purchase) of securities		(1,727,425,408)	(1,113,270,011)
Purchase of property, plant & equipment		(1,868,321,488)	(1,219,183,241)
Proceeds from sale of property, plant & equipment		3,978,492	215,368,146
<b>Net cash flows from/(used in) investing activities</b>		<b>(2,323,629,077)</b>	<b>(11,562,886,948)</b>
<b>C. Cash flows from financing activities</b>			
Borrowing from other banks, financial institutions and agents		10,359,024,865	5,840,241,496
Payment against lease obligation		-	(79,987)
<b>Net cash flows from/(used in) financing activities</b>		<b>10,359,024,865</b>	<b>5,840,161,509</b>
<b>D. Net increase/(decrease) in cash (A+B+C)</b>		<b>10,173,475,753</b>	<b>1,621,661,914</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>579,799,230</b>	<b>(22,301,845)</b>
<b>F. Opening balance of cash and cash equivalents</b>		<b>30,497,530,113</b>	<b>28,898,170,044</b>
<b>G. Closing balance of cash and cash equivalents (D+E+F)</b>		<b>41,250,805,096</b>	<b>30,497,530,113</b>
<b>Closing cash and cash equivalents</b>			
	47		
Cash in hand		11,829,060,999	7,206,054,519
Balance with Bangladesh Bank and its agents bank		19,764,152,517	17,859,246,555
Balance with other banks and financial institutions		8,963,806,280	1,048,932,840
Money at call and on short notice		690,000,000	4,380,000,000
Prize bonds		3,785,300	3,296,200
		<b>41,250,805,096</b>	<b>30,497,530,113</b>

**IFIC Bank PLC**  
Consolidated Statement of Changes in Equity  
for the year ended 31 December 2022

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 2022	17,008,675,610	7,757,784,033	155,071,397	80,926,888	96,309,954	76,565,511	5,060,974,278	16,111	30,236,323,782
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2022</b>	<b>17,008,675,610</b>	<b>7,757,784,033</b>	<b>155,071,397</b>	<b>80,926,888</b>	<b>96,309,954</b>	<b>76,565,511</b>	<b>5,060,974,278</b>	<b>16,111</b>	<b>30,236,323,782</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	29,037,055	-	-	-	-	29,037,055
Effect of foreign currency translation	-	-	-	-	-	(69,007,616)	-	-	(69,007,616)
<b>Net gain and losses not recognized in the profit and loss account</b>	<b>17,008,675,610</b>	<b>7,757,784,033</b>	<b>155,071,397</b>	<b>109,963,943</b>	<b>96,309,954</b>	<b>7,557,895</b>	<b>5,060,974,278</b>	<b>16,111</b>	<b>30,196,353,221</b>
Net profit for the year	-	-	-	-	-	-	3,442,364,036	1,039	3,442,365,075
Bonus share issued for the year 2021	850,433,780	-	-	-	-	-	(850,433,780)	-	-
Transfer to Start-up fund	-	-	-	-	-	-	(29,704,190)	-	(29,704,190)
Transfer to statutory reserve	-	914,340,182	-	-	-	-	(914,340,182)	-	-
<b>Balance as at 31 December 2022</b>	<b>17,859,109,390</b>	<b>8,672,124,215</b>	<b>155,071,397</b>	<b>109,963,943</b>	<b>96,309,954</b>	<b>7,557,895</b>	<b>6,708,860,161</b>	<b>17,150</b>	<b>33,609,014,105</b>
<b>Balance as at 1 January 2021</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>96,309,954</b>	<b>134,088,406</b>	<b>4,248,076,927</b>	<b>7,016</b>	<b>27,804,917,359</b>
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2021</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>96,309,954</b>	<b>134,088,406</b>	<b>4,248,076,927</b>	<b>7,016</b>	<b>27,804,917,359</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	(26,922,238)	-	-	-	-	(26,922,238)
Effect of foreign currency translation	-	-	-	-	-	(57,522,895)	-	-	(57,522,895)
<b>Net gain and losses not recognized in the profit and loss account</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>80,926,888</b>	<b>96,309,954</b>	<b>76,565,511</b>	<b>4,248,076,927</b>	<b>7,016</b>	<b>27,720,472,226</b>
Addition during the year	-	-	-	-	-	-	-	6,000	6,000
Net profit for the year	-	-	-	-	-	-	2,541,217,648	3,095	2,541,220,743
Bonus share issued for the year 2020	809,936,930	-	-	-	-	-	(809,936,930)	-	-
Transfer to Start-up fund	-	-	-	-	-	-	(25,375,187)	-	(25,375,187)
Transfer to statutory reserve	-	893,008,180	-	-	-	-	(893,008,180)	-	-
<b>Balance as at 31 December 2021</b>	<b>17,008,675,610</b>	<b>7,757,784,033</b>	<b>155,071,397</b>	<b>80,926,888</b>	<b>96,309,954</b>	<b>76,565,511</b>	<b>5,060,974,278</b>	<b>16,111</b>	<b>30,236,323,782</b>



**IFIC Bank PLC**  
Balance Sheet  
as at 31 December 2022

Particulars	Note	Amount in BDT	
		31 December 2022	31 December 2021
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>	<b>31,593,152,205</b>	<b>25,065,189,007</b>
Cash in hand (including foreign currency)	3.1	11,828,999,688	7,205,942,452
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	19,764,152,517	17,859,246,555
<b>Balance with other banks and financial institutions</b>	<b>4</b>	<b>8,935,036,091</b>	<b>1,028,492,775</b>
In Bangladesh	4.1	6,964,083,717	303,970,186
Outside Bangladesh	4	1,970,952,374	724,522,589
<b>Money at call and on short notice</b>	<b>5</b>	<b>690,000,000</b>	<b>4,380,000,000</b>
<b>Investments</b>	<b>6</b>	<b>52,749,089,960</b>	<b>55,611,867,850</b>
Government securities	6.1	44,618,830,186	48,724,679,719
Other investments	6.2	8,130,259,774	6,887,188,131
<b>Loans and advances</b>	<b>7</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
Loans, cash credit, overdrafts etc.	7.1	331,471,884,106	286,490,180,371
Bills purchased and discounted	8	22,982,389,758	18,571,169,498
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9</b>	<b>9,266,829,299</b>	<b>7,922,878,221</b>
<b>Other assets</b>	<b>10</b>	<b>7,435,856,771</b>	<b>6,659,256,586</b>
<b>Non-banking assets</b>	<b>11</b>	<b>148,474,800</b>	<b>148,474,800</b>
<b>Total assets</b>		<b>465,272,712,989</b>	<b>405,877,509,108</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from other banks, financial Institutions and agents</b>	<b>12</b>	<b>20,621,060,373</b>	<b>14,562,035,508</b>
<b>Subordinated debt</b>	<b>13</b>	<b>10,700,000,000</b>	<b>6,400,000,000</b>
<b>Deposits and other accounts</b>	<b>14</b>	<b>375,584,475,522</b>	<b>333,142,132,175</b>
Current deposit and other accounts		148,611,910,560	124,658,938,392
Bills payable		2,457,173,551	2,455,215,075
Savings bank deposits		24,846,308,549	25,716,666,242
Fixed deposits		199,669,082,862	180,311,312,466
<b>Other liabilities</b>	<b>15</b>	<b>28,276,501,168</b>	<b>24,652,417,404</b>
<b>Total liabilities</b>		<b>435,182,037,063</b>	<b>378,756,585,087</b>
<b>Capital/Shareholders' equity</b>			
Paid up capital	<b>16.2</b>	17,859,109,390	17,008,675,610
Statutory reserve	<b>17</b>	8,637,619,318	7,757,784,033
General reserve	<b>18</b>	155,071,397	155,071,397
Revaluation reserve against securities	<b>19</b>	109,963,943	80,926,888
Revaluation reserve against fixed assets	<b>20</b>	96,309,954	96,309,954
Surplus in profit and loss account	<b>21</b>	3,232,601,924	2,022,156,139
<b>Total shareholders' equity</b>		<b>30,090,675,926</b>	<b>27,120,924,021</b>
<b>Total liabilities and shareholders' equity</b>		<b>465,272,712,989</b>	<b>405,877,509,108</b>

**IFIC Bank PLC**  
Balance Sheet  
as at 31 December 2022

Amount in BDT


Particulars	Note	31 December 2022	31 December 2021
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>	<b>24</b>	<b>69,935,030,734</b>	<b>71,383,874,980</b>
Acceptances and endorsements		39,758,619,159	28,484,724,497
Letters of guarantee		8,025,221,783	8,612,473,288
Irrevocable letters of credit		11,926,244,318	23,825,249,182
Bills for collection		10,224,945,474	10,461,428,013
Other contingent liabilities		-	-
<b>Other commitments</b>			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total off-balance sheet exposures including contingent liabilities</b>		<b>69,935,030,734</b>	<b>71,383,874,980</b>

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

  
Managing Director  
& CEO

  
Director

  
Director

  
Director



Hasan Mahmood FCA, Partner

Enrolment no: 564

M. J. Abedin & Co. Chartered Accountants

DVC No.: 2305020564 AS 921521

Dhaka, 27 April 2023



**IFIC Bank PLC**  
Profit and Loss Account  
for the year ended 31 December 2022

Amount in BDT

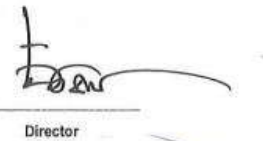
Particulars	Note	2022	2021
Interest income	26	26,012,333,555	22,346,622,480
Interest paid on deposits, borrowings, etc.	27	18,198,257,752	15,432,682,362
<b>Net interest income</b>		<b>7,814,075,803</b>	<b>6,913,940,118</b>
Investment income	28	3,259,631,140	4,191,471,146
Commission, exchange and brokerage	29	3,657,048,093	2,551,897,596
Other operating income	30	216,664,448	179,627,407
		<b>7,133,343,681</b>	<b>6,922,996,149</b>
<b>Total operating income</b>		<b>14,947,419,484</b>	<b>13,836,936,267</b>
Salary and allowances	31	3,592,564,070	3,090,779,799
Rent, taxes, insurance, electricity, etc.	32	891,412,324	705,060,401
Legal expenses	33	16,285,567	15,990,974
Postage, stamp, telecommunication, etc.	34	230,750,879	117,673,008
Stationery, printing, advertisement, etc.	35	510,528,900	385,899,940
Managing Director's salary	36	25,128,053	22,952,775
Directors' fees	37	3,360,000	2,736,000
Auditors' fees	38	4,025,000	3,833,333
Depreciation and repair of bank's assets	39	1,471,901,607	1,184,613,726
Other expenses	40	1,599,033,071	1,139,730,572
<b>Total operating expenses</b>		<b>8,344,989,471</b>	<b>6,669,270,529</b>
<b>Profit/(Loss) before provision</b>		<b>6,602,430,013</b>	<b>7,167,665,738</b>
<b>Provision for loans, investments and other assets</b>	41		
Provision for loans and advance		2,151,328,796	2,684,664,610
Provision for diminution in value of investments		2,460,354	4,002,860
Other provisions		49,464,436	13,957,367
<b>Total Provision</b>		<b>2,203,253,586</b>	<b>2,702,624,837</b>
<b>Profit/(Loss) before taxes</b>		<b>4,399,176,427</b>	<b>4,465,040,901</b>
<b>Provision for taxation</b>	42		
Current tax		2,726,461,102	2,578,825,776
Deferred tax expense/(income)		(1,297,703,716)	(89,056,092)
		<b>1,428,757,387</b>	<b>2,489,769,685</b>
<b>Net profit after taxation</b>		<b>2,970,419,040</b>	<b>1,975,271,216</b>
Retained earnings brought forward from previous year		2,022,156,139	1,769,582,745
		<b>4,992,575,179</b>	<b>3,744,853,962</b>
<b>Appropriations</b>			
Statutory reserve		879,835,285	893,008,180
Start-up fund		29,704,190	19,752,712
Dividend		850,433,780	809,936,930
		<b>1,759,973,255</b>	<b>1,722,697,822</b>
<b>Retained surplus</b>		<b>3,232,601,924</b>	<b>2,022,156,139</b>
<b>Earnings Per Share (EPS)</b>	50	<b>1.66</b>	<b>1.11</b>

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

  
Managing Director  
& CEO

  
Director

  
Director

  
Director

Hasan Mahmood FCA, Partner  
Enrolment no: 564

M. J. Abedin & Co. Chartered Accountants

DVC No.: 2305020564 AS 921521

Dhaka, 27 April 2023

**IFIC Bank PLC**  
Separate Cash Flow Statement  
for the year ended 31 December 2022

Amount in BDT

Particulars	Note	2022	2021
<b>A. Cash flows from operating activities</b>			
Interest received		29,729,065,958	24,874,442,154
Interest payments		(17,645,318,267)	(15,913,959,746)
Dividend received		125,817,064	250,773,401
Fees and commission received		3,657,048,093	2,551,897,596
Recoveries of loans and advances previously written-off		852,890,685	220,307,550
Cash payments to employees		(3,556,692,123)	(2,813,732,574)
Cash payments to suppliers		(599,437,361)	(392,613,308)
Income taxes paid		(2,445,321,941)	(2,017,917,796)
Receipts from other operating activities	43	220,216,745	1,338,414,799
Payments for other operating activities	44	(3,466,199,135)	(2,619,154,117)
<b>Operating cash flows before changing in operating assets and liabilities</b>		<b>6,872,069,719</b>	<b>5,478,457,959</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Statutory deposits		-	-
Purchase/sale of trading securities		2,867,725,460	7,673,478,939
Loans and advances to other banks		-	-
Loans and advances to customers		(50,395,087,347)	(43,329,432,564)
Other assets	45	(70,097,194)	(273,987,536)
Deposits from other banks		(1,341,378,386)	5,815,211,891
Deposits from customers		43,396,121,993	31,572,754,722
Other liabilities	46	316,405,090	(15,170,583)
		<b>(5,226,310,384)</b>	<b>1,442,854,869</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>1,645,759,335</b>	<b>6,921,312,828</b>
<b>B. Cash flows from investing activities</b>			
Net proceeds/(payments) from sale/(purchase) of Government securities		1,268,139,327	(9,445,801,841)
Net proceeds/(payments) from sale/(purchase) of securities		(1,243,071,643)	(1,144,194,515)
Purchase of property, plant & equipment		(1,868,321,488)	(1,207,671,215)
Proceeds from sale of property, plant & equipment		3,978,492	215,368,146
Investment in subsidiary		-	(399,994,000)
<b>Net cash flows from/(used in) investing activities</b>		<b>(1,839,275,312)</b>	<b>(11,982,293,425)</b>
<b>C. Cash flows from financing activities</b>			
Borrowing from other banks, financial institution and agents		10,359,024,865	5,840,241,496
Payment against lease obligation		-	(79,987)
<b>Net cash flows from/(used in) financing activities</b>		<b>10,359,024,865</b>	<b>5,840,161,509</b>
<b>D. Net increase/(decrease) in cash (A+B+C)</b>		<b>10,165,508,888</b>	<b>779,180,913</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>579,486,725</b>	<b>(23,572,870)</b>
<b>F. Opening balance of cash and cash equivalents</b>		<b>30,476,977,982</b>	<b>29,721,369,939</b>
<b>G. Closing balance of cash and cash equivalents (D+E+F)</b>		<b>41,221,973,595</b>	<b>30,476,977,982</b>
<b>Closing cash and cash equivalents</b>			
	47		
Cash in hand		11,828,999,688	7,205,942,452
Balance with Bangladesh Bank and its agents bank		19,764,152,517	17,859,246,555
Balance with other banks and financial institutions		8,935,036,091	1,028,492,775
Money at call and on short notice		690,000,000	4,380,000,000
Prize bonds		3,785,300	3,296,200
		<b>41,221,973,595</b>	<b>30,476,977,982</b>

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

**IFIC Bank PLC**  
Separate Statement of Changes in Equity  
for the year ended 31 December 2022

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 2022	17,008,675,610	7,757,784,033	155,071,397	80,926,888	96,309,954	2,022,156,139	27,120,924,021
Impact of changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2022</b>	<b>17,008,675,610</b>	<b>7,757,784,033</b>	<b>155,071,397</b>	<b>80,926,888</b>	<b>96,309,954</b>	<b>2,022,156,139</b>	<b>27,120,924,021</b>
Surplus/deficit on account of revaluation of investments	-	-	-	29,037,055	-	-	29,037,055
<b>Net gain and losses not recognized in the income statement</b>	<b>17,008,675,610</b>	<b>7,757,784,033</b>	<b>155,071,397</b>	<b>109,963,943</b>	<b>96,309,954</b>	<b>2,022,156,139</b>	<b>27,149,961,076</b>
Net profit for the year	-	-	-	-	-	2,970,419,040	2,970,419,040
Bonus share issued for the year 2021	850,433,780	-	-	-	-	(850,433,780)	-
Transfer to Start-up fund	-	-	-	-	-	(29,704,190)	(29,704,190)
Transfer to statutory reserve	-	879,835,285	-	-	-	(879,835,285)	-
<b>Balance as at 31 December 2022</b>	<b>17,859,109,390</b>	<b>8,637,619,318</b>	<b>155,071,397</b>	<b>109,963,943</b>	<b>96,309,954</b>	<b>3,232,601,924</b>	<b>30,090,675,926</b>
<b>Balance as at 1 January 2021</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>96,309,954</b>	<b>1,775,205,220</b>	<b>25,197,950,230</b>
Impact of changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance as at 1 January 2021</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>107,849,126</b>	<b>96,309,954</b>	<b>1,775,205,220</b>	<b>25,197,950,230</b>
Surplus/deficit on account of revaluation of investments	-	-	-	(26,922,238)	-	-	(26,922,238)
<b>Net gain and losses not recognized in the income statement</b>	<b>16,198,738,680</b>	<b>6,864,775,853</b>	<b>155,071,397</b>	<b>80,926,888</b>	<b>96,309,954</b>	<b>1,775,205,220</b>	<b>25,171,027,992</b>
Net profit for the year	-	-	-	-	-	1,975,271,216	1,975,271,216
Bonus share issued for the year 2020	809,936,930	-	-	-	-	(809,936,930)	-
Transfer to Start-up fund	-	-	-	-	-	(25,375,187)	(25,375,187)
Transfer to statutory reserve	-	893,008,180	-	-	-	(893,008,180)	-
<b>Balance as at 31 December 2021</b>	<b>17,008,675,610</b>	<b>7,757,784,033</b>	<b>155,071,397</b>	<b>80,926,888</b>	<b>96,309,954</b>	<b>2,022,156,139</b>	<b>27,120,924,021</b>



**IFIC Bank PLC**  
Liquidity Statement  
Maturity Analysis of Assets and Liabilities  
as at 31 December 2022

Amount in BDT

Particulars	Maturity Period					Total
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	
<b>Assets</b>						
Cash in hand (including Bangladesh Bank)	16,263,834,318	57,400,444	57,400,444	-	15,214,517,000	<b>31,593,152,205</b>
Balance with other banks and financial institutions	2,768,181,424	6,000,000,000	166,854,667	-	-	<b>8,935,036,091</b>
Money at call and on short notice	690,000,000	-	-	-	-	<b>690,000,000</b>
Investment	1,073,466,078	1,151,829,427	7,737,398,680	21,307,410,277	21,478,985,498	<b>52,749,089,960</b>
Loans and advances	78,108,590,620	25,454,574,422	60,922,425,165	79,923,887,636	110,044,796,020	<b>354,454,273,864</b>
Fixed assets including premises, furniture and fixture	-	926,682,930	1,390,024,395	3,706,731,720	3,243,390,255	<b>9,266,829,299</b>
Other assets	494,979,591	1,677,772,107	412,482,993	2,220,646,082	2,629,975,999	<b>7,435,856,771</b>
Non-banking assets	-	-	-	148,474,800	-	<b>148,474,800</b>
<b>Total assets</b>	<b>99,399,052,032</b>	<b>35,268,259,329</b>	<b>70,686,586,343</b>	<b>107,307,150,514</b>	<b>152,611,664,771</b>	<b>465,272,712,989</b>
<b>Liabilities</b>						
Subordinated debt	-	-	700,000,000	7,000,000,000	3,000,000,000	<b>10,700,000,000</b>
Borrowing from other banks, financial institutions and agents	5,835,036,623	7,880,731,267	6,735,538,735	169,753,749	-	<b>20,621,060,374</b>
Deposits and other accounts	68,042,759,660	83,772,722,898	68,237,874,968	41,295,783,604	114,235,334,393	<b>375,584,475,522</b>
Other liabilities	2,629,572,043	710,968,874	5,016,149,692	2,489,976,320	17,429,834,239	<b>28,276,501,168</b>
<b>Total liabilities</b>	<b>76,507,368,326</b>	<b>92,364,423,038</b>	<b>80,689,563,395</b>	<b>50,955,513,673</b>	<b>134,665,168,632</b>	<b>435,182,037,063</b>
<b>Net liquidity</b>	<b>22,891,683,706</b>	<b>(57,096,163,709)</b>	<b>(10,002,977,051)</b>	<b>56,351,636,841</b>	<b>17,946,496,139</b>	<b>30,090,675,926</b>

## Notes to the Financial Statements

As at and for the year ended 31 December 2022

### 1. Reporting Entity

#### 1.1. IFIC Bank PLC

IFIC Bank PLC, previously known as International Finance Investment and Commerce Bank Limited (hereinafter referred to as "the Bank" / "IFIC Bank"), started its journey in 1976 at the instance of the Government as a joint venture between the Government of Bangladesh and sponsors in the private sector with the objective of working as a finance company within the country and setting up joint venture banks/financial institutions abroad. In 1983 when the Government allowed to open up banking in the private sector, the finance company was converted into a full fledged commercial bank. Currently the Government of the People's Republic of Bangladesh holds 32.75% of the share capital of the Bank.

Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Bank has 169 branches, 1,143 Uposhakhas [sub-branches] and 40 ATM booths with 59 ATMs as at 31 December 2022.

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 [sub-branches] 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 PLC. 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 PLC was incorporated as a public limited company. The main objectives of this company 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 got registration from HM Customs and Excise on 17 January 2011 under Money Laundering Regulation. 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 PLC was incorporated as a public limited company. IFICIL obtained full-fledged Merchant Banker Registration Certificate from Bangladesh Securities & Exchange Commission (BSEC) on 19 October 2021. The main objectives of this subsidiary are Issue Management, Underwriting & Portfolio Management activities. The registered office of IFICSL located at IFIC Tower, 61, Purana Paltan, Dhaka – 1000.

### 1.4. Associates of the Bank

#### 1.4.1. 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. Investment in overseas

#### 1.5.1 MCB Bank Ltd, Pakistan

MCB Bank Limited is one of the largest Banks in Pakistan listed in 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.

## 1.5.2 Nabil Bank Limited, Nepal

Nepal Bangladesh Bank Limited (NBBL), a joint venture commercial bank between IFIC Bank PLC and the Nepali Nationals, started its operation with effect from 06 June 1994 in Nepal with 50% equity from IFIC Bank PLC and lastly it was 40.91%. As a part of strategic decision of the Bank, the Board of Director of the Bank has decided to withdrawal the investment from Nepal by selling of entire shares of NBBL held by IFIC Bank PLC as Promoter and to return the fund to Bangladesh. As part of this process, NBBL has been merged with Nabil Bank Limited (NBL) of Nepal on 11 July 2022 with a Share Swap Ratio of (1:0.43) i.e. 0.43 shares of NBL for every share of NBBL. Upon this convergence process, IFIC holds 7.77% shares of NBL As per Share Purchase Agreement (SPA) made by and between IFIC Bank PLC and Ms. Sarika Chaudhary, a Promoter Shareholder of Nabil Bank Limited and as per Final Agreement for acquisition approved by Nepal Rastra Bank and Office of Company Registrar of Nepal, till materialization of SPA, one Director has been nominated to Nabil Bank for representing IFIC Bank PLC.

## 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 2020 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. 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. 14 dated 23 September 2012, BRPD circular no. 7 dated 21 June 2018 and BRPD circular no. 13 dated 18 October 2018. As per BRPD circular no. 15 dated 27 September 2017 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 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 and additional 2% provision has to be maintained in year 2022 as per BRPD Circular No. 53 dated 22 December 2022, moreover in case of CMSME applicable additional provision will be 1%. As per BRPD 16 dated 18 July 2022, Master Circular on Loan Rescheduling and Restructuring, also give directives to maintain provision on recovery basis. 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. Non-Banking assets to be disclosed as separate line item in the Balance Sheet and whether the Non-Banking assets are income generating to be disclosed along with the holding period of the assets.

#### **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. 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.

#### **xiv. 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.

#### **xv. 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.

#### **xvi. 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 one associate – Oman Exchange LLC is Omani Rial. 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 PLC 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 unless the Bank has a legal right to set off such amount and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant financial reporting standards or as directed by Bangladesh Bank.

### 2.1.5 Comparative information

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

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

Books of Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled on regular basis and there are no material differences 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 and 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 31 December 2022. The reporting period of the subsidiaries namely IFIC Securities Limited, IFIC Investments 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 PLC.

### 2.1.9 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 27 April 2023.

### 2.1.10 Use of estimates and judgments

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

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

Key estimates are as follows:

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

### Changes in accounting estimates

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



### 2.1.11 Basis of consolidation

The consolidated financial statements include the financial statements of IFIC Bank PLC and its subsidiaries, IFIC Securities Limited and IFIC Investment 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 PLC 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 IFRS 10: *Consolidated Financial Statements* and IAS 27: *Separate Financial Statements* respectively. The consolidated financial statements are prepared to a common year ended 31 December 2022. 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 in the separate financial statements and presented in the Bank’s consolidated financial statements as that of a single economic entity in accordance with 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 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 PLC, from the date that significant influence commences until the date that significant influence ceases.

##### vi. Investment as Held for Sale

Investment that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less cost to sell. For this to be the case, the investment must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and the sale must be highly probable.

### 2.2.1.3 Loans and advances

- i. Loans and advances are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business. It has been stated at gross value as pre requirements of the Banking Companies Act, 1991.
- ii. 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, BRPD Circular No. 56 dated 10 December 2020, BRPD Circular No. 16 dated 18 July 2022 and BRPD Circular No. 53 dated 22 December 2022.

- iii. The Bank are providing concessional interest rate to its' good borrowers.
- iv. 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.

#### 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 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.

#### 2.2.1.6 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 has considered all the leases of Uposhakha [sub-branch] as low value assets for consideration. 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

#### 2.2.1.7 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	2%	2%	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 %	5% & 20%	20% & 50%	100%
Others		1%	1%	20%	50%	100%
Loan under Deferral during COVID 19		1 to 2%				
Off-balance sheet		1%				

##### ii. Provision for taxation

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

##### a. Current tax

Current tax is the tax expected to be paid on the taxable profit for the year, calculated using tax rates as prescribed in the Income Tax Ordinance (ITO) 1984 and relevant Statutory Regulatory Orders (SRO) and any adjustment (excess or deficit) in respect of previous

years. Currently the income tax rate applicable for banks is 37.50%. The estimation of current tax provision involves making judgments regarding admissibility of certain expenses as well as estimating the amount of other expenses for tax purposes.

##### 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 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 liability arises from non-depreciable assets i.e. land measured using the revaluation model as per IAS 16, the measurement of deferred tax liability reflects the tax consequences of recovering the carrying amount through sale.

Deferred tax assets and liabilities are reviewed at each reporting date and are measure at the prevailing tax rate as per tax laws that are expected to be applied when assets are realized and liabilities are settled. Any unrecognized deferred tax assets and liabilities are reassessed if that has become probable that future taxable profit or loss will be available on which it could be used or settled.

As there is no significance difference between Solo and consolidated basis deferred tax, the Bank does not 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 FEPA (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank. In line with this circular management of the Bank review the outstanding entries of nostro accounts on quarterly basis and certified by the Bank's external auditors on a semi-annual basis.



**v. Provision for Off-balance sheet items**

In line with the BRPD Circular number 14, 01, 07 and 13 dated 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).

**vi. Start-Up Fund:**

In line with Bangladesh Bank's SME & SP Circular No. 04 dated 29 March 2021, and Circular Letter no. 5 dated 26 April 2021, the Bank is required to transfer 1% of its Net Profit After Tax (PAT) to Start-up fund for 5 years. Accordingly IFIC Started to develop Start-Up fund in year 2021.

**2.2.1.8 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 year 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)**

IFIC Bank Employees Gratuity Fund is a funded gratuity scheme recognized by National Board of Revenue with effect from 08 October 2007. Gratuity benefits are given to the eligible employees of the Bank in accordance with the approved IFIC Gratuity Rules (amended w.e.f. 01 January 2022). The fund is managed by the Trustee Board. Employees are eligible to gratuity benefit after

completion of minimum of 5(five) years of service in the Bank. As per the rules eligible employees are provided gratuity benefit based on the last basic earned immediately preceding the date of his/her ceasing to be in the service of the Bank, multiplied by applicable rate that varies as per the service length.

The Bank contribute to gratuity fund monthly basis based on the actuarial valuation of the fund. Net obligation in respect of gratuity is calculated by estimation the amount of future benefit. The last actuarial valuation was carried out on 31 December 2021 by Z. Halim & Associates. As per recommendation of actuarial valuation report, the Bank is contributing 8.0% of basic salary to the gratuity fund on monthly basis.

**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 year.

**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 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 others 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 and service charge on various accounts etc. Fees and Commission income arises on services rendered by the Bank are recognized on a realization basis.

## v. Exchange gain/(loss)

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

## vi. Gain or loss on Fixed Assets

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

## 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 discussed as follows:

### i. Credit risk

Credit risk is one of the major risks out of the six core risks of the Bank. Credit risk is the risk of loss that may occur from the default of any bank borrower or counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. IFIC has a board approved 'Credit Risk Management Policy' and the CRM works within the scope 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 Special Asset Management Division and maintenance of adequate provisioning etc. This policy ensures sound practices of effective functioning of the Bank's lending process and develop the strategies for appropriate management, measurement and monitoring its lending portfolio. Regular monitoring of the ability of borrowers to meet their principal and interest repayment obligations is conducted. Credit risk is monitored by reference to risk grading and managed by limiting the aggregate exposure to any individual counter party, group of companies or industry as per lending cap of the bank and single borrower exposure limit defined by Bangladesh Bank. The Bank has defined segregation of duties for all credit risk related activities like credit approval, administration, monitoring and recovery functions.

### ii. Asset liability management risk

Asset Liability Management (ALM) of the Bank manage Balance Sheet Risk, including managing the liquidity and interest rate risk. To address all the risk elements of the Balance Sheet, Assets

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

### iii. Foreign exchange risk

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

### iv. Money laundering risk

In recognition of the fact that financial institutions are particularly vulnerable to Money Laundering, IFIC has established "Guidelines on Prevention of Money Laundering and Combating Financing of Terrorism" as per directives of Bangladesh Bank for strict compliance. The purpose of this policies is to provide guideline to comply with all applicable local laws and regulations regarding prevention of Money Laundering and combating Terrorist Financing, both at country and international level, to safeguard the Bank from potential compliances, financial and reputational risks. Suspicious Activity Report (SAR), Suspicious Transaction Report (STR), Cash Transaction Report (CTR), Know Your Customer (KYC) Procedure, e-KYC, Structuring Monitoring Report, periodic review of high and low risk customers, Customer Due Diligence (CDD), Enhanced Due Diligence (EDD), duties and responsibilities of Officials etc. have been implemented, reviewed and monitored by the competent authority as procedure of this policy.

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

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

### v. Internal control and compliance risk

The Internal Control & Compliance (ICC) Division of the Bank is working independently to evaluate the Internal Control System of the Bank so as to ensure good governance, transparency & accountability. The ICC Division is conducting comprehensive internal audit of the branches as well as different divisions/departments of Head Office ongoing basis. In line with the Bangladesh Bank guidelines the Bank has successfully implemented the effective internal control system guidelines, formulation of policy guideline, set up of separate organizational structure, segregation of duties and introduction of internal control process, such as Departmental Control Function Checklist (DCFCL), 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 Amar 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, stems from adverse movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices.
- Banks may be exposed to market risk in variety of ways. Market risk exposure-
- a) may be explicit in portfolios of securities/equities and instruments that are actively traded;
  - b) may be implicit such as interest rate risk due to mismatch of assets and liabilities; and
  - c) may arise from activities categorized as off-balance sheet items.

#### **d. Interest rate risk**

Interest rate risk may arise from trading portfolio and non-trading portfolio. The trading portfolio of the Bank consists of government treasury bills, bond, etc. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. Asset Liability Committee (ALCO) of the Bank monitors the interest rate movement on a regular basis.

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a bank's principal and interest cash flows (including final maturities), both on-and off-balance sheet, have mismatched reprising dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. Bank's lending, funding and investment activities give rise to interest rate risk. Interest rate risk management is conducted within the context of a comprehensive business plan.

#### **e. Equity price risk**

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank subsidiary; changes in the value of listed shares used as collateral for loans from a bank or a bank subsidiary, whether or not the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares. Bank presses vital importance to measure, monitor, and control their equity market risk.

#### **f. 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) based on the financial statements and other relevant information as at and for the year ended 31 December 2021 and 2020 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 2021	AA	ST-2	Stable	30-Jun-23
Entity	Jan to Dec 2020	AA	ST-2	Stable	30-Jun-22

#### 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	Complied
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Complied*
Operating Segments	8	Complied
Financial Instruments	9	Complied*
Consolidated Financial Statements	10	Complied
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied*
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Complied*
Leases	16	Complied

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Complied*
Inventories	2	N/A
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
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 2022 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 2023. Earlier adoption is permitted. This has not been applied in preparing these consolidated and separate financial statements.

Notes to the Financial Statements

As at and for the year ended 31 December 2022

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>3 Cash</b>					
Cash in hand (including foreign currency)	3.1	11,829,060,999	7,206,054,519	11,828,999,688	7,205,942,452
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	19,764,152,517	17,859,246,555	19,764,152,517	17,859,246,555
		<b>31,593,213,516</b>	<b>25,065,301,074</b>	<b>31,593,152,205</b>	<b>25,065,189,007</b>
<b>3.1 Cash in hand (including foreign currency)</b>					
Local currency in hand		11,536,493,717	6,907,706,951	11,536,432,406	6,907,594,884
Foreign currencies in hand		38,640,390	43,680,770	38,640,390	43,680,770
Cash with ATM		253,926,892	254,666,798	253,926,892	254,666,798
		<b>11,829,060,999</b>	<b>7,206,054,519</b>	<b>11,828,999,688</b>	<b>7,205,942,452</b>
<b>3.2 Balance with Bangladesh Bank and its agents bank</b>					
<b>Bangladesh Bank</b>					
Local currency		18,185,930,172	16,877,337,517	18,185,930,172	16,877,337,517
Foreign currency		574,004,435	217,495,871	574,004,435	217,495,871
		<b>18,759,934,607</b>	<b>17,094,833,388</b>	<b>18,759,934,607</b>	<b>17,094,833,388</b>
Sonali Bank as agent of Bangladesh Bank		1,004,217,910	764,413,167	1,004,217,910	764,413,167
		<b>19,764,152,517</b>	<b>17,859,246,555</b>	<b>19,764,152,517</b>	<b>17,859,246,555</b>
<b>3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)</b>					
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Banking Companies Act 1991 (as amended up to date) and MPD circular no. 3, dated 9 April 2020, and MPD circular no. 2, dated 10 December 2013.					
<b>3.3.1 Cash Reserve Requirement (CRR)</b>					
As per Bangladesh Bank issued MPD Circular no. 3 dated 9 April 2020 [effective from 15 April 2020], all scheduled banks have to maintain a CRR of a minimum of 3.5% [Y2021: 3.5%] on daily basis and 4.0% [Y2021: 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 December 2022 as based on a weekly average balance of October 2022]. CRR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				381,261,631,000	333,392,231,000
Required reserve				15,250,288,000	13,332,248,000
Actual reserve maintained*				18,281,241,430	16,798,093,867
<b>Surplus</b>				<b>3,030,953,430</b>	<b>3,465,845,867</b>
* As per Bangladesh Bank statement.					
<b>3.3.2 Statutory Liquidity Ratio (SLR)</b>					
As per Bangladesh Bank MPD circular no. 2 dated 10 December 2013 [effective from 1 February 2014], all scheduled banks have to maintain SLR of a minimum of 13.0% of weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e., SLR of December 2022 was based on a weekly average balance of October 2022]. SLR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				381,261,631,000	333,392,231,000
Required reserve				49,564,012,000	43,340,990,000
Actual reserve maintained				60,479,215,914	60,157,585,004
<b>Surplus</b>				<b>10,915,203,914</b>	<b>16,816,595,004</b>
<b>Actual reserve maintained for SLR</b>					
Cash in hand	3.1			11,828,999,688	7,205,942,452
Balance with Bangladesh Bank in excess of CRR				3,030,953,430	3,465,845,867
Balance with Sonali Bank as agent	3.2			1,004,217,910	764,413,167
Government securities (HFT)	6.3			-	2,867,725,460
Government securities (HTM)	6.3			44,615,044,886	45,853,658,058
				<b>60,479,215,914</b>	<b>60,157,585,004</b>



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>4 Balance with other banks and financial institutions</b>					
In Bangladesh	4.1	6,962,563,426	303,039,633	6,964,083,717	303,970,186
Outside Bangladesh *		2,001,242,854	745,893,207	1,970,952,374	724,522,589
		<b>8,963,806,280</b>	<b>1,048,932,840</b>	<b>8,935,036,091</b>	<b>1,028,492,775</b>
* Details of Balance with outside Bangladesh [solo basis] are shown in "Annexure-A".					
<b>4.1 In Bangladesh</b>					
<b>In current deposit account with</b>					
Agrani Bank Limited		30,013,390	8,039,907	30,013,390	8,039,907
Sonali Bank Limited		53,884,613	51,532,019	53,884,613	51,532,019
		<b>83,898,003</b>	<b>59,571,926</b>	<b>83,898,003</b>	<b>59,571,926</b>
<b>In special notice deposit account with</b>					
Trust Bank Limited		3,392,755	38,742,852	3,392,755	38,742,852
Standard Chartered Bank		4,626,335	33,298,687	4,626,335	33,298,687
		<b>8,019,090</b>	<b>72,041,539</b>	<b>8,019,090</b>	<b>72,041,539</b>
<b>In beneficiary owner (BO) account with</b>					
IFIC Securities Limited		-	-	1,520,291	930,553
Latif Securities Limited		27,034	28,834	27,034	28,834
Asian Tiger Capital Partners Investments Limited		3,764,632	4,542,667	3,764,632	4,542,667
		<b>3,791,666</b>	<b>4,571,501</b>	<b>5,311,957</b>	<b>5,502,054</b>
<b>In short term &amp; fixed deposit account with banks and NBFIs</b>					
<b>Short term deposit</b>					
Community Bank Limited		400,000,000	-	400,000,000	-
Midland Bank Limited		300,000,000	-	300,000,000	-
		<b>700,000,000</b>	<b>-</b>	<b>700,000,000</b>	<b>-</b>
<b>Fixed deposit</b>					
Investment Corporation of Bangladesh (ICB)		1,000,000,000	-	1,000,000,000	-
Janata Bank Limited		5,000,000,000	-	5,000,000,000	-
Peoples Leasing & Financial Services Limited		166,854,667	166,854,667	166,854,667	166,854,667
		<b>6,166,854,667</b>	<b>166,854,667</b>	<b>6,166,854,667</b>	<b>166,854,667</b>
		<b>6,962,563,426</b>	<b>303,039,633</b>	<b>6,964,083,717</b>	<b>303,970,186</b>
<b>4.2 Maturity grouping of balance with other banks and FIs</b>					
Receivable on demand		98,461,588	136,184,966	99,981,879	137,115,519
Up to 1 month		2,698,490,025	745,893,207	2,668,199,545	724,522,589
More than 1 month but not more than 3 months		6,000,000,000	166,854,667	6,000,000,000	166,854,667
More than 3 months but not more than 6 months		166,854,667	-	166,854,667	-
More than 6 months but not more than 1 year		-	-	-	-
More than 1 year but not more than 5 years		-	-	-	-
More than 5 years		-	-	-	-
		<b>8,963,806,280</b>	<b>1,048,932,840</b>	<b>8,935,036,091</b>	<b>1,028,492,775</b>
<b>5 Money at call and on short notice</b>					
Investment Corporation of Bangladesh (ICB)		690,000,000	2,230,000,000	690,000,000	2,230,000,000
Bank Alfalah Limited		-	300,000,000	-	300,000,000
Midland Bank Limited		-	500,000,000	-	500,000,000
Modhumoti Bank Limited		-	450,000,000	-	450,000,000
NRB Commercial Bank Limited		-	440,000,000	-	440,000,000
South Bangla Agriculture and Commerce Bank Limited		-	460,000,000	-	460,000,000
		<b>690,000,000</b>	<b>4,380,000,000</b>	<b>690,000,000</b>	<b>4,380,000,000</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>6 Investments</b>					
Government Securities	6.1	44,618,830,186	48,724,679,719	44,618,830,186	48,724,679,719
Other Investments	6.2	14,276,653,165	12,490,300,959	8,130,259,774	6,887,188,131
		<b>58,895,483,351</b>	<b>61,214,980,678</b>	<b>52,749,089,960</b>	<b>55,611,867,850</b>
<b>6.1 Government securities</b>					
Treasury bills	6.1.1	-	1,898,040,200	-	1,898,040,200
Treasury bonds	6.1.2	44,615,044,886	46,823,343,319	44,615,044,886	46,823,343,319
Prize bond		3,785,300	3,296,200	3,785,300	3,296,200
		<b>44,618,830,186</b>	<b>48,724,679,719</b>	<b>44,618,830,186</b>	<b>48,724,679,719</b>
<b>6.1.1 Treasury bills</b>					
91 Days Govt Treasury bill		-	399,201,200	-	399,201,200
182 Days Govt Treasury bill		-	1,498,839,000	-	1,498,839,000
		-	<b>1,898,040,200</b>	-	<b>1,898,040,200</b>
<b>6.1.2 Treasury bonds</b>					
2 years Treasury bond		1,999,308,521	7,545,115,386	1,999,308,521	7,545,115,386
5 years Treasury bond		22,086,194,681	17,078,954,983	22,086,194,681	17,078,954,983
10 years Treasury bond		13,093,128,672	13,665,994,156	13,093,128,672	13,665,994,156
15 years Treasury bond		5,741,811,762	6,824,246,493	5,741,811,762	6,824,246,493
20 years Treasury bond		1,694,601,250	1,709,032,301	1,694,601,250	1,709,032,301
		<b>44,615,044,886</b>	<b>46,823,343,319</b>	<b>44,615,044,886</b>	<b>46,823,343,319</b>
<b>6.2 Other investments</b>					
Unquoted shares		99,088,970	99,088,970	42,847,220	42,847,220
Quoted shares		5,935,547,612	5,140,694,323	2,417,560,594	1,867,558,302
Perpetual Bond		1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Sukuk bond		1,921,465,835	800,000,000	1,698,900,400	800,000,000
Mutual funds		267,986,473	267,986,473	267,986,473	267,986,473
Investment in overseas entity*		554,641,417	5,182,531,193	414,712,523	2,908,796,136
Investment in overseas entity: Held for sale**		4,497,922,859	-	2,288,252,563	-
		<b>14,276,653,165</b>	<b>12,490,300,959</b>	<b>8,130,259,774</b>	<b>6,887,188,131</b>
* Investment in overseas entity includes Oman Exchange LLC and MCB Bank Ltd, Pakistan. Details of investment in shares [solo basis] are shown in "Annexure-B".					
Investment in associates have been measured using the equity method as per IAS 28 in the consolidated financial statements. As per IAS 21, non-monetary items, including equity investments are measured in terms of Historical cost as such necessary adjustment have been made in exchange differences associated with the overseas equity investment. The summary of foreign investments of the Bank are as follows:					
	<b>Particulars</b>	<b>Nabil Bank</b>	<b>MCB Bank</b>	<b>Oman Exchange</b>	<b>Total</b>
	Investment at revalued amount	2,868,594,736	438,765,454	106,001,865	<b>3,413,362,055</b>
	Less: exchange difference	580,342,173	76,457,582	53,597,214	<b>710,396,968</b>
	<b>Investment at cost</b>	<b>2,288,252,563</b>	<b>362,307,872</b>	<b>52,404,651</b>	<b>2,702,965,086</b>
** As a part of withdrawal of the investment from Nepal by selling off the entire shares of NBBL held by IFIC Bank PLC as Promoter and to return the fund to Bangladesh, the NBBL has been merged with Nabil Bank Limited (NBL) of Nepal on 11 July 2022 with a Share Swap Ratio of (1:0.43) i.e. 0.43 shares of NBL for every share of NBBL. As per the share purchase agreement signed on 13 February 2022, Ms. Sarika Chaudhary will purchase the shares acquired by IFIC Bank through merger and acquisition. The consideration for this sale as included in the agreement of NPR 6,187,007,568 is expected to be transferred to IFIC Bank in exchange for its shareholding in Nabil Bank Limited within 16 July 2023 subject to compliance of regulatory norms of Nepal. Subsequent to the merger, the Management of IFIC Bank has classified the investment as held for sale on 30 September 2022. Consequently, the investment has been measured at the lower of carrying amount and fair value less costs to sell and presented as a separate line item in the notes to the financial statements.					
<b>6.3 Government securities classified according to Bangladesh Bank Circular</b>					
Held for trading (HFT)		-	2,867,725,460	-	2,867,725,460
Held to maturity (HTM)		44,615,044,886	45,853,658,058	44,615,044,886	45,853,658,058
Other securities	6.1	3,785,300	3,296,200	3,785,300	3,296,200
		<b>44,618,830,186</b>	<b>48,724,679,718</b>	<b>44,618,830,186</b>	<b>48,724,679,719</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>6.4 Maturity grouping of investments</b>					
On demand		3,785,300	2,871,021,660	3,785,300	2,871,021,660
Up to 1 month		1,069,680,778	4,167,431,546	1,069,680,778	4,167,431,546
Over 1 month but not more than 3 months		4,354,423,987	3,113,020,977	1,151,829,427	-
Over 3 months but not more than 6 months		3,869,719,103	4,457,758,516	3,869,719,103	4,457,758,516
Over 6 months but not more than 1 years		3,867,679,577	1,577,272,899	3,867,679,577	1,577,272,899
Over 1 year but not more than 5 years		21,307,410,277	20,406,418,218	21,307,410,277	20,406,418,218
Over 5 years		24,422,784,329	24,622,056,862	21,478,985,498	22,131,965,011
		<b>58,895,483,351</b>	<b>61,214,980,678</b>	<b>52,749,089,960</b>	<b>55,611,867,851</b>

**6.5 Disclosure regarding outstanding Repo and Reverse Repo****Disclosure regarding outstanding Repo**

Sl.	Counterparty name	Agreement date	Reversal date	Amount
1	Standard Chartered Bank	27/12/2022	2/1/2023	997,533,000
				<b>997,533,000</b>

**Disclosure regarding outstanding Reverse Repo**

Sl.	Counterparty name	Agreement date	Reversal date	Amount
				Nil
<b>Total</b>		-	-	-

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

Counterparty name	Minimum outstanding in Y2022	Maximum outstanding in Y2022	Daily average outstanding in Y2022
<b>Securities sold under Repo</b>			
With Bangladesh Bank	-	-	-
With other Banks and FIs	497,507,000	998,120,000	648,444,200
<b>Securities purchased under Reverse Repo</b>			
From Bangladesh Bank	-	-	-
From other Banks and FIs	9,125,105	2,484,042,574	678,897,775

**7 Loans and advances**

Loans, cash credit, overdraft etc.	7.1	332,876,481,759	287,762,185,345	331,471,884,106	286,490,180,371
Bill purchased and discounted	8	22,982,389,758	18,571,169,498	22,982,389,758	18,571,169,498
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>

**7.1 Loans, cash credit, overdraft etc.****Inside Bangladesh**

Term loan industrial	15,473,794,536	14,608,501,494	15,473,794,536	14,608,501,494
Term loan consumer finance	686,182,040	215,133,210	686,182,040	215,133,210
Agricultural loan	607,195,583	367,652,240	607,195,583	367,652,240
Term loan women entrepreneur	42,647,310	29,669,565	42,647,310	29,669,565
Term loan-others	115,875,943,526	96,952,673,686	115,875,943,526	102,062,289,452
House building loan	82,580,258,239	59,089,071,780	82,580,258,239	56,850,134,089
Staff loan	977,473,186	1,038,944,894	977,473,186	1,038,944,894
Transport loan	38,414,951	52,318,643	38,414,951	52,318,643
Loan general	1,986,493,982	2,514,115,437	1,986,493,982	2,514,115,437
Demand loan	8,833,968,314	8,136,930,250	8,833,968,314	8,136,930,250
Overdrafts	76,601,124,933	71,868,188,470	79,206,745,250	71,702,383,243
Cash credit	20,415,281,670	22,892,858,455	20,415,281,670	22,892,858,455

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
Credit card finance		147,634,540	148,003,802	147,634,540	148,003,802
Loan against trust receipt (LTR)		2,725,216,551	3,969,086,761	2,725,216,551	3,969,086,761
Lease finance		144,028,535	186,913,358	144,028,535	186,913,358
Margin loan		4,010,217,971	3,976,877,823	-	-
		<b>331,145,875,866</b>	<b>286,046,939,868</b>	<b>329,741,278,213</b>	<b>284,774,934,894</b>
<b>Outside Bangladesh</b>					
Term Loan-Foreign Currency (OBU)		1,730,605,893	1,715,245,477	1,730,605,893	1,715,245,477
		<b>332,876,481,759</b>	<b>287,762,185,345</b>	<b>331,471,884,106</b>	<b>286,490,180,371</b>
<b>7.2 Net loans and advances including bills purchased and discounted</b>					
Total loans and advances		355,858,871,517	306,333,354,843	354,454,273,864	305,061,349,869
Provision against loans and advances		(13,372,559,421)	(10,356,216,324)	(13,141,262,582)	(10,124,919,485)
Interest suspense account		(9,562,415,923)	(9,904,987,451)	(8,061,573,113)	(8,404,144,641)
		<b>332,923,896,173</b>	<b>286,072,151,068</b>	<b>333,251,438,169</b>	<b>286,532,285,743</b>
<b>7.3 Residual maturity grouping of Loans, cash credit, overdraft etc.</b>					
On demand		57,576,333,868	59,741,508,485	57,576,333,868	59,741,508,485
Up to 1 month		8,706,550,512	8,059,461,437	8,706,550,512	8,059,461,437
Over 1 month but not more than 3 months		22,108,464,706	19,910,043,232	20,703,867,052	18,638,038,258
Over 3 months but not more than 1 years		54,516,449,018	48,231,614,195	54,516,449,018	48,231,614,195
Over 1 year but not more than 5 years		79,923,887,636	72,224,624,641	79,923,887,636	72,224,624,641
Over 5 years		110,044,796,020	79,594,933,355	110,044,796,020	79,594,933,355
		<b>332,876,481,759</b>	<b>287,762,185,345</b>	<b>331,471,884,106</b>	<b>286,490,180,371</b>
<b>7.4 Loans and advances under broad categories</b>					
<b>In Bangladesh</b>					
Loans		233,254,454,839	190,296,265,571	231,849,857,186	191,894,938,673
Cash credit		20,415,281,670	22,892,858,455	20,415,281,670	22,892,858,455
Overdrafts		79,206,745,250	74,573,061,319	79,206,745,250	71,702,383,243
		<b>332,876,481,759</b>	<b>287,762,185,345</b>	<b>331,471,884,106</b>	<b>286,490,180,371</b>
Bill purchased and discounted	8	22,982,389,758	18,571,169,498	22,982,389,758	18,571,169,498
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.5 Loans and advances on the basis of significant concentration</b>					
<b>Loans and advances to Directors, executives and others</b>					
Loans and advances to directors and their allied concerns		-	-	-	-
Loans and advances to Managing Director, Senior Executives and Staffs		977,473,186	1,038,944,894	977,473,186	1,038,944,894
Advances to customers' groups		354,881,398,331	305,294,409,949	353,476,800,678	304,022,404,975
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.6 Loans and advances allowed to each customer exceeding 10% of Bank's total capital</b>					
Number of customers				20	25
Outstanding - Funded				84,283,300,000	105,830,439,425
Outstanding - Non-funded				31,344,200,000	24,245,200,000
Amount classified				-	2,896,395,441

Amount of loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 4,326.63 million [Y2021 BDT 3,940.60 million] representing 10% of the Bank's total capital (as defined in Bank Companies Act 1991 as amended) as at 31 December 2022 are furnished in Annexure-C.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>7.7 Industry wise position of loans and advances including bills purchased and discounted</b>					
Agriculture		1,556,206,067	1,565,239,846	1,556,206,067	1,565,239,846
Jute		5,537,019,975	5,024,594,668	5,537,019,975	5,024,594,668
Textile		19,445,124,895	13,024,952,014	19,445,124,895	13,024,952,014
Garments		48,806,996,382	47,453,561,687	48,806,996,382	47,453,561,687
Chemical and chemical products		129,650,018	87,554,948	129,650,018	87,554,948
Cement		2,874,712,180	4,561,601,319	2,874,712,180	4,561,601,319
Bricks & ceramic		4,006,448,192	4,286,605,832	4,006,448,192	4,286,605,832
Food products & processing		4,368,585,357	4,893,129,859	4,368,585,357	4,893,129,859
Engineering & metal		10,188,878,512	6,264,389,567	10,188,878,512	6,264,389,567
Drugs & pharmaceuticals		2,800,458,403	1,649,611,902	2,800,458,403	1,649,611,902
Hospital & clinics		197,782,914	79,201,766	197,782,914	79,201,766
Paper & paper products		3,210,642,751	3,081,608,710	3,210,642,751	3,081,608,710
Other small industries		11,235,923,048	9,127,798,359	11,235,923,048	9,127,798,359
IT sector		5,298,962,072	4,571,697,852	5,298,962,072	4,571,697,852
Other service industries		25,823,194,719	25,356,805,913	25,823,194,719	25,356,805,913
Trade & commerce		26,251,850,336	23,578,635,978	26,251,850,336	23,578,635,978
Transport		694,646,876	1,154,798,383	694,646,876	1,154,798,383
Construction firms/companies		24,206,131,466	26,251,068,261	24,206,131,466	26,251,068,261
Housing societies/companies		32,700,280,093	33,196,690,742	32,700,280,093	33,196,690,742
Cold storage		-	23,053,798	-	23,053,798
Consumer finance		93,003,600,026	63,819,575,809	93,003,600,026	63,819,575,809
Energy		8,635,132,783	8,863,345,743	8,635,132,783	8,863,345,743
Telecommunication		11,097,235,492	10,174,041,517	11,097,235,492	10,174,041,517
NBFI's		94,793,422	176,529,899	94,793,422	176,529,899
Others		13,694,615,539	8,067,260,471	12,290,017,885	6,795,255,497
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.8 Sector wise position of loans and advances including bills purchased and discounted</b>					
Government sector		-	-	-	-
Other public sector		793,900,000	737,327,830	793,900,000	737,327,830
Private sector		354,970,178,096	305,419,497,114	353,565,580,442	304,147,492,140
Co-operative sector		94,793,422	176,529,899	94,793,422	176,529,899
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.9 Geographical location-wise loans and advances including bills purchased and discounted</b>					
Dhaka division		300,055,753,188	264,173,463,454	298,651,155,535	262,901,458,481
Chittagong division		31,465,631,635	22,050,088,518	31,465,631,635	22,050,088,518
Sylhet division		2,692,733,947	2,037,952,788	2,692,733,947	2,037,952,788
Rajshahi division		7,937,943,741	6,979,974,364	7,937,943,741	6,979,974,364
Khulna division		5,709,287,910	4,745,887,726	5,709,287,910	4,745,887,726
Barisal division		1,295,975,810	1,033,585,492	1,295,975,810	1,033,585,492
Rangpur division		3,891,280,927	3,268,512,452	3,891,280,927	3,268,512,452
Mymensingh division		2,810,264,360	2,043,890,048	2,810,264,360	2,043,890,048
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.10 Business segment-wise concentration of loans and advances as per CL</b>					
Corporate		221,001,296,689	201,726,076,287	219,596,699,036	200,454,071,313
SME		43,719,788,719	40,878,064,266	43,719,788,719	40,878,064,266
Short term agri credit		1,184,684,576	1,197,755,258	1,184,684,576	1,197,755,258
Consumer (including staff)		12,878,348,733	8,038,307,184	12,878,348,733	8,038,307,184
Others		77,074,752,800	54,493,151,848	77,074,752,800	54,493,151,848
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>7.11 Loans and advances including bills purchased and discounted as per CL</b>					
<b>Continuous loan</b>					
Consumer finance		10,783,088,585	6,233,187,978	10,783,088,585	6,233,187,978
Small and medium enterprise		26,314,518,136	21,698,317,453	26,314,518,136	21,698,317,453
Loans to BHs/MBs/SDs		18,539,376	100,259,020	18,539,376	100,259,020
Other continuous loans		67,460,814,158	68,362,198,323	66,056,216,505	67,090,193,849
		<b>104,576,960,255</b>	<b>96,393,962,773</b>	<b>103,172,362,602</b>	<b>95,121,958,300</b>
<b>Demand loans</b>					
Consumer finance		59,275,481	496,032,600	59,275,481	496,032,600
Small and medium enterprise		2,831,015,071	2,938,732,173	2,831,015,071	2,938,732,173
Other demand loans		34,599,394,486	31,572,587,674	34,599,394,486	31,572,587,674
		<b>37,489,685,038</b>	<b>35,007,352,447</b>	<b>37,489,685,038</b>	<b>35,007,352,447</b>
<b>Term loan</b>					
Consumer finance (including staff, other than HF)		2,035,984,667	1,309,086,606	2,035,984,667	1,309,086,606
Small and medium enterprise		14,574,255,512	16,241,014,640	14,574,255,512	16,241,014,640
Housing finance (HF)		77,056,213,424	54,392,892,828	77,056,213,424	54,392,892,828
Other fixed term loan		118,941,088,045	101,791,290,290	118,941,088,045	101,791,289,790
		<b>212,607,541,648</b>	<b>173,734,284,364</b>	<b>212,607,541,648</b>	<b>173,734,283,864</b>
<b>Short term loan</b>					
Short term agri credit		1,184,684,576	1,197,755,258	1,184,684,576	1,197,755,258
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.12 Security/collateral-wise concentration of loans and advances including bills purchased and discounted</b>					
Collateral of movable/immovable assets		295,219,583,680	261,126,002,710	295,219,583,680	261,126,002,710
Government guarantee		793,900,000	737,327,830	793,900,000	737,327,830
Export documents		374,719,441	963,376,785	374,719,441	963,376,785
Import documents		11,684,920,476	9,737,462,369	11,684,920,476	9,737,462,369
Fixed deposit receipts		13,933,404,724	7,097,306,728	13,933,404,724	7,097,306,728
Personal guarantee		11,490,832,877	9,164,693,768	11,490,832,877	9,164,693,768
Other securities		22,361,510,319	17,507,184,653	20,956,912,665	16,235,179,679
		<b>355,858,871,517</b>	<b>306,333,354,843</b>	<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.13 Particulars of loans and advances</b>					
i) Loans considered good in respect of which the Bank is fully secured				342,815,817,423	295,748,652,300
ii) Loans considered good for which the Bank holds no other security than the debtors' personal guarantee				147,623,564	148,003,802
iii) Loans considered good being secured by personal security of one or more persons in addition to the personal security of the debtors				11,490,832,877	9,164,693,768
iv) Loans adversely classified; provision not maintained there against				-	-
				<b>354,454,273,864</b>	<b>305,061,349,869</b>
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons.				977,473,186	1,038,944,894
vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;				-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or employees of the Bank or any of them either separately or jointly with any other person				1,042,534,435	1,280,861,121
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members				-	-

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
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				5,181,472,213	259,951,069
Amount of loan written off				-	-
Amount recovered against the loans previously written off				972,678,867	310,726,957
b) Amount of provision kept against loans classified as bad/loss as at the Balance Sheet date				7,917,501,154	2,712,396,000
c) Amount of interest creditable to the interest suspense account				3,199,245,384	1,891,139,777
xi) Cumulative amount of written off loan:					
Opening balance				14,053,811,000	14,364,537,957
Recovery from written-off during the year*				(972,678,867)	(310,726,957)
				<b>13,081,132,133</b>	<b>14,053,811,000</b>
* Recovery from written-off loans during the year include interest waiver of BDT 119.79 million [Y2021: Interest waiver BDT 90.42 million].					
<b>7.14 Cumulative amount of written off loans for which law suits have been filed</b>					
Opening balance				20,972,282,771	20,972,282,771
During the year				-	-
				<b>20,972,282,771</b>	<b>20,972,282,771</b>
Out of this cumulative amount of written-off loans, no suit could be filed for recovery of Tk. 43.8 million for becoming time barred.					
<b>7.15 Classification of loans and advances</b>					
<b>Unclassified</b>					
Standard				326,329,086,698	280,432,083,081
Special mention account				8,245,802,016	6,041,061,997
				<b>334,574,888,714</b>	<b>286,473,145,077</b>
<b>Classified</b>					
Substandard				2,836,938,825	5,878,392,145
Doubtful				1,049,672,726	554,384,650
Bad/Loss				15,992,773,598	12,155,427,996
				<b>19,879,385,150</b>	<b>18,588,204,792</b>
				<b>354,454,273,864</b>	<b>305,061,349,869</b>
<b>7.16 Movements of classified loans and advances</b>					
Opening balance				18,588,204,792	10,345,761,856
Additions during the year				18,343,860,359	9,540,602,936
Reduction during the year				(17,052,680,000)	(1,298,160,000)
				<b>19,879,385,150</b>	<b>18,588,204,792</b>
<b>7.17 Disclosure of Document Verification System (DVS)</b>					
As per Financial Reporting Council (FRC) letter no. 178/FRC/APR/2021/27(16) dated 07 December 2021 regarding compliance of BRPD Circular No. 04 dated 04 January 2021 as collection of Audited Financial Statements and Statutory Audit Report for loan sanction/renewal and BRPD Circular No. 35 dated 06 July 2021 as Financial Statements verified with the Document Verification System (DVS) of ICAB.					
Particular	Compliance of BRPD Circular No. 04		Compliance of BRPD Circular No. 35**		
	Number	%	Number	%	
Complied file	227	56.75%	227	56.75%	
Total file	400		400		
<b>8 Bills purchased and discounted</b>					
Payable in Bangladesh	8.1	22,696,734,559	17,698,770,029	22,696,734,559	17,698,770,029
Payable outside Bangladesh	8.1	285,655,199	872,399,469	285,655,199	872,399,469
		<b>22,982,389,758</b>	<b>18,571,169,498</b>	<b>22,982,389,758</b>	<b>18,571,169,498</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>8.1 Bill purchased and discounted</b>					
<b>Payable in Bangladesh</b>					
<b>Local bills/documents</b>					
Inland documentary bill purchase (IDBP)		1,623,617,154	1,031,020,843	1,623,617,154	1,031,020,843
Payment against documents-cash		13,190,413	151,533,538	13,190,413	151,533,538
Payment against documents-EDF		19,587,510,822	14,106,404,764	19,587,510,822	14,106,404,764
Payment against documents-forced (Inland)		833,924,531	2,026,265,027	833,924,531	2,026,265,027
Payment against documents-forced (Foreign)		83,956,276	206,748,211	83,956,276	206,748,211
Payment against documents-Others		554,535,363	176,797,646	554,535,363	176,797,646
		<b>22,696,734,559</b>	<b>17,698,770,029</b>	<b>22,696,734,559</b>	<b>17,698,770,029</b>
<b>Payable outside Bangladesh</b>					
Foreign documentary bill purchase (FDBP)		110,003,041	525,299,859	110,003,041	525,299,859
Usance Bill Discounted (OBU)		175,652,158	347,099,610	175,652,158	347,099,610
		<b>285,655,199</b>	<b>872,399,469</b>	<b>285,655,199</b>	<b>872,399,469</b>
		<b>22,982,389,758</b>	<b>18,571,169,498</b>	<b>22,982,389,758</b>	<b>18,571,169,498</b>
<b>8.2 Residual maturity grouping of bill purchased and discounted</b>					
On demand		7,321,669,436	4,705,429,285	7,321,669,436	4,705,429,285
Up to 1 month		4,504,036,805	1,369,883,029	4,504,036,805	1,369,883,029
Over 1 month but not more than 3 months		4,750,707,370	4,828,618,440	4,750,707,370	4,828,618,440
Over 3 months but not more than 6 months		5,922,808,003	6,838,136,517	5,922,808,003	6,838,136,517
Over 6 months		483,168,144	829,102,227	483,168,144	829,102,227
		<b>22,982,389,758</b>	<b>18,571,169,498</b>	<b>22,982,389,758</b>	<b>18,571,169,498</b>
<b>9 Fixed assets including premises, furniture and fixtures</b>					
<b>Cost/revalued:</b>					
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
Wooden furniture		376,268,592	340,479,978	375,353,994	339,565,380
Steel furniture		252,852,611	198,592,399	252,852,611	198,592,399
Computer equipment		1,537,890,629	1,197,409,390	1,524,217,591	1,183,841,452
Office equipment		513,231,465	386,456,865	513,231,465	386,456,865
Electrical & gas equipment		1,668,136,877	1,403,276,130	1,665,286,697	1,400,699,530
Leasehold improvement		1,245,265,335	826,904,498	1,231,228,309	814,168,535
Vehicles		218,424,822	219,419,429	218,424,822	219,419,429
Soft furnishing		12,829,120	13,187,132	12,829,120	13,187,132
Software		1,479,022,873	1,165,198,086	1,476,585,948	1,162,925,786
		<b>11,630,149,088</b>	<b>10,077,150,671</b>	<b>11,596,237,320</b>	<b>10,045,083,271</b>
Capital work in progress		366,020,865	124,720,260	366,020,865	124,720,260
		<b>11,996,169,953</b>	<b>10,201,870,930</b>	<b>11,962,258,185</b>	<b>10,169,803,531</b>
Right of Use Assets		2,354,397,434	1,872,564,596	2,311,079,457	1,829,246,619
		<b>14,350,567,387</b>	<b>12,074,435,526</b>	<b>14,273,337,642</b>	<b>11,999,050,150</b>
<b>Less: Accumulated depreciation</b>		5,047,429,110	4,107,680,761	5,006,508,343	4,076,171,929
<b>Written down value</b>		<b>9,303,138,276</b>	<b>7,966,754,765</b>	<b>9,266,829,299</b>	<b>7,922,878,221</b>

Details of fixed assets [solo basis] are shown in "Annexure-D"

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>10 Other assets</b>					
Stationery and stamps		23,354,297	31,089,517	23,354,297	31,089,517
Suspense account	10.1	876,995,266	809,447,215	865,755,661	784,948,535
Advance, deposit and prepayments	10.2	762,007,862	765,190,540	760,822,012	734,274,564
Accrued interest & other income receivable	10.3	1,291,683,852	1,768,551,376	1,017,799,319	1,604,269,943
Investment in subsidiaries	10.4	-	-	2,629,975,999	2,634,706,100
Deferred tax assets	10.5	2,099,957,033	801,844,287	2,098,743,098	801,039,382
Others receivable		41,034,402	68,993,649	39,406,385	68,928,545
		<b>5,095,032,712</b>	<b>4,245,116,584</b>	<b>7,435,856,771</b>	<b>6,659,256,586</b>
<b>10.1 Suspense account</b>					
Advance against bills, new branches		75,301,114	86,064,559	75,301,114	86,064,559
Advance against TA / DA		541,700	351,450	541,700	351,450
Law charges		360,534,646	324,687,924	360,534,646	324,687,924
Sanchaypatra paid		49,563,369	69,620,739	49,563,369	69,620,739
Wage earners development bond paid		55,105,071	83,662,375	55,105,071	83,662,375
Investment bond		-	51,265,500	-	51,265,500
Sundry debtors		84,572,136	134,540,394	73,332,531	110,041,714
Cash incentive audit fees		24,750	1,997,100	24,750	1,997,100
Payment gateway receivable		251,347,612	57,257,174	251,347,612	57,257,174
		<b>876,995,266</b>	<b>809,447,215</b>	<b>865,755,661</b>	<b>784,948,535</b>
<b>10.2 Advance, deposit and prepayments</b>					
Rent		461,516,244	454,613,073	460,802,604	453,947,643
Security deposit including demand note		5,020,572	4,837,992	5,020,572	4,837,992
Car purchase scheme		136,840,452	134,105,441	136,368,242	133,299,895
Exchange house company		460,514	18,553,419	460,514	18,553,419
Protested bills		71,951,339	44,543,206	71,951,339	44,543,206
Cash remittance		-	15,000,000	-	15,000,000
Supplier		86,218,741	64,092,409	86,218,741	64,092,409
IPO application		-	29,445,000	-	-
		<b>762,007,862</b>	<b>765,190,540</b>	<b>760,822,012</b>	<b>734,274,564</b>
<b>10.3 Accrued interest &amp; other income receivable</b>					
Treasury bonds and bills		701,603,497	774,805,638	701,603,497	774,805,638
Receivables from Government		41,272,375	41,272,375	41,272,375	41,272,375
Receivables from BB Stimulus Package		42,394,086	-	42,394,086	-
Interest accrued on loans and advances		250,725,833	697,368,089	-	610,428,089
Dividend receivable		93,189,685	248,795,358	70,030,985	171,453,925
Term and call placement		162,498,376	6,309,916	162,498,376	6,309,916
		<b>1,291,683,852</b>	<b>1,768,551,376</b>	<b>1,017,799,319</b>	<b>1,604,269,943</b>
<b>10.4 Investment in subsidiaries</b>					
IFIC Securities Limited				2,199,994,000	2,199,994,000
IFIC Investment Limited				399,994,000	399,994,000
IFIC Money Transfer (UK) Limited				29,987,999	34,718,100
				<b>2,629,975,999</b>	<b>2,634,706,100</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>10.5 Deferred tax assets</b>					
Deferred tax assets have been recognized and measured as per <i>International Accounting Standards 12: Income Taxes</i> and BRPD Circular no. 11, dated 12 December 2011 based on the temporary difference in the carrying amount of the assets and liabilities in the financial statements and its tax base. Calculation of deferred tax assets is as follows:					
Deferred tax assets		2,327,072,618		1,054,078,589	
Deferred tax liabilities		(228,329,520)		(253,039,206)	
<b>Deferred tax assets/(liabilities)</b>		<b>2,098,743,098</b>		<b>801,039,382</b>	
<b>i) Deferred tax on provision for loans and advances classified as bad &amp; loss</b>					
Carrying amount		6,147,293,014		2,770,106,247	
Tax base		-		-	
Deductible/(taxable) temporary difference		6,147,293,014		2,770,106,247	
Tax rate		37.50%		37.50%	
<b>Closing deferred tax assets/(liabilities)</b>		<b>2,305,234,880</b>		<b>1,038,789,843</b>	
Opening deferred tax assets/(liabilities)		1,038,789,843		941,359,974	
<b>Deferred tax (expense)/income (A)</b>		<b>1,266,445,037</b>		<b>97,429,869</b>	
As per BRPD Circular no. 11 dated 12 December 2011, the Bank may recognise deferred tax assets amounting BDT 3,067,125,000 for provision against classified loans. However, the Bank has recognised deferred tax assets amounting BDT 2,305,234,880 prudently as per para 27 of IAS 12.					
<b>ii) Deferred tax on fixed assets</b>					
Carrying amount		5,260,085,265		4,297,193,032	
Tax base		4,701,885,878		3,673,101,148	
Deductible/(Taxable) temporary difference		<b>558,199,387</b>		<b>624,091,883</b>	
Tax rate		37.50%		37.50%	
<b>Closing deferred tax assets/(liabilities)</b>		<b>(209,324,770)</b>		<b>(234,034,456)</b>	
Opening deferred tax assets/(liabilities)		(234,034,456)		(224,738,983)	
<b>Deferred tax (expense)/income (B)</b>		<b>24,709,686</b>		<b>(9,295,473)</b>	
<b>iii) Deferred tax on leased assets</b>					
Right-of-Use Assets		1,220,227,425		1,072,592,599	
Less: Lease Liabilities		(1,092,233,466)		(940,244,227)	
Carrying amount		127,993,959		132,348,372	
Tax base		186,227,927		173,118,360	
Temporary difference		<b>58,233,968</b>		<b>40,769,988</b>	
Tax rate		37.50%		37.50%	
<b>Closing deferred tax assets/(liabilities)</b>		<b>21,837,738</b>		<b>15,288,746</b>	
Opening deferred tax assets/(liabilities)		15,288,746		14,367,050	
<b>Deferred tax (expense)/income (C)</b>		<b>6,548,993</b>		<b>921,696</b>	
<b>Deferred tax (expense)/income (A+B+C)</b>		<b>1,297,703,716</b>		<b>89,056,092</b>	
<b>iv) Deferred tax on land revaluation surplus</b>					
Carrying amount		475,118,759		475,118,759	
Tax base		-		-	
Temporary difference		<b>(475,118,759)</b>		<b>(475,118,759)</b>	
Tax rate		4.00%		4.00%	
<b>Closing deferred tax assets/(liabilities)</b>		<b>(19,004,750)</b>		<b>(19,004,750)</b>	
As per IAS 12: Income Taxes, deferred tax liability arises on revalued amount from non-depreciable assets i.e. Land measured using revaluation model as per IAS 16 reflecting the tax consequences of recovering the carrying amount through sale. Deferred tax liability arises on revalued land amount was deducted from revaluation surplus.					



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>10.6 Income generating other assets</b>					
Investment in subsidiary-IFIC Securities Limited				2,199,994,000	2,199,994,000
Investment in subsidiary-IFIC Investment Limited				399,994,000	399,994,000
Investment in subsidiary-IFIC Money Transfer (UK) Limited				29,987,999	34,718,100
				<b>2,629,975,999</b>	<b>2,634,706,100</b>
<b>10.7 Non-Income generating other assets</b>					
Stationery and stamps				23,354,297	31,089,517
Suspense account				865,755,661	784,948,535
Advance, deposit and prepayments				760,822,012	734,274,564
Accrued interest & other income receivable				1,017,799,319	1,604,269,943
Deferred tax assets				2,098,743,098	801,039,382
Receivable others				39,406,385	68,928,545
				<b>4,805,880,772</b>	<b>4,024,550,486</b>
<b>11 Non-banking assets</b>					
Income generating		-	-	-	-
Non-income generating	11.1	148,474,800	148,474,800	148,474,800	148,474,800
		<b>148,474,800</b>	<b>148,474,800</b>	<b>148,474,800</b>	<b>148,474,800</b>
Non-banking assets represents through the verdict of honorable court under section 33(7) of the Artharin Adalat Act 2003, the Bank has got absolute ownership on mortgaged properties.					
<b>11.1 Non-income generating</b>					
Balance at the beginning of the year		148,474,800	373,474,800	148,474,800	373,474,800
Less: Sale during the year		-	(225,000,000)	-	(225,000,000)
		<b>148,474,800</b>	<b>148,474,800</b>	<b>148,474,800</b>	<b>148,474,800</b>
<b>12 Borrowing from other banks, financial institutions and agents</b>					
In Bangladesh	12.1	20,621,060,373	14,562,035,508	20,621,060,373	14,562,035,508
Outside Bangladesh		-	-	-	-
		<b>20,621,060,373</b>	<b>14,562,035,508</b>	<b>20,621,060,373</b>	<b>14,562,035,508</b>
<b>12.1 In Bangladesh</b>					
<b>Short term borrowing</b>					
Commercial Bank of Ceylon Limited		800,000,000	-	800,000,000	-
Uttara Bank Limited		300,000,000	-	300,000,000	-
Dutch Bangla Bank Limited		750,000,000	-	750,000,000	-
Pubali Bank Limited		-	257,400,000	-	257,400,000
		<b>1,850,000,000</b>	<b>257,400,000</b>	<b>1,850,000,000</b>	<b>257,400,000</b>
<b>Money at call and on short notice</b>					
Bank Alfalah Limited		100,000,000	-	100,000,000	-
		<b>100,000,000</b>	<b>-</b>	<b>100,000,000</b>	<b>-</b>
<b>Refinance from Bangladesh Bank</b>					
Export Development Fund (EDF)		17,319,335,991	11,350,018,583	17,319,335,991	11,350,018,583
Small and Medium Enterprise (SME)		821,857,017	693,717,909	821,857,017	693,717,909
Pre Shipment Credit		15,189,000	-	15,189,000	-
Long Term Financing Facility (LTFF)		-	280,679,345	-	280,679,345
Stimulus Package		514,678,365	1,980,219,671	514,678,365	1,980,219,671
		<b>18,671,060,373</b>	<b>14,304,635,508</b>	<b>18,671,060,373</b>	<b>14,304,635,508</b>
		<b>20,621,060,373</b>	<b>14,562,035,508</b>	<b>20,621,060,373</b>	<b>14,562,035,508</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>12.2 Secured and unsecured borrowing from other banks, financial institutions and agents</b>					
Secured borrowing		-	-	-	-
Unsecured borrowing		20,621,060,373	14,562,035,508	20,621,060,373	14,562,035,508
		<b>20,621,060,373</b>	<b>14,562,035,508</b>	<b>20,621,060,373</b>	<b>14,562,035,508</b>
<b>12.3 Maturity grouping of borrowing from other banks, financial institutions and agents</b>					
Payable					
On demand		211,169,412	-	211,169,412	-
Up to 1 month		5,623,867,211	2,499,312,871	5,623,867,211	2,499,312,871
Over 1 month but not more than 3 months		7,880,731,267	6,248,310,681	7,880,731,267	6,248,310,681
Over 3 months but not more than 1 year		6,735,538,735	5,576,258,646	6,735,538,735	5,576,258,646
Over 1 year but not more than 5 years		169,753,749	238,153,309	169,753,749	238,153,309
Over 5 years		-	-	-	-
		<b>20,621,060,374</b>	<b>14,562,035,508</b>	<b>20,621,060,373</b>	<b>14,562,035,508</b>
<b>13 Subordinated debt</b>					
Institution wise subscription, redemption, and outstanding amount of the Principal of the Bond are as follows:					
<b>Subscribers</b>		<b>Subscribed Amount</b>	<b>Redemption of Principal</b>	<b>Outstanding 31 December 2022</b>	<b>Outstanding 31 December 2021</b>
IFIC Bank 1 <sup>st</sup> Subordinated debt		3,500,000,000	2,800,000,000	700,000,000	1,400,000,000
IFIC Bank 2 <sup>nd</sup> Subordinated debt		5,000,000,000	-	5,000,000,000	5,000,000,000
IFIC Bank 3 <sup>rd</sup> Subordinated debt		5,000,000,000	-	5,000,000,000	-
		<b>13,500,000,000</b>	<b>2,800,000,000</b>	<b>10,700,000,000</b>	<b>6,400,000,000</b>
<b>IFIC Bank 1st Subordinated debt:</b> 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.					
<b>IFIC Bank 2nd Subordinated debt:</b> 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.					
<b>IFIC Bank 3rd Subordinated debt:</b> The Bank issued 3rd Non-Convertible, Redeemable, Unsecured Floating Rate Subordinated Bond of BDT 5,000,000,000 with approval of Bangladesh Bank vide letter no. BRPD(BS)661/14B(P)/2021-12309 dated 28 December 2021 and Bangladesh Securities and Exchange Commission vide letter no. BSEC/CI/DS-180/2021/838 dated 1 June 2022. The bond was fully subscribed on 29 September 2022. The tenure of the bond is 7 years and will be fully redeemed in the year 2029.					
<b>14 Deposits and other accounts</b>					
Current deposit and other accounts	14.1	148,580,323,584	124,268,243,060	148,611,910,560	124,658,938,392
Bills payable	14.2	2,457,173,551	2,455,215,075	2,457,173,551	2,455,215,075
Savings bank deposits	14.3	24,846,308,549	25,716,666,242	24,846,308,549	25,716,666,242
Fixed deposits	14.4	199,668,901,468	180,311,135,461	199,669,082,862	180,311,312,466
		<b>375,552,707,152</b>	<b>332,751,259,838</b>	<b>375,584,475,522</b>	<b>333,142,132,175</b>
<b>14.1 Current deposit and other accounts</b>					
Current accounts		29,754,953,732	28,601,010,805	29,786,540,708	28,991,706,137
IFIC AAMAR account		106,027,328,084	84,534,779,576	106,027,328,084	84,534,779,576
IFIC Shohoj Account		3,419,523,239	2,206,278,446	3,419,523,239	2,206,278,446
Foreign currency deposit		535,199,002	465,580,396	535,199,002	465,580,396
Resident foreign currency deposit		65,777,513	47,351,241	65,777,513	47,351,241
Exporters foreign currency account		6,197,306,082	4,927,473,452	6,197,306,082	4,927,473,452
Margin on letters of credit		1,423,513,797	2,442,055,354	1,423,513,797	2,442,055,354
Margin on letters of guarantee		389,406,356	427,373,315	389,406,356	427,373,315
Sundry deposit	14.1.1	767,315,779	616,340,475	767,315,779	616,340,475
		<b>148,580,323,584</b>	<b>124,268,243,060</b>	<b>148,611,910,560</b>	<b>124,658,938,392</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>14.1.1 Sundry deposit</b>					
Sundry creditor		61,316,698	63,022,290	61,316,698	63,022,290
Lease deposit		9,893,043	12,184,388	9,893,043	12,184,388
Risk fund-lease, CCS & others		218,057	218,057	218,057	218,057
Clearing collection		49,281,777	41,720,060	49,281,777	41,720,060
Card deposit		443,093,684	239,180,556	443,093,684	239,180,556
FDD issued but not presented		13,596,339	13,596,339	13,596,339	13,596,339
Key deposit		7,021,100	6,179,275	7,021,100	6,179,275
Other sundry deposits		182,895,081	240,239,510	182,895,081	240,239,510
		<b>767,315,779</b>	<b>616,340,475</b>	<b>767,315,779</b>	<b>616,340,475</b>
<b>14.2 Bills payable</b>					
Payment order		2,450,538,811	2,448,304,854	2,450,538,811	2,448,304,854
Demand draft		4,768,662	5,019,143	4,768,662	5,019,143
Security deposit receipt		1,866,078	1,891,078	1,866,078	1,891,078
		<b>2,457,173,551</b>	<b>2,455,215,075</b>	<b>2,457,173,551</b>	<b>2,455,215,075</b>
<b>14.3 Savings bank deposit</b>					
Savings account		20,098,901,777	20,023,803,605	20,098,901,777	20,023,803,605
Super savings plus		3,372,872,295	4,188,104,934	3,372,872,295	4,188,104,934
Payroll savings		370,952,733	424,005,964	370,952,733	424,005,964
Sanchita-female savings		1,001,937,315	1,079,925,267	1,001,937,315	1,079,925,267
Interest payable on savings deposit		1,644,429	826,472	1,644,429	826,472
		<b>24,846,308,549</b>	<b>25,716,666,242</b>	<b>24,846,308,549</b>	<b>25,716,666,242</b>
<b>14.4 Fixed deposit</b>					
Special notice deposit (SND)		17,453,657,947	23,223,232,783	17,453,839,341	23,223,409,788
Term deposit	14.4.1	167,606,568,227	144,220,156,154	167,606,568,227	144,220,156,154
Recurring deposit	14.4.2	13,950,659,470	12,275,043,362	13,950,659,470	12,275,043,362
Non resident foreign currency deposit (NFCDD)		81,605,776	5,644,223	81,605,776	5,644,223
Export retention quota (ERQ)		576,410,048	587,058,939	576,410,048	587,058,939
		<b>199,668,901,468</b>	<b>180,311,135,461</b>	<b>199,669,082,862</b>	<b>180,311,312,466</b>
<b>14.4.1 Term deposit</b>					
Fixed deposits		156,292,861,018	132,543,381,638	156,292,861,018	132,543,381,638
Double return deposit scheme		3,576,336,722	4,590,934,371	3,576,336,722	4,590,934,371
Three years deposit plus		3,467,505	3,467,505	3,467,505	3,467,505
Monthly income scheme		4,850,103,971	4,533,385,577	4,850,103,971	4,533,385,577
Monthly income scheme - Arjon		21,550,000	28,250,000	21,550,000	28,250,000
Interest payable on term deposit		2,862,249,011	2,520,737,063	2,862,249,011	2,520,737,063
		<b>167,606,568,227</b>	<b>144,220,156,154</b>	<b>167,606,568,227</b>	<b>144,220,156,154</b>
<b>14.4.2 Recurring deposit</b>					
Pension savings scheme (PSS)		4,417,877,394	5,349,419,726	4,417,877,394	5,349,419,726
Pension savings scheme - Joma		9,903,208	7,274,258	9,903,208	7,274,258
Flexi DPS - Freedom		1,194,379,581	1,235,735,258	1,194,379,581	1,235,735,258
Millionaire dream plan		327,509,963	593,715,441	327,509,963	593,715,441
School savings plan		19,952,554	20,760,138	19,952,554	20,760,138
IFIC Aamar Bhubishawt		7,512,666,591	4,645,038,197	7,512,666,591	4,645,038,197
Interest payable on recurring deposit		468,370,179	423,100,344	468,370,179	423,100,344
		<b>13,950,659,470</b>	<b>12,275,043,362</b>	<b>13,950,659,470</b>	<b>12,275,043,362</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>14.5 Deposit and other accounts of the banks</b>					
Deposit from banks	14.8	4,590,681,278	5,932,059,665	4,590,681,278	5,932,059,665
Deposit from customers		370,962,025,873	326,819,200,173	370,993,794,244	327,210,072,510
		<b>375,552,707,152</b>	<b>332,751,259,838</b>	<b>375,584,475,522</b>	<b>333,142,132,175</b>
<b>14.6 Payable on demand and time deposit</b>					
<b>Demand deposits</b>					
Current deposits		145,999,906,255	116,447,526,618	146,031,674,625	116,838,398,955
Savings deposits		2,236,167,769	2,314,499,962	2,236,167,769	2,314,499,962
Sundry deposit		2,580,235,933	3,485,769,146	2,580,235,933	3,485,769,146
Bills payable		2,457,173,551	2,455,215,075	2,457,173,551	2,455,215,075
		<b>153,273,483,508</b>	<b>124,703,010,801</b>	<b>153,305,251,878</b>	<b>125,093,883,138</b>
<b>Time deposits</b>					
Savings deposits		22,610,140,779	23,402,166,280	22,610,140,779	23,402,166,280
Fixed deposits		168,592,094,014	149,741,345,048	168,592,094,014	149,741,345,048
Special notice deposits		17,453,839,341	23,223,409,788	17,453,839,341	23,223,409,788
Deposits under schemes		13,623,149,510	11,681,327,921	13,623,149,510	11,681,327,921
		<b>222,279,223,644</b>	<b>208,048,249,037</b>	<b>222,279,223,644</b>	<b>208,048,249,037</b>
		<b>375,552,707,152</b>	<b>332,751,259,838</b>	<b>375,584,475,522</b>	<b>333,142,132,175</b>
<b>14.7 Sector-wise concentration of deposits and other accounts</b>					
Government deposits		6,242,116,389	4,355,948,240	6,242,116,389	4,355,948,240
Other public sector		32,646,311,003	29,589,959,210	32,646,311,003	29,589,959,210
Deposit from banks		4,590,681,278	5,932,059,665	4,590,681,278	5,932,059,665
Foreign currency deposits		7,456,298,421	5,440,405,089	7,456,298,421	6,033,108,251
Private sectors		324,617,300,061	287,432,887,634	324,649,068,431	287,231,056,809
		<b>375,552,707,152</b>	<b>332,751,259,838</b>	<b>375,584,475,522</b>	<b>333,142,132,175</b>
<b>14.8 Residual maturity grouping of deposits and other accounts</b>					
<b>Maturity grouping of deposit from banks</b>					
On demand		90,681,278	-	90,681,278	-
Up to 1 month		2,500,000,000	1,092,059,665	2,500,000,000	1,092,059,665
Over 1 month but not more than 3 months		-	4,840,000,000	-	4,840,000,000
Over 3 months but not more than 1 year		2,000,000,000	-	2,000,000,000	-
Over 1 year but not more than 5 years		-	-	-	-
Over 5 years		-	-	-	-
		<b>4,590,681,278</b>	<b>5,932,059,665</b>	<b>4,590,681,278</b>	<b>5,932,059,665</b>
<b>Maturity grouping of deposit from customers excluding bills payable</b>					
On demand		20,283,284,971	4,311,178,360	20,283,284,971	4,311,178,360
Up to 1 month		44,431,641,346	39,972,353,212	44,431,641,346	39,972,353,212
Over 1 month but not more than 3 months		83,281,288,187	64,964,805,498	83,281,288,187	64,964,805,498
Over 3 months but not more than 1 year		65,992,157,613	67,147,490,488	65,992,157,613	67,147,490,488
Over 1 year but not more than 5 years		40,804,348,894	31,112,128,393	40,804,348,894	31,112,128,393
Over 5 years		113,712,131,312	116,856,029,148	113,743,899,683	117,246,901,485
		<b>368,504,852,323</b>	<b>324,363,985,099</b>	<b>368,536,620,693</b>	<b>324,754,857,436</b>
<b>Maturity grouping of bills payable</b>					
On demand		245,717,355	245,521,507	245,717,355	245,521,507
Up to 1 month		491,434,710	491,043,015	491,434,710	491,043,015
Over 1 month but not more than 3 months		491,434,710	491,043,015	491,434,710	491,043,015
Over 3 months but not more than 1 year		245,717,355	245,521,507	245,717,355	245,521,507
Over 1 year but not more than 5 years		491,434,710	491,043,015	491,434,710	491,043,015
Over 5 years		491,434,710	491,043,015	491,434,710	491,043,015
		<b>2,457,173,551</b>	<b>2,455,215,074</b>	<b>2,457,173,551</b>	<b>2,455,215,074</b>
		<b>375,552,707,152</b>	<b>332,751,259,838</b>	<b>375,584,475,522</b>	<b>333,142,132,175</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>14.9 Unclaimed deposits</b>		<b>38,627,879</b>	<b>48,054,519</b>	<b>38,627,879</b>	<b>48,054,519</b>
As per Bank Company Act 1991, Section 35 and BB circular letter no. BRPD 10 dated 12 September 2018, if any money or valuable asset (except deposits from Government, minor or litigation) is unclaimed for ten years or above as of 31 December every year, a three months' notice will be given to depositors respective. Based on the response from the concerned depositors by following three months, amount will be paid to them otherwise unclaimed deposit will be deposited to Bangladesh Bank by 30 April 2023. We reported BDT 38,627,879 as 10 years and above unclaimed deposit amount as on 31 December 2022 (cut off basis) to Bangladesh Bank.					
<b>15 Other liabilities</b>					
Specific provision for classified loans and advanc	15.1	8,179,000,001	2,997,527,787	8,179,000,000	2,997,527,787
General provision for unclassified loans and advanc	15.2	2,848,424,820	5,192,351,537	2,617,127,981	4,961,054,698
Special general provision COVID-19	15.3	2,345,134,601	2,166,337,000	2,345,134,601	2,166,337,000
<b>Provision for loans and advance</b>		<b>13,372,559,422</b>	<b>10,356,216,324</b>	<b>13,141,262,582</b>	<b>10,124,919,485</b>
Provision for off balance sheet items	15.4	609,606,885	621,730,502	609,606,885	621,730,502
Provision for diminution in value of investments	15.5	374,432,024	358,478,621	360,938,975	358,478,621
Provision for other assets	15.6	515,765,802	466,301,366	515,765,802	466,301,366
<b>Provision for loans, investments and other assets</b>		<b>14,872,364,133</b>	<b>11,802,726,813</b>	<b>14,627,574,244</b>	<b>11,571,429,974</b>
Provision for taxation (net off AIT)	15.7	2,198,765,185	1,998,094,538	2,210,615,842	2,014,520,058
Interest suspense accounts	15.8	9,562,415,923	9,904,987,451	8,061,573,113	8,404,144,641
Incentive bonus	15.9	363,570,000	301,450,000	361,000,000	300,000,000
Unclaimed dividend account	15.10	-	-	-	-
Start-up fund	15.11	55,079,377	25,375,187	55,079,377	25,375,187
Lease Liability		1,123,499,027	975,132,232	1,092,233,466	940,244,227
Rebate to good borrowers		21,870,000	21,870,000	21,870,000	21,870,000
Interest payable on borrowing and bond		330,178,432	164,838,687	330,178,432	164,838,687
Accrued expenses		157,609,304	195,642,297	136,973,946	146,996,973
Withholding Tax payable to government *		518,120,849	339,532,006	518,039,989	339,508,941
Withholding VAT payable to government *		147,808,457	124,135,680	147,723,483	124,122,430
Excise duty payable to government *		469,822,779	361,821,170	469,822,779	361,821,170
Revaluation of investment abroad		-	30,946,297	-	30,946,297
Payable against Govt Bond & Sanchaypatra		69,075,648	36,387,851	69,075,648	36,387,851
Others		175,059,708	170,356,249	174,740,848	170,210,968
		<b>30,065,238,822</b>	<b>26,453,296,458</b>	<b>28,276,501,168</b>	<b>24,652,417,404</b>

\* Subsequently deposited to government exchequer.

**15.1 Specific provision for classified loans and advances**

Provision held at the beginning of the year		2,997,527,787	2,737,576,718	2,997,527,787	2,737,576,718
Add: Recoveries of amounts previously written off		852,890,685	220,307,550	852,890,685	220,307,550
Add: Specific provision for the year	41	4,328,581,529	39,643,519	4,328,581,529	39,643,519
		<b>8,179,000,001</b>	<b>2,997,527,787</b>	<b>8,179,000,000</b>	<b>2,997,527,787</b>



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021

**15.1.1 Specific provision required for classified loans and advances**

Status of loans and advances	Base for provision	Rate (%)	Required provision	
			31 December 2022	31 December 2021
Sub-standard	423,793,783	20%	84,758,757	215,036,451
Sub-standard-Cottage, Micro and Small	155,665,582	5%	7,783,279	11,130,547
Sub-standard- Short term agri. credit	67,371,141	5%	3,368,557	1,254,542
Doubtful	252,819,498	50%	126,409,749	39,279,027
Doubtful-Cottage, Micro and Small	193,448,978	20%	38,689,796	18,186,239
Doubtful- Short term agri. credit	9,774,152	5%	488,708	244,981
Bad/loss*	7,917,501,154	100%	7,917,501,154	2,712,396,000
	<b>9,020,374,288</b>		<b>8,179,000,000</b>	<b>2,997,527,787</b>
Specific provision maintained (note-15.1)			8,179,000,000	2,997,527,787
<b>Excess/(short)</b>			-	-

\* As per Bangladesh Bank instruction, BDT 12 million has been maintained as an additional provision against rescheduling loans against 2% down payment in line with the BRPD Circular No. 05 dated 16 May 2019.

**15.2 General provision for un-classified loans & advances**

Provision held at the beginning of the year	5,171,728,085	3,677,041,823	4,940,431,246	3,445,744,984
Provision made/(release) during the year	41 (2,342,365,847)	1,494,686,262	(2,342,365,847)	1,494,686,262
	<b>2,829,362,238</b>	<b>5,171,728,085</b>	<b>2,598,065,399</b>	<b>4,940,431,246</b>
<b>Off-shore Banking Unit (OBU)</b>				
Provision held at the beginning of the year	20,623,452	22,947,035	20,623,452	22,947,035
Provision made/(release) during the year	41 (1,560,870)	(2,323,583)	(1,560,870)	(2,323,583)
	<b>19,062,582</b>	<b>20,623,452</b>	<b>19,062,582</b>	<b>20,623,452</b>
	<b>2,848,424,820</b>	<b>5,192,351,537</b>	<b>2,617,127,981</b>	<b>4,961,054,698</b>

**15.2.1 General provision required for un-classified loans and advances**

Status of loans and advances	Base for provision	Rate (%)	Required provision	
			31 December 2022	31 December 2021
<b>Standard</b>				
Small and medium enterprise	31,791,122,686	0.25%	79,477,807	57,477,714
Consumer finance (house building)	72,944,171,087	1.00%	729,441,711	523,791,862
Loans to LP/BHs/MBs/SDs share etc.	18,539,376	2.00%	370,788	2,005,180
Consumer finance	1,341,511,229	2.00%	26,830,225	134,304,882
Consumer finance (card)	94,583,645	2.00%	1,891,673	2,354,712
Short term agri. and micro-credit	856,558,458	1.00%	8,565,585	9,261,269
Staff loan	950,745,186	0.00%	-	-
Other unclassified loan	162,715,670,588	1.00%	1,627,156,706	4,116,236,537
	<b>270,712,902,253</b>		<b>2,473,734,495</b>	<b>4,845,432,156</b>
<b>Special Mention Account (SMA)</b>				
Small and medium enterprise	426,833,052	0.25%	1,067,083	527,443
Consumer finance (house building)	1,687,492,042	1.00%	16,874,920	6,843,121
Consumer finance	158,954,013	2.00%	3,179,080	990,915
Consumer finance (card)	2,535,680	2.00%	50,714	58,377
Other unclassified loan **	5,969,987,229	1.00%	103,159,107	86,579,235
	<b>8,245,802,016</b>		<b>124,330,904</b>	<b>94,999,091</b>
<b>Off-shore banking unit</b>				
Un-classified loans	1,906,258,052	1.00%	19,062,581	20,623,451
	<b>1,906,258,052</b>		<b>19,062,581</b>	<b>20,623,451</b>
			<b>2,617,127,981</b>	<b>4,961,054,698</b>
<b>General provision maintained (note-15.2)</b>			<b>2,617,127,981</b>	<b>4,961,054,698</b>
<b>Excess/(short)</b>			-	-

\* Provision requirement of BDT 4,196.70 million against loans and advances to be maintained in the year 2023 as per Bangladesh Bank letter no DOS(CAMS)1157/41(Dividend)/2023-2116 dated 25 April 2023.

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

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>15.3 Special general provision COVID-19</b>					
Provision held at the beginning of the year		2,166,337,000	1,200,000,000	2,166,337,000	1,200,000,000
Provision made/(release) during the year	41	178,797,601	966,337,000	178,797,601	966,337,000
		<b>2,345,134,601</b>	<b>2,166,337,000</b>	<b>2,345,134,601</b>	<b>2,166,337,000</b>
2% additional provision has been maintained against the facilities for which payment was deferred during COVID-19 as per BRPD Circular No. 53 dated 22 December 2022.					
<b>15.4 Provision for off-balance sheet</b>					
Provision held at the beginning of the year		621,730,502	435,409,089	621,730,502	435,409,089
Provision made/(release) during the year	41	(12,123,617)	186,321,413	(12,123,617)	186,321,413
		<b>609,606,885</b>	<b>621,730,502</b>	<b>609,606,885</b>	<b>621,730,502</b>
<b>15.4.1 Provision required for off-balance sheet exposure</b>					
Status	Base for provision	Rate (%)	Required provision		
			31 December 2022	31 December 2021	
Acceptances and endorsements	39,758,619,159	1.00%	397,586,192	284,847,245	
Letters of guarantee *	8,025,221,783	1.00%	92,758,249	98,630,765	
Irrevocable letters of credit	11,926,244,318	1.00%	119,262,443	238,252,492	
<b>Required provision</b>			<b>609,606,885</b>	<b>621,730,502</b>	
Provision maintained (note-15.3)			609,606,885	621,730,502	
<b>Excess/(short)</b>			<b>-</b>	<b>-</b>	
As per Bangladesh Bank instruction, BDT 537,544 and BDT 11,968,588 have been maintained as an additional provision against a letter of guarantee of M/s. Hannan Works and M/s ATCO International, respectively.					
<b>15.5 Provision for diminution in value of investments</b>					
Provision held at the beginning of the year		358,478,621	354,475,761	358,478,621	354,475,761
Provision made/(release) during the year	41	15,953,403	4,002,860	2,460,354	4,002,860
		<b>374,432,024</b>	<b>358,478,621</b>	<b>360,938,975</b>	<b>358,478,621</b>
<b>15.6 Provision for other assets</b>					
Provision held at the beginning of the year		466,301,366	452,469,411	466,301,366	452,469,411
Provision made/(release) during the year	41.1	49,464,436	13,831,955	49,464,436	13,831,955
		<b>515,765,802</b>	<b>466,301,366</b>	<b>515,765,802</b>	<b>466,301,366</b>
<b>15.6.1 Particulars of required provision for other assets</b>					
Status	Base for provision	Rate (%)	Required provision		
			31 December 2022	31 December 2021	
Doubtful	59,360,647	50%	29,680,324	13,203,835	
Bad Loss	486,085,479	100%	486,085,479	453,097,532	
<b>Required provision</b>			<b>515,765,802</b>	<b>466,301,366</b>	
Provision maintained (note-15.6)			515,765,802	466,301,366	
<b>Excess/(Short)</b>			<b>-</b>	<b>-</b>	
<b>15.7 Provision for taxation (net off AIT)</b>					
Provision for tax	15.7.1	10,219,232,960	8,637,469,873	9,711,975,681	8,238,953,276
Advance income tax	15.7.2	8,020,467,776	6,639,375,335	7,501,359,839	6,224,433,218
		<b>2,198,765,185</b>	<b>1,998,094,538</b>	<b>2,210,615,842</b>	<b>2,014,520,058</b>
<b>15.7.1 Provision for tax</b>					
Provision held at the beginning of the year		8,637,469,873	8,398,477,805	8,238,953,276	8,133,240,938
Provision made during the year		2,835,201,785	2,712,105,506	2,726,461,102	2,578,825,774
		<b>11,472,671,658</b>	<b>11,110,583,311</b>	<b>10,965,414,379</b>	<b>10,712,066,714</b>
Less: Settlement of tax on stock dividend		(85,043,378)	(80,993,694)	(85,043,378)	(80,993,694)
Less: Settlement of year 2018		(1,168,395,320)	-	(1,168,395,320)	-
Less: Settlement of years 2016 and 2017		-	(2,392,119,744)	-	(2,392,119,744)
		<b>10,219,232,960</b>	<b>8,637,469,873</b>	<b>9,711,975,681</b>	<b>8,238,953,276</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>15.7.2 Advance income tax</b>					
Opening balance on 1 January		6,639,375,335	6,932,516,876	6,224,433,218	6,598,635,166
Add: Payment made during the year		2,549,487,761	2,098,978,203	2,445,321,941	2,017,917,796
Less: Settlement of year 2018		(1,168,395,320)	-	(1,168,395,320)	-
Less: Settlement of years 2016 and 2017		-	(2,392,119,744)	-	(2,392,119,744)
<b>Closing balance</b>		<b>8,020,467,776</b>	<b>6,639,375,335</b>	<b>7,501,359,839</b>	<b>6,224,433,218</b>

**15.7.3 Reconciliation of effective tax (Bank only)**

Particulars	31 December 2022		31 December 2021	
	%	Taka	%	Taka
Profit before Income tax as per Profit & Loss Account		4,399,176,427		4,465,040,901
Income Tax as per applicable tax rate	37.50%	1,649,691,160	37.50%	1,674,390,338
<b>Factors affecting the tax charge for current year:</b>				
Non deductible expense/(Tax Savings)	26.82%	1,179,764,810	26.11%	1,165,824,243
Tax savings from reduced tax rates from dividend	-0.50%	(22,017,986)	-0.98%	(43,885,345)
Tax savings from reduced tax rates from capital gains on SI	-0.02%	(976,882)	-6.85%	(305,952,159)
Provision adjustment	-1.82%	(80,000,000)	1.98%	88,448,699
Change in recognised deductible temporary difference:	-29.50%	(1,297,703,716)	-1.99%	(89,056,092)
<b>Total income tax expenses</b>	<b>32.48%</b>	<b>1,428,757,387</b>	<b>55.76%</b>	<b>2,489,769,685</b>

**15.8 Interest suspense account**

Balance at the beginning of the year	9,904,987,451	8,972,123,118	8,404,144,641	7,471,280,308
Add: Amount transferred to interest suspense account	3,199,245,384	1,891,139,777	3,199,245,384	1,891,139,777
Less: Amount transferred to interest income account	(3,541,816,912)	(958,275,444)	(3,541,816,912)	(958,275,444)
	<b>9,562,415,923</b>	<b>9,904,987,451</b>	<b>8,061,573,113</b>	<b>8,404,144,641</b>

**15.9 Incentive bonus**

Balance at the beginning of the year	300,000,000	-	300,000,000	-
Add: Provision made during the year	362,570,000	301,450,000	360,000,000	300,000,000
Less: Paid during the year	(299,000,000)	-	(299,000,000)	-
	<b>363,570,000</b>	<b>301,450,000</b>	<b>361,000,000</b>	<b>300,000,000</b>

**15.10 Unclaimed dividend account**

More than 3 years	-	-	-	-
More than 4 years	-	-	-	-
More than 5 years & above	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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).

**15.11 Start-up fund**

Balance at the beginning of the year	25,375,187	-	25,375,187	-
Transfer from previous year profit	-	5,622,475	-	5,622,475
Transferred from current year profit	29,704,190	19,752,712	29,704,190	19,752,712
	<b>55,079,377</b>	<b>25,375,187</b>	<b>55,079,377</b>	<b>25,375,187</b>

In line with the direction of SME&SP Circular no. 05 dated 26 April 2021, Bank transferred BDT 29,704,190 to Start-up fund which is equivalent to 1% of profit after tax of Y2022.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>16 Share Capital</b>					
<b>16.1 Authorized Capital</b>					
4,000,000,000 ordinary shares of Taka 10 each		40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
<b>16.2 Issued, subscribed and fully paid up capital</b>					
8,000,000 ordinary shares of Taka 10 each issued for cash		80,000,000	80,000,000	80,000,000	80,000,000
4,400,000 ordinary shares of Taka 10 each issued as rights share	16.2.1	44,000,000	44,000,000	44,000,000	44,000,000
563,821,907 ordinary shares of Taka 10 each issued as rights share	16.2.2	5,638,219,070	5,638,219,070	5,638,219,070	5,638,219,070
1,209,689,032 [Year 2021: 1,124,645,654] ordinary shares of Taka 10 each issued for bonus share		12,096,890,320	11,246,456,540	12,096,890,320	11,246,456,540
		<b>17,859,109,390</b>	<b>17,008,675,610</b>	<b>17,859,109,390</b>	<b>17,008,675,610</b>
<b>16.2.1</b> The Bank raised paid-up capital of Tk. 44,000,000 through Rights Issue of 440,000 no. of ordinary shares at a ratio of 1R:2 i.e. one rights share for two existing share at par in the year 1989 which was completed in the month of January 1990, before change of denomination from Tk. 100 to Tk. 10 which was effected from 4 December 2011.					
<b>16.2.2</b> The Bank raised paid-up capital of Tk. 5,638,219,070 through Rights Issue of 563,821,907 no. of ordinary shares at a ratio of 1R:1 i.e. one rights share for one existing share at par in the year 2017.					
<b>16.3 Issued, subscribed and fully paid up Capital-Shareholders' Category</b>					
1,201,050,868 [Year 2021: 1,143,857,969 ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.		12,010,508,680	11,438,579,690	12,010,508,680	11,438,579,690
584,860,071 [Year 2021: 557,009,592 ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.		5,848,600,710	5,570,095,920	5,848,600,710	5,570,095,920
		<b>17,859,109,390</b>	<b>17,008,675,610</b>	<b>17,859,109,390</b>	<b>17,008,675,610</b>

**16.4 Shareholding by category**

Category	31 December 2022			31 December 2021		
	No. of Share	%	Taka	No. of Share	%	Taka
Sponsors & Directors	109,728,426	6.14	1,097,284,260	104,503,264	6.14	1,045,032,640
Government (Director also)	584,860,071	32.75	5,848,600,710	557,009,592	32.75	5,570,095,920
<b>Sub-Total</b>	<b>694,588,497</b>	<b>38.89</b>	<b>6,945,884,970</b>	<b>661,512,856</b>	<b>38.89</b>	<b>6,615,128,560</b>
Institutions	373,973,083	20.94	3,739,730,830	341,002,821	20.05	3,410,028,210
Foreign investors	19,757,607	1.11	197,576,070	18,213,583	1.07	182,135,830
General investors	697,591,752	39.06	6,975,917,520	680,138,301	39.99	6,801,383,010
<b>Sub-Total</b>	<b>1,091,322,442</b>	<b>61.11</b>	<b>10,913,224,420</b>	<b>1,039,354,705</b>	<b>61.11</b>	<b>10,393,547,050</b>
<b>Total</b>	<b>1,785,910,939</b>	<b>100.00</b>	<b>17,859,109,390</b>	<b>1,700,867,561</b>	<b>100.00</b>	<b>17,008,675,610</b>

The Government is representing in the Board of the Bank by nomination 03 (Three) Directors and as such, Sponsors & Directors are at present holding 38.89% shares of the Bank.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021

**16.5 Distribution of paid up capital**

Holding of share	31 December 2022			31 December 2021		
	No. of holder	Total shares	%	No. of holder	Total shares	%
1 to 500 shares	16,423	2,467,502	0.14	18,350	3,184,371	0.19
501 to 5,000 shares	25,738	50,770,815	2.84	25,299	49,539,780	2.91
5,001 to 10,000 shares	4,945	35,232,750	1.97	5,166	40,079,371	2.36
10,001 to 20,000 shares	3,821	53,129,007	2.97	3,500	52,209,270	3.07
20,001 to 30,000 shares	1,460	35,600,808	1.99	1,504	38,155,499	2.24
30,001 to 40,000 shares	805	27,699,801	1.55	716	25,365,319	1.49
40,001 to 50,000 shares	491	22,384,231	1.25	565	26,531,614	1.56
50,001 to 100,000 shares	1,092	76,294,912	4.27	1,090	80,345,915	4.72
100,001 to 1,000,000 shares	925	241,164,499	13.50	930	243,338,968	14.31
More than 1,000,000 shares	117	1,241,166,614	69.50	114	1,142,117,454	67.15
<b>Total</b>	<b>55,817</b>	<b>1,785,910,939</b>	<b>100</b>	<b>57,234</b>	<b>1,700,867,561</b>	<b>100</b>

**16.6 Shareholding of Directors**

Sl.	Name of the Directors	Status	Holding %	Closing Position	Opening Position
1	Mr. Salman F Rahman	Chairman	2.00	35,728,274	34,026,928
2	Mr. Ahmed Shayan Fazlur Rahman*	Vice-Chairman	2.11	37,701,652	35,906,336
3	Mr. A. R. M. Nazmus Sakib**	Director	2.03	36,298,500	34,570,000
4	Ms. Rabeya Jamali	Independent Director	Nil	Nil	Nil
5	Mr. Sudhangshu Shekhar Biswas	Independent Director	Nil	Nil	Nil
6	Ms. Quamrun Naher Ahmed***	Govt. nominated Director			
7	Mr. Md. Zafar Iqbal, ndc***	Govt. nominated Director	32.75	584,860,071	557,009,592
8	Mr. Md. Golam Mostofa***	Govt. nominated Director			
9	Mr. Mohammad Shah Alam Sarwar	Managing Director & CEO	Nil	Nil	Nil

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

\*\* Represents M/s. Tradenext International Limited against its holding of 2.03% 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)****Common Equity Tier 1 Capital**

Paid-up capital	16.2	17,859,109,390	17,008,675,610	17,859,109,390	17,008,675,610
Statutory reserve	17	8,672,124,215	7,757,784,033	8,637,619,318	7,757,784,033
General reserve	18	155,071,397	155,071,397	155,071,397	155,071,397
Retained earnings	21	6,708,860,161	5,060,974,278	3,232,601,924	2,022,156,139
		<b>33,395,165,163</b>	<b>29,982,505,318</b>	<b>29,884,402,029</b>	<b>26,943,687,179</b>

**Less: Regulatory Adjustments:**

Deduction from Tier-1 Capital (95% of deferred tax assets)		2,189,973,136	986,850,351	2,189,973,136	986,850,351
--	--	---------------	-------------	---------------	-------------

<b>Total Common Equity Tier 1 Capital</b>		<b>31,205,192,027</b>	<b>28,995,654,967</b>	<b>27,694,428,893</b>	<b>25,956,836,829</b>
---	--	-----------------------	-----------------------	-----------------------	-----------------------

Additional Tier 1 Capital		-	-	-	-
---------------------------	--	---	---	---	---

<b>Total Tier 1 Capital</b>		<b>31,205,192,027</b>	<b>28,995,654,967</b>	<b>27,694,428,893</b>	<b>25,956,836,829</b>
-----------------------------	--	-----------------------	-----------------------	-----------------------	-----------------------

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

General provision		5,803,166,306	7,980,419,039	5,571,869,467	7,749,122,200
Subordinated debt that meet the qualifying criteria for Tier 2		10,000,000,000	5,700,000,000	10,000,000,000	5,700,000,000
<b>Total Tier-2 Capital</b>		<b>15,803,166,306</b>	<b>13,680,419,039</b>	<b>15,571,869,467</b>	<b>13,449,122,200</b>

<b>Total Regulatory Capital (A)</b>		<b>47,008,358,333</b>	<b>42,676,074,006</b>	<b>43,266,298,360</b>	<b>39,405,959,028</b>
-------------------------------------	--	-----------------------	-----------------------	-----------------------	-----------------------

Total assets including off-balance sheet items		540,483,051,186	481,786,790,565	535,207,743,723	477,261,384,088
--	--	-----------------	-----------------	-----------------	-----------------

Total risk-weighted Assets		345,161,463,356	307,228,347,016	338,564,420,710	300,759,135,061
----------------------------	--	-----------------	-----------------	-----------------	-----------------

Required capital @12.5% (B)		43,145,182,920	38,403,543,377	42,320,552,589	37,594,891,883
-----------------------------	--	----------------	----------------	----------------	----------------

<b>Total capital surplus/(Deficit) C=(A-B)</b>		<b>3,863,175,413</b>	<b>4,272,530,629</b>	<b>945,745,771</b>	<b>1,811,067,146</b>
--	--	----------------------	----------------------	--------------------	----------------------



Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>Capital to Risk-weighted Asset Ratio (CRAR):</b>					
Common Equity Tier 1 to RWA		9.04%	9.44%	8.18%	8.63%
Tier - 1 Capital to RWA		9.04%	9.44%	8.18%	8.63%
Tier - 2 Capital to RWA		4.58%	4.45%	4.60%	4.47%
Capital to Risk-weighted Asset Ratio (CRAR)		13.62%	13.89%	12.78%	13.10%
<b>Details computation of risk-weighted assets [solo basis] are shown in "Annexure - E"</b>					
<b>17 Statutory reserve</b>					
Balance at the beginning of the year		7,757,784,033	6,864,775,853	7,757,784,033	6,864,775,853
Transferred from profit during the year		914,340,182	893,008,180	879,835,285	893,008,180
		<b>8,672,124,215</b>	<b>7,757,784,033</b>	<b>8,637,619,318</b>	<b>7,757,784,033</b>
<b>18 General reserve</b>		<b>155,071,397</b>	<b>155,071,397</b>	<b>155,071,397</b>	<b>155,071,397</b>
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.					
<b>19 Revaluation reserve against securities</b>					
Balance at the beginning of the year		80,926,888	80,968,715	80,926,888	80,968,715
Addition/(adjustment) during the year		29,037,055	(41,827)	29,037,055	(41,827)
		<b>109,963,943</b>	<b>80,926,888</b>	<b>109,963,943</b>	<b>80,926,888</b>
<b>20 Revaluation reserve against fixed assets</b>					
Balance at the beginning of the year		96,309,954	96,309,954	96,309,954	96,309,954
Transfer to deferred tax liability		-	-	-	-
		<b>96,309,954</b>	<b>96,309,954</b>	<b>96,309,954</b>	<b>96,309,954</b>
<b>20.a Consolidated foreign currency translation reserve</b>					
IFIC Money Transfer (UK) Limited		7,557,896	1,271,025	-	-
Investment in joint venture/associate		(0)	75,294,486	-	-
		<b>7,557,895</b>	<b>76,565,511</b>	<b>-</b>	<b>-</b>
<b>21 Surplus in profit and loss account</b>					
Balance at the beginning of the year		-	-	2,022,156,139	1,775,205,220
Net profit after tax for the year		-	-	2,970,419,040	1,975,271,216
Transfer to statutory reserve during the year		-	-	(879,835,285)	(893,008,180)
Transfer to Start-up fund during the year		-	-	(29,704,190)	(25,375,187)
Issue of bonus shares		-	-	(850,433,780)	(809,936,930)
		<b>-</b>	<b>-</b>	<b>3,232,601,924</b>	<b>2,022,156,139</b>
<b>22 Consolidated surplus in profit and loss account</b>					
IFIC Bank PLC	21	3,232,601,924	2,022,156,139	-	-
IFIC Securities Limited		983,396,772	717,600,621	-	-
IFIC Investment Limited		158,274,648	143,615,332	-	-
IFIC Money Transfer (UK) Limited		(15,012,371)	(20,838,384)	-	-
Share of profit of investment in joint venture/associate		2,384,979,219	2,326,052,421	-	-
Exchange (gain)/loss on investment in joint venture/associa		(35,380,031)	(127,611,851)	-	-
		<b>6,708,860,161</b>	<b>5,060,974,278</b>	<b>-</b>	<b>-</b>
<b>23 Non-controlling interest (NCI)</b>					
IFIC Securities Limited	23.1	8,776	7,957	-	-
IFIC Investment Limited	23.2	8,374	8,154	-	-
		<b>17,150</b>	<b>16,111</b>	<b>-</b>	<b>-</b>

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<b>23.1 NCI of IFIC Securities Limited</b>					
Opening balance on 1 January		7,957	7,016	-	-
Add: Share of profit during the year		819	941	-	-
		<b>8,776</b>	<b>7,957</b>	-	-
<b>23.2 NCI of IFIC Investment Limited</b>					
Opening balance on 1 January		8,154	6,000	-	-
Add: Share of profit during the year		220	2,154	-	-
		<b>8,374</b>	<b>8,154</b>	-	-
<b>24 Contingent liabilities</b>					
Acceptances and endorsements	24.1	39,758,619,159	28,484,724,497	39,758,619,159	28,484,724,497
Letters of guarantee	24.2	8,025,221,783	8,612,473,288	8,025,221,783	8,612,473,288
Irrevocable Letters of credit	24.3	11,926,244,318	23,825,249,182	11,926,244,318	23,825,249,182
Bills for collection	24.4	10,224,945,474	10,461,428,013	10,224,945,474	10,461,428,013
		<b>69,935,030,734</b>	<b>71,383,874,980</b>	<b>69,935,030,734</b>	<b>71,383,874,980</b>
<b>24.1 Acceptances and endorsements</b>					
Back to back bills (local currency)		279,594,776	279,594,776	279,594,776	279,594,776
Back to back bills (foreign currency)		39,479,024,383	28,205,129,721	39,479,024,383	28,205,129,721
		<b>39,758,619,159</b>	<b>28,484,724,497</b>	<b>39,758,619,159</b>	<b>28,484,724,497</b>
<b>24.2 Letters of guarantee</b>					
Letters of guarantee (local currency)		7,809,936,511	8,451,368,584	7,809,936,511	8,451,368,584
Letters of guarantee (foreign currency)		215,285,272	161,104,705	215,285,272	161,104,705
		<b>8,025,221,783</b>	<b>8,612,473,288</b>	<b>8,025,221,783</b>	<b>8,612,473,288</b>
Money for which the bank is contingently liable in respect of guarantee issued favouring:					
Directors		-	-	-	-
Government		3,149,859,086	4,349,960,402	3,149,859,086	4,349,960,402
Banks and other financial institutions		2,803,429,859	1,594,105,404	2,803,429,859	1,594,105,404
Others		2,071,932,838	2,668,407,482	2,071,932,838	2,668,407,482
		<b>8,025,221,783</b>	<b>8,612,473,288</b>	<b>8,025,221,783</b>	<b>8,612,473,288</b>
<b>24.3 Irrevocable letters of credit</b>					
Letter of credit (LC) - cash sight		4,274,610,318	11,534,190,132	4,274,610,318	11,534,190,132
Letter of credit (LC) - back to back		7,580,236,068	11,964,378,367	7,580,236,068	11,964,378,367
Letter of credit (LC) - cash usance		71,397,932	326,680,683	71,397,932	326,680,683
		<b>11,926,244,318</b>	<b>23,825,249,182</b>	<b>11,926,244,318</b>	<b>23,825,249,182</b>
<b>24.4 Bills for collection</b>					
Inland bills collection		5,060,554	6,249,875	5,060,554	6,249,875
Inland documentary bills for collection		4,839,585,077	3,781,575,951	4,839,585,077	3,781,575,951
Foreign documentary bills for collection		5,380,299,843	6,673,602,187	5,380,299,843	6,673,602,187
		<b>10,224,945,474</b>	<b>10,461,428,013</b>	<b>10,224,945,474</b>	<b>10,461,428,013</b>

Notes to the Financial Statements  
As at and for the year ended 31 December 2022

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
<b>25 Income statement</b>					
<b>Income</b>					
Interest, discount and similar income	26, 28	29,433,841,127	25,369,527,255	29,133,749,807	25,125,136,415
Dividend income	28	232,355,797	195,329,961	125,817,064	250,773,401
Fees, commission and brokerage	29.1	2,337,088,394	2,081,459,201	2,229,209,085	1,959,006,200
Gains less losses arising from dealing i	28	8,845,527	3,396,418	8,845,527	3,396,418
Gains less losses arising from investme	28.1	13,530,262	1,392,216,029	3,552,297	1,158,787,392
Gain less losses arising from dealing in	29.0	1,520,070,829	568,328,774	1,427,839,009	592,891,397
Other operating income	30	280,253,681	444,137,820	216,664,448	179,627,407
		<b>33,825,985,616</b>	<b>30,054,395,458</b>	<b>33,145,677,236</b>	<b>29,269,618,629</b>
<b>Expenses</b>					
Interest, fee and commission	27	18,194,037,136	15,426,170,206	18,198,257,752	15,432,682,362
Losses on loan and advances		-	-	-	-
Administrative expenses	31-38	5,320,922,615	4,380,087,463	5,274,054,793	4,344,926,231
Other operating expenses	39, 40	2,015,162,045	1,480,838,334	1,979,889,789	1,432,363,237
Depreciation on banking assets	39	1,099,663,070	901,139,237	1,091,044,889	891,981,061
		<b>26,629,784,867</b>	<b>22,188,235,240</b>	<b>26,543,247,223</b>	<b>22,101,952,891</b>
<b>Profit before provision</b>		<b>7,196,200,750</b>	<b>7,866,160,219</b>	<b>6,602,430,013</b>	<b>7,167,665,738</b>
<b>26 Interest income</b>					
Term loan-industrial		1,253,653,389	1,574,609,239	1,253,653,389	1,574,609,239
Term Loan-Agricultural Loan		29,594,553	23,875,859	29,594,553	23,875,859
Term loan-consumer finance		39,081,708	15,854,964	39,081,708	15,854,964
Term Loan-Housing Finance		6,046,569,998	4,426,459,852	6,046,569,998	4,426,459,852
Term Loan-Transport loan		3,570,503	5,279,891	3,570,503	5,279,891
Term Loan-Lease finance		10,840,683	13,808,828	10,840,683	13,808,828
Term Loan-Foreign Currency (OBU)		107,190,530	98,140,220	107,190,530	98,140,220
Term loan-others		7,168,404,552	5,837,455,494	7,168,404,552	5,837,455,494
Overdrafts		6,688,088,890	6,095,697,640	6,911,919,202	6,337,567,478
Cash credit		1,502,182,309	1,621,197,016	1,502,182,309	1,621,197,016
Credit card		19,899,754	18,853,494	19,899,754	18,853,494
Demand loan		672,620,886	573,475,447	672,620,886	573,475,447
Loan general		23,419,790	114,727,658	23,419,790	114,727,658
Loan against trust receipt (LTR)		280,201,917	367,431,232	280,201,917	367,431,232
Staff loan		33,116,020	38,342,720	33,116,020	38,342,720
Overdue interest		401,987,579	451,958,461	401,987,579	451,958,461
Interest on Margin Loan		504,781,632	486,260,678	-	-
<b>Interest income from loans and advances</b>		<b>24,785,204,693</b>	<b>21,763,428,693</b>	<b>24,504,253,373</b>	<b>21,519,037,853</b>
Inland documentary bill purchased (IDBP)		143,399,474	71,918,990	143,399,474	71,918,990
Usance Bill Discounted (OBU)		2,755,491	6,243,059	2,755,491	6,243,059
Payment against document (cash)		6,459,033	22,141,000	6,459,033	22,141,000
Payment against document (forced)		76,029,024	18,093,421	76,029,024	18,093,421
Payment against document (EDF)		448,392,386	212,487,581	448,392,386	212,487,581
Payment against document (inland)		194,993,886	82,502,537	194,993,886	82,502,537
Payment against document (others)		185,684,674	114,544,366	185,684,674	114,544,366
<b>Interest income from bills paid and discounte</b>		<b>1,057,713,968</b>	<b>527,930,954</b>	<b>1,057,713,968</b>	<b>527,930,954</b>
Money at call on short notice		223,205,397	42,056,070	223,205,397	42,056,070
Balance held outside Bangladesh		13,258,995	211,042	13,258,995	211,042
Balance held inside Bangladesh		213,901,822	257,386,561	213,901,822	257,386,561
		<b>26,293,284,875</b>	<b>22,591,013,320</b>	<b>26,012,333,555</b>	<b>22,346,622,480</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
<b>27 Interest paid on deposits, borrowings etc.</b>					
<b>Interest paid on deposits</b>					
Current deposit		6,111,200,994	4,525,427,036	6,115,421,610	4,531,771,164
Saving bank deposit		464,592,399	550,015,768	464,592,399	550,015,768
Special notice deposit		505,715,459	1,005,233,762	505,715,459	1,005,401,790
Fixed deposit		8,694,414,161	7,255,752,336	8,694,414,161	7,255,752,336
Non resident FC deposit		900,209	123,168	900,209	123,168
Resident FC deposit		251,402	223,240	251,402	223,240
Pension savings scheme		868,980,971	777,164,013	868,980,971	777,164,013
Monthly income scheme		650,863,179	858,994,636	650,863,179	858,994,636
Foreign currency deposit		493,993	309,275	493,993	309,275
		<b>17,297,412,767</b>	<b>14,973,243,234</b>	<b>17,301,633,383</b>	<b>14,979,755,390</b>
<b>Interest paid on borrowings</b>					
Call borrowing		4,429,766	4,387,917	4,429,766	4,387,917
Term borrowing		20,286,285	12,107,792	20,286,285	12,107,792
Repurchase agreement (repo)		1,685,723	639,695	1,685,723	639,695
Bangladesh Bank- Refinance		45,606,418	60,776,501	45,606,418	60,776,501
Payment against lease obligation		-	79,987	-	79,987
Interest on subordinated bond		625,698,657	237,145,222	625,698,657	237,145,222
Bangladesh Bank- EDF		190,923,010	136,442,065	190,923,010	136,442,065
Bangladesh Bank- LTF Refinance		7,994,510	1,347,793	7,994,510	1,347,793
		<b>896,624,369</b>	<b>452,926,972</b>	<b>896,624,369</b>	<b>452,926,972</b>
		<b>18,194,037,136</b>	<b>15,426,170,206</b>	<b>18,198,257,752</b>	<b>15,432,682,362</b>
<b>28 Investment income</b>					
Interest on Treasury bills and bonds		2,870,039,814	2,778,513,935	2,870,039,814	2,778,513,935
Interest on reverse repo		8,845,527	3,396,418	8,845,527	3,396,418
Profit on sukuk bond		170,520,000	-	151,380,000	-
Interest on perpetual bond		99,996,438	-	99,996,438	-
Gain/(loss) on share sale	28.1	13,530,262	1,392,216,029	3,552,297	1,158,787,392
Dividend income - local		232,355,797	195,329,961	125,817,064	97,964,771
Dividend income - Foreign		-	-	-	152,808,630
		<b>3,395,287,838</b>	<b>4,369,456,343</b>	<b>3,259,631,140</b>	<b>4,191,471,146</b>
<b>28.1 Gain from sale of shares of listed companies</b>					
Gain on share sale		16,332,994	1,479,843,243	6,355,029	1,246,414,606
Less: Loss on sale of share		(2,802,732)	(87,627,214)	(2,802,732)	(87,627,214)
		<b>13,530,262</b>	<b>1,392,216,029</b>	<b>3,552,297</b>	<b>1,158,787,392</b>
<b>29 Commission, exchange and brokerage</b>					
Commission	29.1	2,279,058,263	1,989,988,916	2,229,209,085	1,959,006,200
Exchange gain/(loss)		1,520,070,829	568,328,774	1,427,839,009	592,891,397
Brokerage		58,030,132	91,470,285	-	-
		<b>3,857,159,223</b>	<b>2,649,787,975</b>	<b>3,657,048,093</b>	<b>2,551,897,596</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
<b>29.1 Commission</b>					
Bills purchased (Inland)		70,018	209,468	70,018	209,468
Remittances (inland)		4,481,999	5,000,170	4,481,999	5,000,170
Remittances (foreign)		3,828,813	3,344,406	3,828,813	3,344,406
Letter of guarantee (LG)-local		95,133,590	113,633,479	95,133,590	115,473,479
Letter of credit (back to back)		532,564,015	549,825,171	532,564,015	549,825,171
Letter of credit (cash)		188,925,845	220,864,610	188,925,845	220,864,610
Letter of credit (others)		117,752,113	109,714,080	117,752,113	109,714,080
Wage earners development bond		2,025,125	1,747,813	2,025,125	1,747,813
Local documentary bills collection (LDBC)		3,420,477	1,671,889	3,420,477	1,671,889
Inward foreign documentary bills collection (IFDE)		271,202,952	209,482,386	271,202,952	209,482,386
Foreign documentary bills collection (FDBC)		238,599	1,229,000	238,599	1,229,000
Foreign bills collection (FBC)		15,900	61,937	15,900	61,937
Add confirmation		52,510,773	36,374,659	52,510,773	36,374,659
Bill collection commission OBU		6,825,762	3,050,869	6,825,762	3,050,869
Loan origination fees		120,365,669	131,793,918	120,365,669	131,793,918
Service charge on accounts		377,868,519	298,601,049	377,297,769	297,832,749
Fees and Commission-Cards		243,094,497	130,055,756	243,094,497	130,055,756
Sanchaypatra		28,577,009	20,541,353	28,577,009	20,541,353
Foreign correspondent charges		50,064,080	39,369,530	50,064,080	39,369,530
Negotiation against contract		21,208,869	29,699,599	21,208,869	29,699,599
Rebate from foreign correspondent		104,676,385	50,611,091	104,676,385	50,611,091
Commission others		54,207,255	33,106,683	4,928,827	1,052,267
		<b>2,279,058,263</b>	<b>1,989,988,916</b>	<b>2,229,209,085</b>	<b>1,959,006,200</b>
<b>30 Other operating income</b>					
Locker rent		18,346,175	16,101,238	18,346,175	16,101,238
Cheque Book charge recovery		65,889,153	44,716,810	65,889,153	44,716,810
SWIFT charges recovery		13,870,107	19,272,402	13,870,107	19,272,402
Fund transfer fee		11,068,486	12,528,826	11,068,486	12,528,826
Gain/(loss) on sale of fixed assets	40.5	2,010,724	-	2,010,724	-
Miscellaneous earning		110,142,239	95,136,323	105,479,804	87,008,130
		<b>221,326,883</b>	<b>187,755,600</b>	<b>216,664,448</b>	<b>179,627,407</b>
<b>Miscellaneous earnings includes BDT 2,378,596 (Y2022) and BDT BDT 1,110,652 (Y2021) against forfeited amount returned from Provident Fund according to the Instruction of Financial Reporting Council [FRC] directives Dated 7 July 2020.</b>					
<b>31 Salary and allowances</b>					
Basic salary		1,570,256,410	1,285,781,721	1,549,023,672	1,268,281,592
House rent allowance		702,028,376	569,626,067	698,352,785	566,492,159
Conveyance allowance		87,020,347	72,466,788	86,599,854	72,064,888
Medical allowances		152,077,215	123,153,014	151,226,360	122,455,788
Entertainment allowance		29,591,965	33,930,177	29,262,465	33,601,903
Other allowances		71,081,647	83,506,209	70,216,598	82,630,855
Leave encashment		7,261,115	13,262,261	7,261,115	13,262,261
Bonus		646,754,502	635,162,467	642,588,685	632,753,587
Leave fare assistance		109,955,129	99,698,312	109,302,329	99,015,512
Provident fund- Bank's contribution		123,230,207	101,221,254	123,230,207	101,221,254
Contribution to gratuity fund		125,500,000	99,000,000	125,500,000	99,000,000
		<b>3,624,756,913</b>	<b>3,116,808,269</b>	<b>3,592,564,070</b>	<b>3,090,779,799</b>

Total number of employees in the Bank at the year ended 31 December 2022 were 4,977 (Y2021: 4,023). Number of employees for the year ended 31 December 2022 who were paid remuneration less than Tk. 36,000 was nil (Y2021: nil).

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
<b>32 Rent, taxes, insurance, electricity etc.</b>					
Rent paid		398,682,686	296,807,831	395,945,526	294,116,956
Rates & taxes		30,525,479	18,438,488	28,833,736	18,389,233
Insurance premium		297,223,201	255,434,110	297,080,430	255,295,237
Electricity & water		171,804,675	138,369,603	169,552,632	137,258,976
		<b>898,236,041</b>	<b>709,050,031</b>	<b>891,412,324</b>	<b>705,060,401</b>
Total office rent expenses for year ended 31 December 2022 are Tk. 861,017,995. Due to application of <i>IFRS 16: Leases</i> , Tk. 466,718,880 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 2.2.1.6.					
<b>33 Legal expenses</b>					
Legal expenses		5,243,897	4,712,972	2,931,599	3,800,210
Professional fees		16,232,214	13,344,682	13,353,968	12,190,764
		<b>21,476,111</b>	<b>18,057,653</b>	<b>16,285,567</b>	<b>15,990,974</b>
<b>34 Postage, stamp, telecommunication etc.</b>					
Postage expenses		34,244,527	17,014,794	34,244,527	17,014,794
Telephone		42,798,116	25,653,724	42,534,300	25,465,129
Communication facilities		154,679,230	75,580,443	153,972,052	75,193,085
		<b>231,721,873</b>	<b>118,248,961</b>	<b>230,750,879</b>	<b>117,673,008</b>
<b>35 Stationery, printing, advertisement etc.</b>					
Printing stationery		21,919,068	7,520,777	21,451,825	7,113,634
Security stationery		22,754,078	22,793,694	22,754,078	22,793,694
Petty stationery		75,293,216	47,514,952	75,293,216	47,514,952
Computer stationery		8,369,278	14,959,115	8,369,278	14,959,115
Advertisement and publicity		382,677,760	293,708,085	382,660,503	293,518,545
		<b>511,013,400</b>	<b>386,496,624</b>	<b>510,528,900</b>	<b>385,899,940</b>
<b>36 Managing Director's salary</b>					
Basic salary		18,667,275	16,970,250	18,667,275	16,970,250
House rent allowance		1,200,000	1,200,000	1,200,000	1,200,000
Provident fund- Bank's contribution		1,866,728	1,697,025	1,866,728	1,697,025
Festival bonus		3,394,050	3,085,500	3,394,050	3,085,500
		<b>25,128,053</b>	<b>22,952,775</b>	<b>25,128,053</b>	<b>22,952,775</b>
In addition to the above, the Managing Director was paid BDT 1 million as incentive bonuses in both years and BDT 1.54 million as LFA in Y2022 (Y2021: 1.40 million).					
<b>37 Directors' fees</b>					
Meeting attendance fees		4,257,600	4,346,400	3,360,000	2,736,000
		<b>4,257,600</b>	<b>4,346,400</b>	<b>3,360,000</b>	<b>2,736,000</b>
Each Director is paid Tk. 8,000 for attending each meeting as per the latest BRPD Circular no. 11, dated 04 October 2015.					
<b>38 Auditors' fees</b>					
Statutory annual audit fees		3,182,625	2,976,749	2,875,000	2,683,333
Interim audit fees		1,150,000	1,150,000	1,150,000	1,150,000
		<b>4,332,625</b>	<b>4,126,749</b>	<b>4,025,000</b>	<b>3,833,333</b>
<b>39 Depreciation and repair of bank's assets</b>					
<b>Depreciation</b>					
Buildings and premises		47,045,580	47,045,580	47,045,580	47,045,580
Wooden furniture		30,219,749	25,664,811	30,128,289	25,573,351
Steel furniture		12,376,045	7,109,923	12,376,045	7,109,923
Computer equipment		152,367,140	101,146,471	150,324,734	99,277,886
Office equipment		50,233,051	28,555,215	50,233,051	28,555,215
Electrical & gas equipment		166,155,163	126,498,179	165,822,924	126,176,104
Leasehold improvement		89,328,593	53,008,826	88,363,964	51,320,219
Vehicles		13,928,595	15,836,413	13,928,595	15,836,413



Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
Soft furnishing		680,292	833,836	680,292	833,836
Software		111,133,994	91,169,873	111,133,994	91,169,873
		<b>673,468,202</b>	<b>496,869,126</b>	<b>670,037,468</b>	<b>492,898,398</b>
Right of Use Assets		426,194,869	404,270,111	421,007,421	399,082,663
		<b>1,099,663,070</b>	<b>901,139,237</b>	<b>1,091,044,889</b>	<b>891,981,061</b>
<b>Repairs and maintenance</b>					
Property maintenance and repairs		334,044,898	251,992,227	331,958,116	250,350,701
Vehicles maintenance and repairs		49,231,938	42,559,744	48,898,602	42,281,964
		<b>383,276,836</b>	<b>294,551,971</b>	<b>380,856,718</b>	<b>292,632,665</b>
		<b>1,482,939,906</b>	<b>1,195,691,208</b>	<b>1,471,901,607</b>	<b>1,184,613,726</b>
<b>40 Other expenses</b>					
Entertainment		54,597,469	32,887,694	54,064,483	32,455,183
Petrol, oil and lubricants	40.1	94,091,574	58,919,333	94,091,574	58,919,333
Training and internship	40.2	11,787,551	3,671,157	11,784,996	3,671,157
Traveling expenses	40.3	54,387,254	31,410,570	53,968,622	30,949,982
Casual and contractual service	40.4	482,374,158	376,316,204	482,229,546	376,162,590
Loss on sales of fixed assets	40.5	-	15,244,486	-	15,244,486
Subscription and donation		22,163,738	35,669,719	21,616,908	33,584,390
Corporate Social Responsibility (CSR)		191,536,396	105,642,441	191,536,396	105,642,441
Books, newspapers and magazines, etc.		701,335	882,911	701,335	882,911
Interest on leased assets		48,334,361	47,980,443	45,711,459	45,138,980
NID verification charge		2,020,506	2,082,272	2,020,506	2,082,272
Reward and recognition		490,000	214,950	490,000	214,950
Uniforms and liveries		324,549	900,793	324,549	900,793
AGM and EGM expense		2,265,860	6,222,866	1,915,860	6,042,066
Business development		19,188,278	6,857,139	19,188,278	6,777,139
Crockeries		2,705,579	2,443,083	2,690,929	2,429,688
Security services		296,427,424	218,987,415	295,004,433	218,002,054
Bank charges and commission		28,886,477	23,372,459	11,310,083	7,798,385
Recovery and sales agent		3,736,643	4,611,310	3,736,643	4,611,310
Visa card expense		224,830,114	104,904,440	224,830,114	104,904,440
Branch Charge		12,341,128	11,959,226	12,341,128	11,959,226
Bond & Rights Share issue		38,541,250	46,419,315	38,541,250	46,419,315
Clean materials expense		10,294,417	2,657,839	10,294,417	2,657,839
Miscellaneous		29,859,147	46,028,298	20,639,560	22,279,642
		<b>1,631,885,209</b>	<b>1,186,286,363</b>	<b>1,599,033,071</b>	<b>1,139,730,572</b>
Expenses incurred by the Bank shown in these Financial Statements are inclusive of VAT where applicable as per Value Added Tax and Supplementary Duty Act, 2012.					
<b>40.1 Petrol, oil and lubricants</b>					
Petrol, oil and lubricants - pool car		51,655,401	21,095,744	51,655,401	21,095,744
Petrol, oil and lubricants - car purchase scheme		42,436,173	37,823,589	42,436,173	37,823,589
		<b>94,091,574</b>	<b>58,919,333</b>	<b>94,091,574</b>	<b>58,919,333</b>
<b>40.2</b>	Training and internship expense includes daily allowance and traveling allowances.				
<b>40.3</b>	Traveling expense represents foreign and local travel which include daily allowances and traveling allowance.				
<b>40.4 Casual and contractual service</b>					
Driver salary - car purchase scheme		42,714,321	41,053,692	42,714,321	41,053,692
DSA salary and incentive		170,171,325	141,081,945	170,171,325	141,081,945
Cleaning & maintenance expenses		152,203,723	83,094,871	152,203,723	83,094,871
Casual and contractual - staff		117,284,789	111,085,696	117,140,177	110,932,082
		<b>482,374,158</b>	<b>376,316,204</b>	<b>482,229,546</b>	<b>376,162,590</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
<b>40.5 Gain/ (loss) on sales of fixed assets</b>					
<b>Cost of fixed assets sold</b>					
Wooden furniture		7,873,347	4,855,781	7,873,347	4,855,781
Steel furniture		1,401,929	1,545,838	1,401,929	1,545,838
Computer equipment		22,224,455	43,746,793	22,224,455	43,746,793
Office equipment		5,540,180	6,396,610	5,540,180	6,396,610
Electrical & gas equipment		22,111,571	38,551,605	22,111,571	38,551,605
Leasehold improvement		11,447,025	18,363,112	11,447,025	18,363,112
Vehicles		4,127,607	4,355,027	4,127,607	4,355,027
Soft furnishing		1,100,721	392,353	1,100,721	392,353
Software		40,000	13,000	40,000	13,000
Non-banking assets		-	225,410,120	-	225,410,120
		<b>75,866,835</b>	<b>343,630,238</b>	<b>75,866,835</b>	<b>343,630,238</b>
<b>Less : Accumulated depreciation</b>					
Wooden furniture		7,719,830	4,386,345	7,719,830	4,386,345
Steel furniture		1,264,826	1,230,816	1,264,826	1,230,816
Computer equipment		22,214,275	43,528,643	22,214,275	43,528,643
Office equipment		5,524,670	6,394,948	5,524,670	6,394,948
Electrical & gas equipment		21,737,424	37,454,354	21,737,424	37,454,354
Leasehold improvement		10,169,777	15,267,391	10,169,777	15,267,391
Vehicles		4,127,605	4,355,022	4,127,605	4,355,022
Soft furnishing		1,100,661	387,087	1,100,661	387,087
Software		39,998	12,999	39,998	12,999
		<b>73,899,066</b>	<b>113,017,606</b>	<b>73,899,066</b>	<b>113,017,606</b>
<b>Written down value</b>		<b>1,967,768</b>	<b>230,612,632</b>	<b>1,967,768</b>	<b>230,612,632</b>
Sale proceeds of above fixed assets		3,978,492	215,368,146	3,978,492	215,368,146
<b>Gain / (loss) on sales of fixed assets</b>		<b>2,010,724</b>	<b>(15,244,486)</b>	<b>2,010,724</b>	<b>(15,244,486)</b>
<b>40.6 Pursuant to BRPD circular letter no. 35 dated 5 September 2022, Bangladesh Bank has instructed the banks to take necessary initiatives to rationalize the usage of fuel &amp; electricity. In line with that direction, Bank instructed all the Branches, Uposhakhas, Division &amp; Head Office to take necessary initiatives such as, strict maintenance of office hour, rationalizing uses of electricity e.g. set lower threshold level of air conditioning temperature, switching of 50% of lights etc., encourage to use digital form instead of hard copies of paper, control use of printer photocopier and other stationaries, encourage online meeting and training, minimize the fuel consumption etc. Above initiatives helped to rationalize the noted mentioned expenses though Bank is an expansion phase.</b>					
<b>40.a Details of investment in associates - under equity method</b>					
<b>i) Oman Exchange LLC</b>					
Opening balance		182,723,244	157,380,003	-	-
Add/ (less): Share of post acquisition profit/(lo		58,926,798	24,318,185	-	-
Add/ (less): Effect of changes in foreign curren		(49,316,498)	1,025,057	-	-
<b>Closing balance</b>		<b>192,333,544</b>	<b>182,723,244</b>	<b>-</b>	<b>-</b>
<b>ii) Share of post acquisition profit during the year</b>					
Nepal Bangladesh Bank Limited		-	232,064,035	-	-
Oman Exchange LLC		58,926,798	24,318,185	-	-
		<b>58,926,798</b>	<b>256,382,220</b>	<b>-</b>	<b>-</b>
<b>41 Provision for loans, investments and other assets</b>					
Specific provision	15.1	4,328,581,529	39,643,519	4,328,581,529	39,643,519
General provision	15.2	(2,342,365,847)	1,494,686,262	(2,342,365,847)	1,494,686,262
Provision for off-shore banking unit	15.2	(1,560,870)	(2,323,583)	(1,560,870)	(2,323,583)
Special general provision COVID-19	15.3	178,797,601	966,337,000	178,797,601	966,337,000
Provision for off-balance sheet exposur	15.4	(12,123,617)	186,321,413	(12,123,617)	186,321,413
<b>Provision for loans and advances</b>		<b>2,151,328,796</b>	<b>2,684,664,610</b>	<b>2,151,328,796</b>	<b>2,684,664,610</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
Provision for diminution in value of inve	15.5	15,953,403	4,002,860	2,460,354	4,002,860
Other provisions	41.1	49,464,436	13,957,367	49,464,436	13,957,367
		<b>2,216,746,635</b>	<b>2,702,624,837</b>	<b>2,203,253,586</b>	<b>2,702,624,837</b>
<b>41.1 Other provisions</b>					
Provision for nostro account		-	125,412	-	125,412
Provision for other assets	15.6	49,464,436	13,831,955	49,464,436	13,831,955
		<b>49,464,436</b>	<b>13,957,367</b>	<b>49,464,436</b>	<b>13,957,367</b>
<b>42 Provision for taxation</b>					
Current tax		2,835,201,785	2,712,105,506	2,726,461,102	2,578,825,776
Deferred tax expense/(income)	42.1	(1,298,112,746)	(89,790,868)	(1,297,703,716)	(89,056,092)
		<b>1,537,089,039</b>	<b>2,622,314,639</b>	<b>1,428,757,387</b>	<b>2,489,769,685</b>
<b>42.1 Deferred tax expense/(income)</b>					
Deferred tax on provision for loans and	10.5	(1,266,445,037)	(97,429,869)	(1,266,445,037)	(97,429,869)
Deferred tax on fixed assets	10.5	(25,118,716)	8,560,697	(24,709,686)	9,295,473
Deferred tax on leased assets	10.5	(6,548,993)	(921,696)	(6,548,993)	(921,696)
		<b>(1,298,112,746)</b>	<b>(89,790,868)</b>	<b>(1,297,703,716)</b>	<b>(89,056,092)</b>
<b>43 Receipts from other operating activities</b>					
Rent received		18,346,175	16,101,238	18,346,175	16,101,238
Other receipts		202,980,708	171,654,362	198,318,273	163,526,169
Capital gain/(loss)	28.1	13,530,262	1,392,216,029	3,552,297	1,158,787,392
		<b>234,857,145</b>	<b>1,579,971,629</b>	<b>220,216,745</b>	<b>1,338,414,799</b>
<b>44 Payments for other operating activities</b>					
Postage, stamp, telecommunication etc.		231,721,873	118,248,961	230,750,879	117,673,008
Rent paid		863,755,155	732,931,754	861,017,995	730,240,878
Rates, taxes & utilities		30,525,479	18,438,488	28,833,736	18,389,233
Insurance premium		297,223,201	255,434,110	297,080,430	255,295,237
Electricity & water		171,804,675	138,369,603	169,552,632	137,258,976
Traveling expenses		54,387,254	31,410,570	53,968,622	30,949,982
Auditors' fees		4,332,625	4,126,749	4,025,000	3,833,333
Directors' fees		4,257,600	4,346,400	3,360,000	2,736,000
Legal expenses		21,476,111	18,057,653	16,285,567	15,990,974
Repairs and maintenance		383,276,836	294,551,971	380,856,718	292,632,665
Other expenses		1,449,380,524	1,056,700,864	1,420,467,555	1,014,153,830
		<b>3,512,141,332</b>	<b>2,672,617,123</b>	<b>3,466,199,135</b>	<b>2,619,154,117</b>
<b>45 (Increase)/decrease of other assets</b>					
Stationery and stamps		23,354,297	31,089,517	23,354,297	31,089,517
Suspense account		876,995,266	809,447,215	865,755,661	784,948,535
Advance, deposit and prepayments		762,007,862	765,190,540	760,822,012	734,274,564
Receivable others		41,034,402	68,993,649	39,406,385	68,928,545
<b>Closing other assets</b>		<b>1,703,391,827</b>	<b>1,674,720,921</b>	<b>1,689,338,355</b>	<b>1,619,241,161</b>
<b>Opening other assets</b>		<b>1,674,720,921</b>	<b>2,246,084,788</b>	<b>1,619,241,161</b>	<b>1,345,253,625</b>
		<b>(28,670,905)</b>	<b>571,363,867</b>	<b>(70,097,194)</b>	<b>(273,987,536)</b>
<b>46 Increase/(decrease) of other liabilities</b>					
Withholding Tax payable to government		518,120,849	339,532,006	518,039,989	339,508,941
Withholding VAT payable to government		147,808,457	124,135,680	147,723,483	124,122,430
Excise duty payable to government		469,822,779	361,821,170	469,822,779	361,821,170
Revaluation of investment abroad		-	30,946,297	-	30,946,297
Payable against Govt. Bond & Sanchaypatra		69,075,648	36,387,851	69,075,648	36,387,851
Others		175,059,708	170,356,248	174,740,848	170,210,968
<b>Closing other liabilities</b>		<b>1,379,887,441</b>	<b>1,063,179,252</b>	<b>1,379,402,747</b>	<b>1,062,997,657</b>
<b>Opening other liabilities</b>		<b>1,063,179,252</b>	<b>1,183,801,787</b>	<b>1,062,997,657</b>	<b>1,078,168,240</b>
		<b>316,708,189</b>	<b>(120,622,535)</b>	<b>316,405,090</b>	<b>(15,170,583)</b>

Amount in BDT

Particulars	Note	Group		Bank	
		2022	2021	2022	2021
<b>47 Cash and cash equivalents</b>					
Cash in hand		11,829,060,999	7,206,054,519	11,828,999,688	7,205,942,452
Balance with Bangladesh Bank and its agent Bai		19,764,152,517	17,859,246,555	19,764,152,517	17,859,246,555
Balance with other banks and financial Institution		8,963,806,280	1,048,932,840	8,935,036,091	1,028,492,775
Money at call and on short notice		690,000,000	4,380,000,000	690,000,000	4,380,000,000
Prize Bonds		3,785,300	3,296,200	3,785,300	3,296,200
		<b>41,250,805,096</b>	<b>30,497,530,113</b>	<b>41,221,973,596</b>	<b>30,476,977,982</b>
<b>48 Reconciliation of statement of cash flows from operating activities</b>					
Profit before provision				6,602,430,013	7,167,665,738
<b>Add/(less): Adjustment</b>					
Depreciation on fixed asset				979,910,895	800,811,189
Amortization on software				111,133,994	91,169,873
Recovery of written off loans				852,890,685	220,307,550
Interest receivable				586,470,624	(254,090,679)
Interest payable on deposits				552,939,485	(481,277,384)
Bonus payable				61,000,000	300,000,000
Rent paid - lease adjustment				(465,072,469)	(436,123,923)
Accrued Expense				(10,023,027)	42,774,412
Interest on leased assets				45,711,459	45,138,980
				<b>2,714,961,646</b>	<b>328,710,017</b>
<b>Changes in operating assets and liabilities</b>					
Changes in loans & advances				(50,395,087,347)	(43,329,432,564)
Changes in deposit and other accounts				42,054,743,607	37,387,966,613
Changes of trading securities				2,867,725,460	7,673,478,939
Changes in other assets				(70,097,194)	(273,987,536)
Changes in other liabilities				316,405,090	(15,170,583)
				<b>(5,226,310,384)</b>	<b>1,442,854,869</b>
Income tax paid				(2,445,321,941)	(2,017,917,796)
<b>Net cash flows from/(used in) operating activities</b>				<b>1,645,759,335</b>	<b>6,921,312,828</b>
<b>49 Number of ordinary shares outstanding</b>					
Balance at the beginning of the year		1,700,867,561	1,619,873,868	1,700,867,561	1,619,873,868
Add: Bonus share issued		85,043,378	80,993,693	85,043,378	80,993,693
		<b>1,785,910,939</b>	<b>1,700,867,561</b>	<b>1,785,910,939</b>	<b>1,700,867,561</b>
<b>50 Earnings Per Share (EPS)*</b>					
Net profit after tax		3,442,364,036	2,541,217,648	2,970,419,040	1,975,271,216
Number of ordinary shares outstanding		1,785,910,939	1,785,910,939	1,785,910,939	1,785,910,939
<b>Earning Per Share (EPS)</b>		<b>1.93</b>	<b>1.42</b>	<b>1.66</b>	<b>1.11</b>
The consolidated and solo EPS of the Bank as of Y2022 is higher compared to Y2021 due to lower level of provisioning and tax charges.					
<b>51 Net Operating Cash Flow per Share*</b>					
Net cash flows from operating activities		2,138,079,965	7,344,387,352	1,645,759,335	6,921,312,828
Number of ordinary shares outstanding		1,785,910,939	1,785,910,939	1,785,910,939	1,785,910,939
<b>Net Operating Cash Flow per Share</b>		<b>1.20</b>	<b>4.11</b>	<b>0.92</b>	<b>3.88</b>
The consolidated and solo NOCFPS of the Bank as of Y2022 is lower compared to Y2021 due to higher growth in lending over deposits.					
<b>52 Net Asset Value (NAV) per Share*</b>					
Net assets value at the end of the year		33,609,014,105	30,236,323,782	30,090,675,926	27,120,924,021
Number of ordinary shares outstanding		1,785,910,939	1,785,910,939	1,785,910,939	1,785,910,939
<b>Net Asset Value (NAV) per Share</b>		<b>18.82</b>	<b>16.93</b>	<b>16.85</b>	<b>15.19</b>

\* Previous year's figure has been restated.

**53 Events after the reporting period**

The Board of Directors in its 855th Meeting held on 27 April 2023 recommended a total dividend of 5% in combination of 2.50% stock and 2.5% cash for the year ended 31 December 2022. Stock dividend is subject to approval from Bangladesh Securities and Exchange Commission (BSEC). This recommended dividend will be placed for approval of the shareholders in the forthcoming 46<sup>th</sup> Annual General Meeting of the Bank.

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

as at 31 December 2022

**Annexure-A**

Name of the Bank and Financial Institutions	Account type	Currency type	31 December 2022			31 December 2021		
			FC amount	Conversion rate	Equivalent BDT	FC amount	Conversion rate	Equivalent BDT
AB Bank Ltd., Mumbai	CD	USD	242,667	103.30	25,066,794	(3,093,469)	85.80	(265,419,648)
Amana Bank, Sri Lanka	CD	USD	6,159	103.30	636,183	34,646	85.80	2,972,649
Bank of Bhutan, Phuentsoling	CD	USD	-	103.30	-	77,927	85.80	6,686,107
Citi Bank N.A. New York	CD	USD	997,264	103.30	103,014,356	(66,669)	85.80	(5,720,201)
Commerz Bank AG, Frankfurt	CD	USD	240,345	103.30	24,826,956	132,949	85.80	11,407,002
Commerz Bank AG, Frankfurt	CD	EUR	367,943	109.60	40,325,836	122,362	97.38	11,915,946
Habib Bank, New York	CD	USD	152,091	103.30	15,710,579	307,824	85.80	26,411,256
Habib Bank AG, Zurich	CD	CHF	33,981	111.21	3,778,987	48,938	93.81	4,590,694
ICIC Bank Ltd., India	CD	USD	831,886	103.30	85,931,331	367,032	85.80	31,491,382
J.P. Morgan Chase Bank AG, Frankfurt	CD	EUR	45,934	109.60	5,034,225	4,060	97.38	395,347
J.P. Morgan Chase Bank, New York	CD	USD	5,087,435	103.30	525,516,779	3,558,974	85.80	305,359,998
J.P. Morgan Chase Bank, Sydney	CD	AUD	22,118	69.59	1,539,246	115,585	62.20	7,188,947
Mashreq Bank, PSC, India	CD	USD	178,721	103.30	18,461,389	244,784	85.80	21,002,448
Masreq Bank PSC, New York	CD	USD	1,007,805	103.30	104,103,272	879,048	85.80	75,422,310
MCB Bank Ltd, Pakistan	CD	USD	41,764	103.30	4,314,117	127,028	85.80	10,899,038
Nabil Bank Ltd., Nepal	CD	USD	26,650	103.30	2,752,827	278,543	85.80	23,898,988
Sonali Bank Limited, Kolkata	CD	USD	26,736	103.30	2,761,787	13,714	85.80	1,176,629
Standard Chartered Bank, New York	CD	USD	7,092,322	103.30	732,615,627	3,400,262	85.80	291,742,517
Standard Chartered Bank, Mumbai	CD	USD	170,675	103.30	17,630,231	984,646	85.80	84,482,649
Standard Chartered Bank, London	CD	GBP	312,579	124.11	38,794,543	392,179	115.73	45,385,720
Standard Chartered Bank, London	CD	USD	169,071	103.30	17,464,480	122,970	85.80	10,550,818
Standard Chartered Bank, Tokyo	CD	JPY	2,471,590	0.77	1,898,675	4,593,396	0.75	3,428,511
Wells Fargo Bank, New York	CD	USD	1,924,297	103.30	198,774,154	224,400	85.80	19,253,483
<b>Total</b>			<b>21,450,034</b>		<b>1,970,952,374</b>	<b>12,871,128</b>		<b>724,522,589</b>

**Details of investment in shares**

as at 31 December 2022

**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)
<b>Unquoted shares</b>							
Karma Sangsthan Bank	100	200,000	100.00	20,000,000	304.41	60,881,714	40,881,714
Central Depository Bangladesh Limited	10	2,284,722	10.00	22,847,220	39.14	89,425,027	66,577,807
				<b>42,847,220</b>		<b>150,306,741</b>	<b>107,459,521</b>
<b>Quoted shares</b>							
<b>Under General Fund</b>							
Bangladesh Submarine Cable Company Limited	10	58,100	230.13	13,370,658	218.90	12,718,090	(652,568)
Beximco Limited	10	4,592,600	86.35	396,591,748	115.60	530,904,560	134,312,812
Beximco Pharmaceuticals Limited	10	3,040,600	105.26	320,041,062	146.20	444,535,720	124,494,658
British American Tobacco Limited	10	38,747	539.96	20,921,646	518.70	20,098,069	(823,577)
Doreen Power Generations Limited	10	106,400	67.34	7,164,891	61.00	6,490,400	(674,491)
Energypac Power Generation Limited	10	619,500	41.90	25,960,000	34.50	21,372,750	(4,587,250)
Fareast Life Insurance Limited	10	979,224	125.11	122,511,641	75.00	73,441,800	(49,069,841)
Grameen Phone Limited	10	28,000	362.25	10,142,947	286.60	8,024,800	(2,118,147)
Green Delta Insurance Ltd.	10	90,000	66.00	5,940,378	65.10	5,859,000	(81,378)
IDLC Finance Limited	10	496,000	74.64	37,023,277	46.50	23,064,000	(13,959,277)
LafargeHolcim Bangladesh Limited	10	90,000	71.32	6,418,890	64.80	5,832,000	(586,890)
Maksons Spinning Mills Limited	10	150,000	26.69	4,003,965	22.30	3,345,000	(658,965)
Malek Spinning Mills Limited	10	150,000	40.91	6,136,410	27.10	4,065,000	(2,071,410)
National Housing Finance & Investment Limited	10	5,288,910	7.38	39,010,000	41.80	221,076,438	182,066,438
Olympic Industries Limited	10	20,000	116.40	2,328,098	124.00	2,480,000	151,902
Power Grid Company Limited	10	50,000	69.13	3,456,265	52.40	2,620,000	(836,265)
Renata Limited	10	30,495	1,259.45	38,406,822	1,217.90	37,139,861	(1,266,962)
Square Pharmaceuticals Limited	10	1,800,000	216.11	388,990,458	209.80	377,640,000	(11,350,458)
Square Textile Limited	10	150,000	69.98	10,497,615	67.50	10,125,000	(372,615)
Summit Power Limited	10	208,545	49.92	10,411,536	34.00	7,090,530	(3,321,006)
TITAS Gas Transmission and Distribution Limited	10	1,665,760	76.60	127,592,706	40.90	68,129,584	(59,463,122)
United Power Generation Limited	10	30,000	250.23	7,506,972	233.70	7,011,000	(495,972)
Unique Hotel and Resorts Limited	10	200,000	105.15	21,029,385	57.70	11,540,000	(9,489,385)
Yeakin Polymer Limited	10	500,000	20.73	10,365,600	18.80	9,400,000	(965,600)
<b>Total</b>				<b>1,635,822,970</b>		<b>1,914,003,601</b>	<b>278,180,632</b>
<b>Under Special Fund as per BB DOS Circular number 1, dated 10 February 2020</b>							
Beximco Pharmaceuticals Limited	10	7,371,650	106.05	781,737,625	146.20	1,077,735,230	295,997,605
Beximco Green-Sukuk Al Istisna'a	100	8,000,000	100.00	800,000,000	89.00	712,000,000	(88,000,000)
<b>Total</b>				<b>1,581,737,625</b>		<b>1,789,735,230</b>	<b>207,997,605</b>



Name of the Company	Face value	No. of share	Cost/share	Cost price	Mkt or NAV price/share	Total value	Gain/(loss)
<b>Investment in bond/sukuk</b>							
AB Bank Perpetual Bond	1,000	1,000,000	1,000.00	1,000,000,000	1,000.00	1,000,000,000	-
Beximco Green-Sukuk Al Istisna'a	100	10,100,000	89.00	898,900,400	89.00	898,900,000	(400)
<b>Total</b>				<b>1,898,900,400</b>		<b>1,898,900,000</b>	<b>(400)</b>
<b>Mutual funds</b>							
IFIC Bank 1 <sup>st</sup> Mutual Fund	10	37,951,655	6.59	250,000,000	8.37	317,750,231	67,750,231
ICB Employee 1 <sup>st</sup> Mutual Fund	10	1,339,500	13.43	17,986,473	7.87	10,543,205	(7,443,269)
				<b>267,986,473</b>		<b>328,293,436</b>	<b>60,306,963</b>
<b>Investment in overseas entity: In associate/joint venture</b>							
Oman Exchange LLC		627,841	83.47	52,404,651	343.21	215,483,002	163,078,351
				<b>52,404,651</b>		<b>215,483,002</b>	<b>163,078,351</b>
<b>Other investment in overseas entity</b>							
MCB Bank Limited, Pakistan		175,508	2,064.34	362,307,872	50.21	8,812,166	(353,495,706)
Investment in overseas entity: held for sale				2,288,252,563			
<b>Total Investment in overseas entity</b>				<b>2,702,965,086</b>		<b>224,295,167</b>	<b>(190,417,356)</b>
<b>Total</b>				<b>8,130,259,774</b>		<b>6,305,534,176</b>	<b>463,526,965</b>

Particulars	Cost price	Market value	Req. Provision
Unquoted shares	42,847,220	150,306,741	-
Quoted- general Fund <sup>1</sup>	3,534,723,370	3,812,903,601	-
Quoted- under special fund <sup>1</sup>	1,581,737,625	1,789,735,230	-
Mutual funds <sup>2</sup>	267,986,473	328,293,436	7,443,269
<b>Sub-total</b>	<b>5,427,294,688</b>	<b>6,081,239,008</b>	<b>7,443,269</b>
Investment in overseas entity: In associate/joint venture	52,404,651	215,483,002	-
Other foreign investment-MCB Bank Ltd.	362,307,872	8,812,166	353,495,706
<b>Grand Total</b>	<b>5,842,007,211</b>	<b>6,305,534,176</b>	<b>360,938,975</b>

<sup>1</sup> Provision against quoted- general Fund has been made as per DOS circular no. 4 dated 24 November 2011

<sup>2</sup> Provision against Mutual 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
	<b>A</b>	<b>B</b>		<b>C</b>	<b>D</b>	<b>E</b>	<b>F=(E-B)</b>	<b>G=(A x F)</b>
IFIC Bank 1 <sup>st</sup> MF	37,951,655	6.59	9.85	8.37	5.10	8.37	-	-
ICB EP 1 <sup>st</sup> MF	1,339,500	13.43	9.26	7.87	7.10	7.87	(5.56)	7,443,269
<b>Total provision required</b>								<b>7,443,269</b>

Loans and advances allowed to each customer exceeding 10% of Bank's total capital  
as at 31 December 2022

BDT in million

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2022			Amount classified
			Funded	Non-funded	Total	
1	Uttara	Uttara Traders (Pvt.) Ltd.	2,645.80	3,454.40	6,100.20	-
		Uttara Trade International Ltd.	-	2,979.90	2,979.90	-
<b>Sub Total:</b>			<b>2,645.80</b>	<b>6,434.30</b>	<b>9,080.10</b>	<b>-</b>
2	Silver Line	Silver Composite Textile Mills Ltd.	3,103.40	821.90	3,925.30	-
		Silver Line Composite Textile Mill Ltd.	3,372.50	1,198.00	4,570.50	-
		Silver Line Garments Ltd.	-	216.60	216.60	-
		Sundarban Air Travel Ltd.	-	7.50	7.50	-
<b>Sub Total:</b>			<b>6,475.90</b>	<b>2,244.00</b>	<b>8,719.90</b>	<b>-</b>
3		Apollo Trade International Ltd.	-	8,197.70	8,197.70	-
<b>Sub Total:</b>			<b>-</b>	<b>8,197.70</b>	<b>8,197.70</b>	<b>-</b>
4	Anwar	Anwar Ispat Ltd.	1,079.10	821.00	1,900.10	-
		Anwar Cement Ltd.	2,341.20	2,833.30	5,174.50	-
<b>Sub Total:</b>			<b>3,420.30</b>	<b>3,654.30</b>	<b>7,074.60</b>	<b>-</b>
5	Doha-Global	Dohatec Newmedia Ltd.	2,447.60	42.60	2,490.20	-
		Global Voice Telecom Ltd.	2,987.40	1,291.30	4,278.70	-
<b>Sub Total:</b>			<b>5,435.00</b>	<b>1,333.90</b>	<b>6,768.90</b>	<b>-</b>
6	Knit Concern	Knit Concern Ltd.	2,086.60	2,190.40	4,277.00	-
		KC Apparels Ltd.	92.50	265.60	358.10	-
		Pack Concern Ltd.	58.80	7.10	65.90	-
		KC Lingerie Ltd.	1,310.00	547.90	1,857.90	-
		Zas Concern Ltd.	19.90	9.90	29.80	-
		Surecell Medical (BD) Ltd.	6.80	-	6.80	-
		KC Spinning Mills Ltd.	-	36.90	36.90	-
<b>Sub Total:</b>			<b>3,574.60</b>	<b>3,057.80</b>	<b>6,632.40</b>	<b>-</b>
7	Nassa	Nassa Properties Ltd.	3,929.40	-	3,929.40	-
		Nassa Spinners & Garments Ltd.	1,420.10	170.50	1,590.60	-
		Nassa Supreme Wash Ltd.	726.60	24.50	751.10	-
<b>Sub Total:</b>			<b>6,076.10</b>	<b>195.00</b>	<b>6,271.10</b>	<b>-</b>
8		Habib Hotel International Ltd.	5,987.40	-	5,987.40	-
<b>Sub Total:</b>			<b>5,987.40</b>	<b>-</b>	<b>5,987.40</b>	<b>-</b>
9	Uttara Jute	Uttara Jute Fibres & Industries Ltd.	5,511.10	52.30	5,563.40	-
<b>Sub Total:</b>			<b>5,511.10</b>	<b>52.30</b>	<b>5,563.40</b>	<b>-</b>
10	Islam	Islam Garments Ltd.	3,075.80	2,240.80	5,316.60	-
		Islam Knit Designs Ltd.	7.80	9.00	16.80	-
		Euro Jeans Ltd.	45.80	-	45.80	-
<b>Sub Total:</b>			<b>3,129.40</b>	<b>2,249.80</b>	<b>5,379.20</b>	<b>-</b>
11	ENA	Ena Properties Ltd.	2,165.20	28.20	2,193.40	-
		Northern Power Solutions Ltd.	2,127.80	111.00	2,238.80	-
		Ena Building Products Ltd.	306.30	-	306.30	-
		Sakoatex Ltd.	458.30	9.80	468.10	-
<b>Sub Total:</b>			<b>5,057.60</b>	<b>149.00</b>	<b>5,206.60</b>	<b>-</b>
12	Wisdom	Wisdom Attires Ltd.	4,541.50	603.40	5,144.90	-
		Three Star Farm House Ltd.	39.20	-	39.20	-
<b>Sub Total:</b>			<b>4,580.70</b>	<b>603.40</b>	<b>5,184.10</b>	<b>-</b>
13	Sikder	Powerpac Mutiara Keraniganj Ltd.	2,371.50	-	2,371.50	-
		R & R Holdings Ltd.	2,247.10	-	2,247.10	-
<b>Sub Total:</b>			<b>4,618.60</b>	<b>-</b>	<b>4,618.60</b>	<b>-</b>
14	Phonix	Appollo Ispat Complex Ltd.	4,511.50	-	4,511.50	-

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2022			Amount classified
			Funded	Non-funded	Total	
		<b>Sub Total:</b>	<b>4,511.50</b>	-	<b>4,511.50</b>	-
15		Absolute Construction & Engineering Ltd.	4,447.60	-	4,447.60	-
		<b>Sub Total:</b>	<b>4,447.60</b>	-	<b>4,447.60</b>	-
16		Serve Construction & Engineering Ltd.	4,441.20	-	4,441.20	-
		<b>Sub Total:</b>	<b>4,441.20</b>	-	<b>4,441.20</b>	-
17	Pran Group	Agricultural Marketing Ltd.	93.90	-	93.90	-
		Banga Building Materials Ltd.	236.70	644.00	880.70	-
		Banga Millers Ltd.	48.10	-	48.10	-
		Durable Plastic Ltd.	79.80	-	79.80	-
		Pran Dairy Ltd.	961.20	1,224.60	2,185.80	-
		Advance Trimps Solution BD Ltd.	119.20	215.30	334.50	-
		RFL Plastics Ltd.	0.30	796.10	796.40	-
		<b>Sub Total:</b>	<b>1,539.20</b>	<b>2,880.00</b>	<b>4,419.20</b>	-
18		Sristi Real Estate Ltd.	4,407.00	-	4,407.00	-
		<b>Sub Total:</b>	<b>4,407.00</b>	-	<b>4,407.00</b>	-
19		Northstone Construction & Engineering Ltd.	4,389.10	-	4,389.10	-
		<b>Sub Total:</b>	<b>4,389.10</b>	-	<b>4,389.10</b>	-
20	Navana	Navana Ltd.	616.50	247.90	864.40	-
		Navana Real Estate Ltd.	3,232.50	-	3,232.50	-
		Navana Interlinks Ltd.	77.90	40.60	118.50	-
		Navana Electronics Ltd.	108.30	4.20	112.50	-
		<b>Sub Total:</b>	<b>4,035.20</b>	<b>292.70</b>	<b>4,327.90</b>	-
		<b>Grand Total:</b>	<b>84,283.30</b>	<b>31,344.20</b>	<b>115,627.50</b>	-

Schedule of fixed assets including premises, furniture and fixture  
as at 31 December 2022

Annexure - D

Particulars	Cost					Depreciation/Amortization				Written down value as at 31 December 2022
	Balance as at 1 January 2022	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2022	Balance as at 1 January 2022	Charged during the year	Disposal during the year	Balance as at 31 December 2022	
Land	2,423,609,559	-	-	-	2,423,609,559	-	-	-	-	2,423,609,559
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	469,054,116	47,045,580	-	516,099,696	1,386,517,508
Wooden furniture	339,565,380	43,661,961	-	7,873,347	375,353,994	168,279,126	30,128,289	7,719,830	190,687,585	184,666,409
Steel furniture	198,592,399	55,662,140	-	1,401,929	252,852,611	55,683,381	12,376,045	1,264,826	66,794,601	186,058,010
Computer equipment	1,183,841,452	190,790,291	171,810,303	22,224,455	1,524,217,591	799,705,185	150,324,734	22,214,275	927,815,644	596,401,947
Electrical & gas equipment	1,400,699,530	273,539,548	13,159,190	22,111,571	1,665,286,697	651,266,220	165,822,924	21,737,424	795,351,720	869,934,977
Office equipment	386,456,865	128,954,780	3,360,000	5,540,180	513,231,465	241,684,666	50,233,051	5,524,670	286,393,046	226,838,419
Leasehold improvement	814,168,535	428,506,799	-	11,447,025	1,231,228,309	244,997,237	88,363,964	10,169,777	323,191,424	908,036,885
Vehicles	219,419,429	3,133,000	-	4,127,607	218,424,822	183,315,135	13,928,595	4,127,605	193,116,126	25,308,696
Software	1,162,925,786	133,737,996	179,962,166	40,000	1,476,585,948	493,340,660	111,133,994	39,998	604,434,656	872,151,292
Soft furnishing	13,187,132	742,709	-	1,100,721	12,829,120	12,192,184	680,292	1,100,661	11,771,815	1,057,305
<b>Sub-total</b>	<b>10,045,083,271</b>	<b>1,258,729,224</b>	<b>368,291,659</b>	<b>75,866,835</b>	<b>11,596,237,320</b>	<b>3,319,517,910</b>	<b>670,037,468</b>	<b>73,899,066</b>	<b>3,915,656,312</b>	<b>7,680,581,007</b>
Right of Use Assets	1,829,246,619	672,480,362	-	190,647,524	2,311,079,457	756,654,020	421,007,421	86,809,409	1,090,852,032	1,220,227,425
<b>Sub-total</b>	<b>11,874,329,890</b>	<b>1,931,209,586</b>	<b>368,291,659</b>	<b>266,514,358</b>	<b>13,907,316,777</b>	<b>4,076,171,929</b>	<b>1,091,044,889</b>	<b>160,708,475</b>	<b>5,006,508,343</b>	<b>8,900,808,432</b>
Capital work in progress *	124,720,260	609,592,264	(368,291,659)	-	366,020,865	-	-	-	-	366,020,865
<b>Total</b>	<b>11,999,050,150</b>	<b>2,540,801,850</b>	<b>-</b>	<b>266,514,358</b>	<b>14,273,337,642</b>	<b>4,076,171,929</b>	<b>1,091,044,889</b>	<b>160,708,475</b>	<b>5,006,508,343</b>	<b>9,266,829,298</b>

\* Capital work in progress represents the amount paid for Card Management, ERP Solution and different types of Software.

Particulars	Cost					Depreciation/Amortization				Written down value as at 31 December 2021
	Balance as at 1 January 2021	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2021	Balance as at 1 January 2021	Charged during the year	Disposal during the year	Balance as at 31 December 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	47,045,580	-	469,054,116	1,433,563,088
Wooden furniture	287,581,539	56,839,622	-	4,855,781	339,565,380	147,092,121	25,573,351	4,386,345	168,279,126	171,286,254
Steel furniture	111,193,993	54,150,007	34,794,237	1,545,838	198,592,399	49,804,274	7,109,923	1,230,816	55,683,381	142,909,018
Computer equipment	1,049,746,984	114,394,766	63,446,495	43,746,793	1,183,841,452	743,955,942	99,277,886	43,528,643	799,705,185	384,136,268
Electrical & gas equipment	1,085,482,116	353,769,019	-	38,551,605	1,400,699,530	562,544,470	126,176,104	37,454,354	651,266,220	749,433,310
Office equipment	290,404,959	95,556,327	6,892,189	6,396,610	386,456,865	219,524,399	28,555,215	6,394,948	241,684,666	144,772,199
Leasehold improvement	508,637,207	280,619,980	43,274,460	18,363,112	814,168,535	208,944,409	51,320,219	15,267,391	244,997,237	569,171,298
Vehicles	212,708,501	11,065,955	-	4,355,027	219,419,429	171,833,744	15,836,413	4,355,022	183,315,135	36,104,294
Software	1,107,209,905	23,420,561	32,308,320	13,000	1,162,925,786	402,183,786	91,169,873	12,999	493,340,660	669,585,126
Soft furnishing	12,960,055	619,430	-	392,353	13,187,132	11,745,436	833,836	387,087	12,192,184	994,948
<b>Sub-total</b>	<b>8,992,152,022</b>	<b>990,435,667</b>	<b>180,715,701</b>	<b>118,220,118</b>	<b>10,045,083,272</b>	<b>2,939,637,117</b>	<b>492,898,398</b>	<b>113,017,606</b>	<b>3,319,517,910</b>	<b>6,725,565,362</b>
Right of Use Assets	1,938,582,527	286,833,602	-	396,169,510	1,829,246,619	584,125,725	399,082,663	226,554,368	756,654,020	1,072,592,599
<b>Sub-total</b>	<b>10,930,734,549</b>	<b>1,277,269,269</b>	<b>180,715,701</b>	<b>514,389,628</b>	<b>11,874,329,891</b>	<b>3,523,762,842</b>	<b>891,981,061</b>	<b>339,571,974</b>	<b>4,076,171,929</b>	<b>7,798,157,961</b>
Capital work in progress *	88,200,413	217,235,548	(180,715,701)	-	124,720,260	-	-	-	-	124,720,260
<b>Total</b>	<b>11,018,934,962</b>	<b>1,494,504,817</b>	<b>-</b>	<b>514,389,628</b>	<b>11,999,050,151</b>	<b>3,523,762,842</b>	<b>891,981,061</b>	<b>339,571,974</b>	<b>4,076,171,929</b>	<b>7,922,878,221</b>

\* Capital work in progress represents the amount paid for Centralized Security Monitoring, Fusion Banking Essence and different types of Software.

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

Solo Basis

as at 31 December 2022

**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	11,829.00	-
b.	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank		0	64,382.98	-
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	759.64	151.93
		2,3	0.50	189.72	94.86
		4,5	1.00	10.25	10.25
		6	1.50	-	-
		Unrated	1.00	166.85	166.85
	ii) Maturity less than 3 months		0.20	10,213.45	2,042.69
h.	Claims on Corporate (excluding equity exposure)	1	0.20	15,559.69	3,111.94
		2	0.50	37,505.27	18,752.64
		3,4	1.00	90,961.98	90,961.98
		5,6	1.50	-	-
		Unrated	1.25	19,933.03	24,916.28
h(1)	Claims on SME	SME 1	0.20	106.21	21.24
		SME 2	0.40	1,184.48	473.79
		SME 3	0.60	4,365.18	2,619.11
		SME 4	0.80	834.77	667.81
		SME 5	1.20	-	-
		SME 6	1.50	-	-
		Unrated (small enterprise & <BDT 3m)	0.75	2,070.78	1,553.09
		Unrated (small enterprise having ≥ BDT 3m&Medium enterprise)	1.00	8,429.20	8,429.20

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
i.	Claims under Credit Risk Mitigation	PSE		-	-
		Banks & NBFIs		-	-
		Corporate		22,106.89	14,332.87
		Retail		671.10	13.67
		SME		394.88	30.24
		Consumer finance		3,404.38	1,021.66
		Residential property		7,698.43	1,307.21
		Commercial real estate		-	-
j.	Claims categorized as retail portfolio (excluding SME, Consumer Finance and Staff loan) up to 1 crore		0.75	1,458.46	1,093.85
k.	Consumer finance		1.00	5,345.96	5,345.96
l.	Claims fully secured by residential property		0.50	87,034.87	43,517.43
m.	Claims fully secured by Commercial real estate		1.00	19,101.56	19,101.56
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	8,272.14	12,408.21
	ii) Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim		1.00	2,209.33	2,209.33
	iii) Where specific provisions are more than 50 percent of the outstanding amount of the past due claim		0.50	1,270.51	635.26
	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	3,400.22	3,400.22
	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	175.53	131.64
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	1,075.25	1,344.06
q.	Investments in venture capital		1.50	-	-
r.	Investments in premises, plant and equipment and all other fixed assets		1.00	9,266.83	9,266.83
s.	Claims on all fixed assets under operating lease		1.00	88.02	88.02
t.	All other assets			-	-
	i) Claims on GoB & BB		0.00	847.54	-
	ii) Staff loan/Investment		0.20	977.47	195.49
	iii) Cash items in Process of Collection		0.20	-	-
	iv) Claims on Off-shore Banking Units (OBU)		1.00	-	-
	v) Other assets (net off specific provision, if any)		1.00	6,328.19	6,328.19
<b>Sub-Total</b>				<b>449,650.06</b>	<b>275,755.36</b>



## 2.0 Risk Weighted Amount for Credit Risk Off-Balance Sheet Exposures

BDT in Million

Sl. No.	Exposure Type	BB's Rating Grade*	Risk Weight	Exposure	RWA
1	2	3	4	5	6 = (4x5)
a)	Claims on Bangladesh Government and Bangladesh Bank		0		
b)	Claims on other Sovereigns & Central Banks*				
c)	Claims on Bank for International Settlements, International Monetary Fund and European Central Bank		0		
d)	Claims on Multilateral Development Banks (MDBs):				
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, IDB, CEDB		0		
	ii) Others MDBs	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
f)	Claims on Banks & NBFIs				
	i) Maturity over 3 months	1	0.20		
		2,3	0.50		
		4,5	1.00		
		6	1.50		
		Unrated	0.50		
	ii) Maturity less than 3 months		0.20		
g)	Claims on Corporate (excluding equity exposure)	1	0.20	6,946.74	1,389.35
		2	0.50	12,869.06	6,434.53
		3,4	1.00	11,507.18	11,507.18
		5,6	1.50	-	-
		Unrated	1.25	13,302.57	16,628.21
h)	Claims under retail exposure		0.75	6.40	4.80
h(1)	Claims under SME Credit Rating-wise exposure	1	0.20	173.95	34.79
		2	0.40	246.13	98.45
		3	0.60	311.31	186.79
		4	0.80	172.26	137.81
		5	1.20	-	-
		6	1.50	-	-
		Unrated (small enterprise & <BDT 3.00m)	0.75	50.42	37.81
		Unrated (small enterprise having ≥ BDT 3.00m & Medium enterprise)	1.00	512.33	512.33
i)	Consumer Loan		1.00		
j)	Claims fully secured by residential property		0.50		
k.)	Claims fully secured by commercial real estate		1.00		
l)	Investments in venture capital		1.50		
m)	All other assets		1.00		
<b>Sub-Total</b>				<b>46,098.34</b>	<b>36,972.05</b>

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

BDT in Million

Sl. No.	Market Risk	Capital Charge	Risk Weight	RWA
a	Interest Rate Related Instruments	-	10.00	-
b	Equities	961.14	10.00	9,611.41
c	Foreign Exchange Position	176.09	10.00	1,760.89
d	Commodities	-	-	-
<b>Sub-Total</b>		<b>1,137.23</b>		<b>11,372.39</b>

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

Sl. No.	Operational Risk	Capital Charge	Risk Weight	RWA
a	Gross Income	1,446.47	10.00	14,464.72
<b>Sub-Total</b>		<b>1,446.47</b>	10.00	<b>14,464.72</b>
<b>Grand Total Risk Weighted Assets</b>				<b>338,564.42</b>

Name of Directors and their interest in different entities  
as at 31 December 2022

SI No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
1	Mr. Salman F Rahman	Chairman	Chairman	GMG Airlines Limited
			Vice Chairman	Bangladesh Export Import Co. Limited
			Vice Chairman	Beximco Pharmaceuticals Limited
			Vice Chairman	Beximco Synthetics Limited
			Vice Chairman	Shinepukur Ceramics Limited
			Vice Chairman	Independent Television Limited
			Vice Chairman	Beximco Holdings Limited
			Vice Chairman	Beximco Computers Limited
			Vice Chairman	Beximco Pharma Center for Bio & Industrial Research Limited
			Vice Chairman	Beximco Property Development and Management Limited
			Vice Chairman	Sonali Ansh Limited
			Vice Chairman	Esses Exporters Limited
			Shareholder	Beximco Power Company Limited
			Shareholder	Beximco Engineering Limited
Shareholder	I & I Services Limited			
2	Mr. Ahmed Shayan Fazlur Rahman	Vice-Chairman	Chairman	Beximco Communications Limited
			Chairman	Escorp LPG Limited
			Chairman	Beximco Petroleum Limited
			Chairman	Escorp Cylinders Limited
			Chairman (Nominee Director)	Beximco LPG Unit-1 Limited
			Chairman (Nominee Director)	Beximco LPG Unit-2 Limited
			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
			Director	Independent Television Limited
			Shareholder	Crescent Fashion and Design Limited
			Shareholder	SFR Estates Limited
Shareholder	SFR Holding Limited			
Stakeholder	New Dacca Industries Limited			
3	Mr. A. R. M. Nazmus Sakib	Director	Chairman (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	Nabil Bank Limited, Nepal
			Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Investment Limited
			Stakeholder	Tradenext International Limited
4	Ms. Rabeya Jamali	Independent Director	Director (Nominated by IFIC Bank)	IFIC Investment Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Partner	Jamali & Morshed
			Independent Director	Confidence Cement Limited

Sl No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
5	Mr. Sudhangshu Shekhar Biswas	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
6	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)	Beximco Pharmaceuticals Limited
			Member (Nominated by Govt. of Bangladesh)	National River Conservation Commission
7	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
8	Mr. Md. Golam Mostofa	Govt. nominated Director	Director (Nominated by IFIC Bank)	IFIC Securities Limited
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Additional Secretary	Finance Division, Ministry of Finance, Bangladesh Secretariat
9	Mr. Mohammad Shah Alam Sarwar	Managing Director	Director (Nominated by IFIC Bank)	Oman Exchange LLC
			Director (Nominated by IFIC Bank)	IFIC Money Transfer (UK) Limited
			Director (Nominated by IFIC Bank)	IFIC Securities Limited

#### Related party transactions

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

Nature of Transaction	Amount in BDT	
	As at and for the year ended 31 December 2022	31 December 2021
<b>1) Name of the Party : IFIC Securities Limited</b>		
A. Capital investment	2,199,994,000	2,199,994,000
B. Current & SND Account	60,641,476	111,347,480
C. BO account balance	1,520,291	930,553
D. Loan	2,605,620,317	2,704,872,849
<b>2) Name of the Party : IFIC Money Transfer (UK) Limited</b>		
Relationship with the company : Subsidiary		
Capital investment	29,987,999	34,718,100
<b>3) Name of the Party : IFIC Investment Limited</b>		
Relationship with the company : Subsidiary		
A. Capital investment	399,994,000	399,994,000
B. Current & SND Account	16,024,083	368,410,705
<b>4) Name of the Party : Oman Exchange LLC</b>		
Relationship with the company : Associate		
Capital investment	52,404,651	88,046,700

**5) Name of the Party : IFIC Gratuity Fund**

Saving Account	28,168,444	132,905,567
----------------	------------	-------------

**6) Name of the Party : IFIC Provident Fund**

Saving Account	19,821,892	35,735,646
----------------	------------	------------

## 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	Amount	Remarks
Beximco Computers Limited	Mr. Salman F Rahman	Chairman	Guarantee (06.01.23)	Vice Chairman	563,040	This facility is allowed at 100% margin.
Ms. Rabeya Jamali	-	Independent Director	Credit Card (31.12.2026)	-	24,956	

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 70,000 per year, Bangladesh Bank Taka Account Reconciliation software with a fees of BDT 70,000 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 Card Management Switching Solution with a fees of BDT 47,057,904 & Digital Banking Solutions with a fees of BDT 56,688,020.

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

Investee Entity	Related Director	Relation with the Bank	Relation with Investee Entity	Investment at Cost
Beximco Pharmaceuticals Limited	Mr. Salman F Rahman	Chairman	Vice Chairman	1,101,778,687
Beximco Limited	Mr. Salman F Rahman	Chairman	Vice Chairman	396,591,748
Beximco Green-Sukuk Al Istisna'a	Mr. Salman F Rahman	Chairman	Vice Chairman	1,698,900,400

**Disclosure on Audit Committee of the Bank**

**Annexure -G**

a) Particulars of members of the Audit Committee

Sl.	Name	Status with the Bank	Status	Educational Qualification
1	<b>Ms. Rabeya Jamali</b>	Independent Director	Chairman/ Chairperson	L.L.B. (Hons), L.L.M. in Banking and Financial Law
3	<b>Mr. Sudhangshu Shekhar Biswas</b>	Independent Director	Member	BA (Hons), MA (Economics)
4	<b>Mr. Md. Zafar Iqbal, ndc</b>	Director	Member	B. Com (Hons), M. Com (Accounting), MBA, Masters in Economics

b) Particulars of meetings held by the Audit Committee during the period from 01 January to 31 December 2022

Sl.	Meeting No	Meeting held on
1	180th Audit Committee Meeting	13.01.2022
2	181st Audit Committee Meeting	27.01.2022
3	182nd Audit Committee Meeting	30.01.2022
4	183rd Audit Committee Meeting	23.02.2022
5	184th Audit Committee Meeting	16.03.2022
6	185th Audit Committee Meeting	31.03.2022
7	186th Audit Committee Meeting	12.04.2022
8	187th Audit Committee Meeting	09.05.2022
9	188th Audit Committee Meeting	02.06.2022
10	189th Audit Committee Meeting	26.06.2022
11	190th Audit Committee Meeting	27.07.2022
12	191st Audit Committee Meeting	30.08.2022
13	192nd Audit Committee Meeting	17.10.2022
14	193rd Audit Committee Meeting	30.10.2022
15	194th Audit Committee Meeting	15.11.2022
16	195th Audit Committee Meeting	27.11.2022
17	196th Audit Committee Meeting	28.12.2022

**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 year ended 31 December 2022, 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 year ended 31 December 2022 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 year ended 31 December 2022 regarding compliance with recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.



## Segment Reporting

Annexure - H

The Bank reports its operations under geographical location and business segment as per IFRS:8 *Operating Segment*  
**Profit and Loss Account for the year ended 31 December 2022**

Amount in BDT

Particulars	IFIC Bank PLC				Subsidiaries			Associates	Adjustment	Consolidated
	Inside Bangladesh		Adjustment	Total	IFIC Securities Limited	IFIC Investment Limited	IFIC Money Transfer (UK) Limited			
	Conventional Banking	Off-Shore Banking Unit								
Interest income	25,902,387,534	109,946,021	-	26,012,333,555	504,781,632	-	-	-	(223,830,312)	26,293,284,875
Interest paid on deposits and borrowings, etc.	18,198,257,752	73,251,809	(73,251,809)	18,198,257,752	223,830,312	-	-	-	(228,050,927)	18,194,037,136
<b>Net interest income</b>	<b>7,704,129,782</b>	<b>36,694,212</b>	<b>(73,251,809)</b>	<b>7,814,075,803</b>	<b>280,951,320</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,220,616</b>	<b>8,099,247,739</b>
Investment income	3,259,631,140	-	-	3,259,631,140	99,267,605	36,389,093	-	-	-	3,395,287,838
Commission, exchange and brokerage	3,654,215,412	2,832,681	-	3,657,048,093	58,030,132	-	49,278,428	92,231,820	-	3,856,588,473
Other operating income	212,671,367	3,993,081	-	216,664,448	4,600,435	4,220,616	632,750	-	(4,220,616)	221,897,633
	<b>7,126,517,919</b>	<b>6,825,762</b>	<b>-</b>	<b>7,133,343,681</b>	<b>161,898,172</b>	<b>40,609,708</b>	<b>49,911,178</b>	<b>92,231,820</b>	<b>(4,220,616)</b>	<b>7,473,773,943</b>
<b>Total operating income</b>	<b>14,830,647,701</b>	<b>43,519,974</b>	<b>(73,251,809)</b>	<b>14,947,419,484</b>	<b>442,849,492</b>	<b>40,609,708</b>	<b>49,911,178</b>	<b>92,231,820</b>	<b>-</b>	<b>15,573,021,682</b>
Salary and allowances	3,592,564,070	-	-	3,592,564,070	13,423,037	6,076,503	12,693,303	-	-	3,624,756,913
Rent, taxes, insurance, electricity, etc.	891,412,324	-	-	891,412,324	1,523,000	-	5,300,716	-	-	898,236,041
Legal expenses	16,285,567	-	-	16,285,567	594,825	-	4,595,718	-	-	21,476,111
Postage, stamps, telecommunication, etc.	230,750,879	-	-	230,750,879	801,178	3,115	166,701	-	-	231,721,873
Stationery, printing, advertisement, etc.	510,528,900	-	-	510,528,900	344,962	5,050	134,488	-	-	511,013,400
Managing Director's salary	25,128,053	-	-	25,128,053	-	-	-	-	-	25,128,053
Directors' fees	3,360,000	-	-	3,360,000	510,400	387,200	-	-	-	4,257,600
Auditors' fees	4,025,000	-	-	4,025,000	215,625	92,000	-	-	-	4,332,625
Depreciation and repairs of Bank's assets	1,471,901,607	-	-	1,471,901,607	9,009,655	333,336	1,695,309	-	-	1,482,939,906
Other expenses	1,599,033,071	-	-	1,599,033,071	12,920,459	432,751	19,498,928	-	-	1,631,885,209
<b>Total operating expenses</b>	<b>8,344,989,471</b>	<b>-</b>	<b>-</b>	<b>8,344,989,471</b>	<b>39,343,140</b>	<b>7,329,955</b>	<b>44,085,164</b>	<b>-</b>	<b>-</b>	<b>8,435,747,730</b>
<b>Operating profit</b>	<b>6,485,658,230</b>	<b>43,519,974</b>	<b>(73,251,809)</b>	<b>6,602,430,013</b>	<b>403,506,352</b>	<b>33,279,753</b>	<b>5,826,014</b>	<b>92,231,820</b>	<b>-</b>	<b>7,137,273,952</b>
Share of profit of joint ventures/associates	-	-	-	-	-	-	-	58,926,798	-	58,926,798
<b>Profit before provision</b>	<b>6,485,658,230</b>	<b>43,519,974</b>	<b>(73,251,809)</b>	<b>6,602,430,013</b>	<b>403,506,352</b>	<b>33,279,753</b>	<b>5,826,014</b>	<b>151,158,618</b>	<b>-</b>	<b>7,196,200,750</b>
Provision against loans and advances	2,151,328,796	-	-	2,151,328,796	-	-	-	-	-	2,151,328,796
Provision for diminution in value of investments	2,460,354	-	-	2,460,354	-	13,493,049	-	-	-	15,953,403
Provisions for other assets	49,464,436	-	-	49,464,436	-	-	-	-	-	49,464,436
<b>Total provision</b>	<b>2,203,253,586</b>	<b>-</b>	<b>-</b>	<b>2,203,253,586</b>	<b>-</b>	<b>13,493,049</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,216,746,635</b>
<b>Profit before taxation</b>	<b>4,282,404,644</b>	<b>43,519,974</b>	<b>(73,251,809)</b>	<b>4,399,176,427</b>	<b>403,506,352</b>	<b>19,786,704</b>	<b>5,826,014</b>	<b>151,158,618</b>	<b>-</b>	<b>4,979,454,114</b>
Provision for taxation	-	-	-	-	-	-	-	-	-	-
Current tax	2,726,461,102	-	-	2,726,461,102	103,613,515	5,127,168	-	-	-	2,835,201,785
Deferred tax	(1,297,703,716)	-	-	(1,297,703,716)	(409,030)	-	-	-	-	(1,298,112,746)
	<b>1,428,757,387</b>	<b>-</b>	<b>-</b>	<b>1,428,757,387</b>	<b>103,204,485</b>	<b>5,127,168</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,537,089,039</b>
<b>Net profit after taxation</b>	<b>2,853,647,257</b>	<b>43,519,974</b>	<b>(73,251,809)</b>	<b>2,970,419,040</b>	<b>300,301,867</b>	<b>14,659,536</b>	<b>5,826,014</b>	<b>151,158,618</b>	<b>-</b>	<b>3,442,365,075</b>

The Bank reports its operations under geographical location and business segment as per IFRS:8 Operating Segment  
**Balance Sheet as at 31 December 2022**

Amount in BDT

Particulars	IFIC Bank PLC				Subsidiaries			Associates	Adjustment	IFIC Bank & it's subsidiaries
	Inside Bangladesh		Adjustment	Total	IFIC Securities Limited	IFIC Investment Limited	IFIC Exchange (UK) Ltd.	Oman Exchange LLC		
	Conventional Banking	Off- Shore Banking Unit								
<b>PROPERTY AND ASSETS</b>										
Cash	31,593,152,205	-	-	31,593,152,205	38,230	369	22,712	-	-	31,593,213,516
Balance with other banks and financial institute	8,935,036,091	104,811,530	(104,811,530)	8,935,036,091	60,641,476	-	30,290,480	-	(62,161,767)	8,963,806,280
Money at call and on short notice	690,000,000	-	-	690,000,000	-	-	-	-	-	690,000,000
Investments	52,749,089,960	-	-	52,749,089,960	3,258,836,310	537,957,893	-	-	2,349,599,189	58,895,483,351
Loans and advances	352,548,015,813	1,906,258,051	-	354,454,273,864	4,010,217,971	-	-	-	(2,605,620,317)	355,858,871,517
Fixed assets	9,266,829,299	-	-	9,266,829,299	36,284,776	-	24,202	-	-	9,303,138,276
Other assets	7,435,856,771	-	-	7,435,856,771	254,268,445	23,158,700	11,724,795	-	(2,629,975,999)	5,095,032,712
Non-banking assets	148,474,800	-	-	148,474,800	-	-	-	-	-	148,474,800
<b>Total Assets</b>	<b>463,366,454,938</b>	<b>2,011,069,581</b>	<b>(104,811,530)</b>	<b>465,272,712,989</b>	<b>7,620,287,208</b>	<b>561,116,962</b>	<b>42,062,188</b>	<b>-</b>	<b>(2,948,158,894)</b>	<b>470,548,020,453</b>
<b>LIABILITIES AND CAPITAL</b>										
Borrowings from other banks, financial institutio	20,621,060,373	1,962,643,000	(1,962,643,000)	20,621,060,373	2,605,620,317	-	-	-	(2,605,620,317)	20,621,060,373
Subordinated debt	10,700,000,000	-	-	10,700,000,000	-	-	-	-	-	10,700,000,000
Deposits and other accounts	375,584,475,522	-	-	375,584,475,522	46,436,703	-	-	-	(78,205,073)	375,552,707,152
Other Liabilities	28,271,594,560	4,906,608	-	28,276,501,168	1,750,325,742	18,883,246	19,528,665	-	-	30,065,238,822
<b>Total Liabilities</b>	<b>435,177,130,455</b>	<b>1,967,549,608</b>	<b>(1,962,643,000)</b>	<b>435,182,037,063</b>	<b>4,402,382,762</b>	<b>18,883,246</b>	<b>19,528,665</b>	<b>-</b>	<b>(2,683,825,391)</b>	<b>436,939,006,346</b>
<b>Capital/Shareholders' equity</b>										
Paid up capital	17,859,109,390	-	-	17,859,109,390	2,200,000,000	-	37,233,390	-	(2,237,233,390)	17,859,109,390
Statutory reserve	8,637,619,318	-	-	8,637,619,318	34,504,897	-	-	-	-	8,672,124,215
General reserve	155,071,397	-	-	155,071,397	-	-	-	-	-	155,071,397
Revaluation reserve against securities	109,963,943	-	-	109,963,943	-	-	-	-	-	109,963,943
Revaluation reserve against fixed assets	96,309,954	-	-	96,309,954	-	-	-	-	-	96,309,954
Foreign currency translation reserve	-	-	-	-	-	-	312,505	(0)	7,245,391	7,557,895
Surplus in profit and loss account	3,232,601,924	43,519,974	(43,519,974)	3,232,601,924	983,396,772	158,274,648	(15,012,371)	2,384,979,219	(35,380,031)	6,708,860,161
	<b>30,090,675,926</b>	<b>43,519,974</b>	<b>(43,519,974)</b>	<b>30,090,675,926</b>	<b>3,217,901,668</b>	<b>158,274,648</b>	<b>22,533,524</b>	<b>2,384,979,218</b>	<b>(2,265,368,030)</b>	<b>33,608,996,955</b>
Minority Interest	-	-	-	-	8,776	8,374	-	-	-	17,150
<b>Total shareholders' equity</b>	<b>30,090,675,926</b>	<b>43,519,974</b>	<b>(43,519,974)</b>	<b>30,090,675,926</b>	<b>3,217,910,444</b>	<b>158,283,022</b>	<b>22,533,524</b>	<b>2,384,979,218</b>	<b>(2,265,368,030)</b>	<b>33,609,014,105</b>
<b>Total liabilities and shareholders' equity</b>	<b>465,267,806,381</b>	<b>2,011,069,582</b>	<b>(2,006,162,974)</b>	<b>465,272,712,989</b>	<b>7,620,293,207</b>	<b>177,166,268</b>	<b>42,062,188</b>	<b>2,384,979,218</b>	<b>(4,949,193,420)</b>	<b>470,548,020,452</b>

**Financial highlights of the Bank (solo basis)  
as at and for the year ended 31 December 2022**

Sl.	Particulars	Currency/ percentage	31 December 2022	31 December 2021
1	Paid up capital	BDT	17,859,109,390	17,008,675,610
2	Total capital	BDT	43,266,298,360	39,405,959,028
3	Capital surplus/(deficit)	BDT	945,745,771	1,811,067,146
4	Total assets	BDT	465,272,712,989	405,877,509,108
5	Total deposits	BDT	375,584,475,522	333,142,132,175
6	Total loan & advances	BDT	354,454,273,864	305,061,349,869
7	Total contingent liabilities & commitments	BDT	69,935,030,734	71,383,874,980
8	Credit deposit ratio	%	87.47	85.06
9	Percentage of classified loan against total loans & advances	%	5.61	6.09
10	Profit after tax & provision	BDT	2,970,419,040	1,975,271,216
11	Amount of classified loans	BDT	19,879,385,150	18,588,204,792
12	Provision kept against classified loans	BDT	8,179,000,000	2,997,527,787
13	Cost of fund	%	4.08	3.91
14	Interest earning assets	BDT	408,907,097,342	359,419,125,465
15	Non-interest earning assets	BDT	56,365,615,647	46,458,383,643
16	Return on Investment (ROI)	%	6.02	8.21
17	Return on Assets (ROA)	%	0.68	0.52
18	Income from investment	BDT	3,259,631,140	4,191,471,146
19	Earnings per share	BDT	1.66	1.11
20	Net income per share	BDT	1.66	1.11
21	Net Asset Value (NAV)	BDT	30,090,675,926	27,120,924,021
22	Net Asset Value (NAV) per share	BDT	16.85	15.19
23	Net Operating Cash Flow Per Share (NOCFPS)	BDT	0.92	3.88
24	Price earning ratio	Times	6.91	15.28

## Annexure - J

## Disclosure of Restructured Loan

as at and for the year ended 31 December 2022

BDT in Million

Sl.	Name of the Borrower	Type of Loan	Date of restructure	Down Payment		Due Date of 1st Installment	Outstanding Amount			Total Provision as at 31 December 2022		Present Status	Outstanding as at 31 December 2021
				Required	Realized		At the time of taking NOC from BB	New/Fresh Disbursement amount after NOC	Outstanding as at 31 December 2022	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	2,371.49	47.43	47.43	SMA(RST)	2,173.72
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	1,200.92	24.06	24.06	SMA(RST)	1,106.27
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	1,046.13	20.88	20.88	SMA(RST)	952.62
<b>Total</b>				-	-		<b>3,573.30</b>		<b>4,618.54</b>	<b>92.37</b>	<b>92.37</b>		<b>4,232.62</b>

**Statement of Tax Position**  
as at 31 December 2022

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 Y2018 (except Y2005 & Y2010)		233,479,264	-	233,479,264	-	Assessments up to Y2018 (except Y2005 & Y2010) have been completed by the Tax Authority and there is no tax liability remained outstanding
2005	2006-2007	140,397,922		140,397,922	-	Tax authority has filed reference application before Honorable High Court Division of Supreme Court
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
2019	2020-2021	1,700,000,000	1,699,489,718	510,282	1,482,741,318	Bank has filed appeal before the Taxes Appellate Tribunal against order of the Commissioner of Taxes (Appeals) and waiting for obtaining final tribunal order;
2020	2021-2022	963,000,000	1,301,128,677	(338,128,677)	1,124,700,195	Bank has filed appeal before the Commissioner of Taxes (Appeals) against order of the Deputy Commissioner of Taxes and appeal order is under reviewing for next step;
2021	2022-2023	2,493,782,398	2,385,201,832	108,580,566	2,384,939,483	Assessments under process
2022	2023-2024	2,726,461,102	-	2,726,461,102	1,123,440,289	Not yet due
<b>Total</b>		<b>9,711,975,681</b>	<b>6,893,990,571</b>	<b>2,817,985,110</b>	<b>7,501,359,839</b>	

**IFIC Bank PLC**  
**Off-shore Banking Unit**  
 Balance Sheet  
 as at 31 December 2022

Particulars	Note	31 December 2022		31 December 2021	
		USD	Taka	USD	Taka
<b>PROPERTY AND ASSETS</b>					
<b>Cash</b>		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		-	-	-	-
<b>Balance with other banks and financial institutions</b>		<b>1,014,662</b>	<b>104,811,530</b>	<b>241,254</b>	<b>20,699,554</b>
In Bangladesh		987,519	102,007,759	241,254	20,699,554
Outside Bangladesh		27,143	2,803,771	-	-
<b>Money at call and on short notice</b>		-	-	-	-
<b>Investments</b>		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
<b>Loans and advances</b>	<b>3</b>	<b>18,454,147</b>	<b>1,906,258,051</b>	<b>24,036,656</b>	<b>2,062,345,087</b>
Loans, cash credits, overdrafts etc.	3.1	16,753,690	1,730,605,893	19,991,206	1,715,245,477
Bills purchased and discounted	3.2	1,700,457	175,652,158	4,045,450	347,099,610
<b>Fixed assets including premises, furniture and fixtures</b>					
<b>Other assets</b>	<b>4</b>	-	-	<b>58,162</b>	<b>4,990,356</b>
<b>Non banking assets</b>		-	-	-	-
<b>Total assets</b>		<b>19,468,809</b>	<b>2,011,069,581</b>	<b>24,336,072</b>	<b>2,088,034,996</b>
<b>LIABILITIES AND CAPITAL</b>					
<b>Liabilities</b>					
<b>Borrowing from other banks, financial Institutions and agents</b>	<b>5</b>	<b>19,000,000</b>	<b>1,962,643,000</b>	<b>23,850,000</b>	<b>2,046,330,000</b>
<b>Deposit and other accounts</b>		-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed Deposits		-	-	-	-
<b>Other liabilities</b>	<b>6</b>	<b>47,500</b>	<b>4,906,608</b>	<b>42,401</b>	<b>3,638,027</b>
<b>Total liabilities</b>		<b>19,047,500</b>	<b>1,967,549,608</b>	<b>23,892,401</b>	<b>2,049,968,027</b>
<b>Capital / Shareholders' equity</b>					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General Reserve		-	-	-	-
Revaluation reserve against securities		-	-	-	-
Revaluation reserve against fixed assets		-	-	-	-
Surplus in profit and loss account	7	421,309	43,519,974	443,670	38,066,968
<b>Total shareholders' equity</b>		<b>421,309</b>	<b>43,519,974</b>	<b>443,670</b>	<b>38,066,968</b>
<b>Total liabilities and shareholders' equity</b>		<b>19,468,809</b>	<b>2,011,069,581</b>	<b>24,336,072</b>	<b>2,088,034,996</b>



**IFIC Bank PLC**  
**Off-shore Banking Unit**  
Profit and Loss Account  
for the year ended 31 December 2022

Particulars	Note	2022		2021	
		USD	Taka	USD	Taka
Interest income	8	1,064,368	109,946,021	1,216,588	104,383,279
Interest paid on deposits, borrowings etc.	9	709,138	73,251,809	808,475	69,367,180
<b>Net interest income</b>		<b>355,230</b>	<b>36,694,212</b>	<b>408,113</b>	<b>35,016,099</b>
Investment Income		-	-	-	-
Commission, exchange and brokerage	10	27,423	2,832,681	31,467	2,699,907
Other operating income	11	38,656	3,993,081	4,090	350,962
<b>Total operating income</b>		<b>421,309</b>	<b>43,519,974</b>	<b>443,670</b>	<b>38,066,968</b>
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telecommunication etc.		-	-	-	-
Stationery, printing, advertisement etc.		-	-	-	-
Managing Director's salary		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Charges on loan loss		-	-	-	-
Depreciation and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
<b>Total operating expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) before provision</b>		<b>421,309</b>	<b>43,519,974</b>	<b>443,670</b>	<b>38,066,968</b>
<b>Provision for loans, investments and other assets</b>					
Specific Provision		-	-	-	-
General Provision		-	-	-	-
Provision for off-balance sheet exposures		-	-	-	-
Provision for diminution in value of investments		-	-	-	-
Provision for other assets		-	-	-	-
<b>Total provision</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) before taxes</b>		<b>421,309</b>	<b>43,519,974</b>	<b>443,670</b>	<b>38,066,968</b>

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

**Off-Shore Banking Unit**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2022**

**1 Status of the unit**

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

**2 Significant accounting policies and basis of preparation of financial statements**

**2.1 Basis of accounting**

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

**2.2 Foreign currencies transaction and translation to presentation currency**

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

Particulars	Note	31 December 2022		31 December 2021	
		USD	Taka	USD	Taka
<b>3 Loans and advances</b>					
<b>3.1 Loans, cash credits, overdrafts etc.</b>					
Term loan		16,753,690	1,730,605,893	19,991,206	1,715,245,477
		<b>16,753,690</b>	<b>1,730,605,893</b>	<b>19,991,206</b>	<b>1,715,245,477</b>
<b>3.2 Bills purchased and discounted</b>					
Inside Bangladesh		1,700,457	175,652,158	4,045,450	347,099,610
Outside Bangladesh		-	-	-	-
		<b>1,700,457</b>	<b>175,652,158</b>	<b>4,045,450</b>	<b>347,099,610</b>
		<b>18,454,147</b>	<b>1,906,258,051</b>	<b>24,036,656</b>	<b>2,062,345,087</b>
<b>4 Other assets</b>					
Interest receivable on term loan		-	-	32,211	2,763,742
Interest receivable on bills discount		-	-	25,951	2,226,614
		-	-	<b>58,162</b>	<b>4,990,356</b>
<b>5 Borrowing from other banks, financial Institutions and its agents</b>					
<b>In Bangladesh:</b>					
IFIC Bank PLC		19,000,000	1,962,643,000	23,850,000	2,046,330,000
		<b>19,000,000</b>	<b>1,962,643,000</b>	<b>23,850,000</b>	<b>2,046,330,000</b>
<b>6 Other liabilities</b>					
Interest on borrowing from abroad		-	-	-	-
Due to Head Office		47,500	4,906,608	42,401	3,638,027
		<b>47,500</b>	<b>4,906,608</b>	<b>42,401</b>	<b>3,638,027</b>
<b>7 Surplus in profit and loss account</b>					
Opening balance		443,670	38,066,968	282,063	23,919,211
Less: Adjustment/ payment for the year		(443,670)	(38,066,968)	(282,063)	(23,919,211)
Add: Addition during the year		421,309	43,519,974	443,670	38,066,968
		<b>421,309</b>	<b>43,519,974</b>	<b>443,670</b>	<b>38,066,968</b>

Particulars	Note	2022		2021	
		USD	Taka	USD	Taka
<b>8 Interest income</b>					
Term Loan		1,037,693	107,190,530	1,143,825	98,140,220
Bills discount		26,675	2,755,491	72,763	6,243,059
<b>Interest on loans and advances</b>		<b>1,064,368</b>	<b>109,946,021</b>	<b>1,216,588</b>	<b>104,383,279</b>
<b>9 Interest paid on deposits, borrowings etc.</b>					
Interest paid on IFIC Bank PLC		709,138	73,251,809	808,475	69,367,180
		<b>709,138</b>	<b>73,251,809</b>	<b>808,475</b>	<b>69,367,180</b>
<b>10 Commission, exchange and brokerage</b>					
Income-Fees & Commission		27,423	2,832,681	31,467	2,699,907
		<b>27,423</b>	<b>2,832,681</b>	<b>31,467</b>	<b>2,699,907</b>
<b>11 Other operating income</b>					
Income-Other Operating		38,656	3,993,081	4,090	350,962
		<b>38,656</b>	<b>3,993,081</b>	<b>4,090</b>	<b>350,962</b>