

IFIC Bank PLC

Independent Auditor's Report and Audited Financial Statements
as at and for the year ended 31 December 2023

**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 International Finance Investment and Commerce (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 2023 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 2023, 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
1. Measurement of provision for loans and advances	
<p>The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provisions certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> ➤ Future business performance of the borrower; ➤ Key assumptions relating to further business performance of the borrower; ➤ Market value of the collateral; ➤ Ability to repossess collateral; and ➤ Recovery rates. <p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued time to time.</p> <p>Due to high level of judgment involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>At year end the Group and the Bank reported total gross loans and advances of BDT 414,983 million (2022: BDT 355,859 million) and BDT 413,406 million (2022: BDT 354,454 million) respectively and provision for loans and advances of BDT 14,622 million (2022: BDT 13,373 million) and BDT 14,351million (2022: BDT 13,141 million) respectively.</p> <p>See note no 2.1, 2.2.1.3, 7 and 15 to the financial statements</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ➤ Credit monitoring and provisioning process; ➤ Identification of loss events, including early warning and default warning indicators; and ➤ Review of quarterly Classification of Loans (CL) <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> ➤ Reviewed the adequacy of the companies general and specific provisions; ➤ Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and ➤ Finally, assessed the appropriateness of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
2. Recognition of interest income from loans and advances	
<p>Recognition of interest income has significant and wide influence on financial statements.</p> <p>Recognition and measurement of interest income has involvement of complex IT environment.</p> <p>We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p> <p>See note no 2.1 and 25 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"> ➤ testing that requests for access to systems were appropriately reviewed and authorized ➤ testing the Bank's periodic review of access rights <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.

When we read the annual report, if we conclude that there is a material misstatement therein, 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 2023 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 15.1.1;
- 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 5,250 person hours; and
- xii) Capital to Risk-Weighted Asset Ratio (CRAR) has been maintained as explained in Note-16.7

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

Dated, Dhaka
29 April, 2024



Hasan Mahmood FCA, Partner

Enrolment No: 564

M. J. ABEDIN & CO

Chartered Accountants

Firm Reg. No: CAF-001-111

DVC: 24 04 3 00 564 AS 4 296 94

IFIC Bank PLC
Consolidated Balance Sheet
as at 31 December 2023

Particulars	Note	Amount in BDT	
		31 December 2023	31 December 2022
PROPERTY AND ASSETS			
Cash	3	34,927,040,373	31,593,213,516
Cash in hand (including foreign currency)	3.1	14,142,709,521	11,829,060,999
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	20,784,330,852	19,764,152,517
Balance with other banks and financial institutions	4	1,746,387,151	8,963,806,280
In Bangladesh	4.1	249,627,760	6,962,563,426
Outside Bangladesh	4	1,496,759,391	2,001,242,854
Money at call and on short notice	5	1,428,500,000	690,000,000
Investments	6	60,178,948,746	58,895,483,351
Government securities	6.1	44,361,867,469	44,618,830,186
Other investments	6.2	15,817,081,277	14,276,653,165
Loans and advances	7	414,982,804,532	355,858,871,517
Loans, cash credit, overdrafts etc.	7.1	394,993,349,869	332,876,481,759
Bills purchased and discounted	8	19,989,454,663	22,982,389,758
Fixed assets including premises, furniture and fixtures	9	10,342,989,259	9,303,138,276
Other assets	10	6,281,860,999	5,095,032,712
Non-banking assets	11	48,000,000	148,474,800
Total assets		529,936,531,060	470,548,020,452
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial institutions and agents	12	8,523,549,803	20,621,060,373
Subordinated debt	13	10,000,000,000	10,700,000,000
Deposits and other accounts	14	442,071,351,829	375,552,707,152
Current deposit and other accounts		162,584,671,662	148,580,323,584
Bills payable		2,152,810,741	2,457,173,551
Savings bank deposits		23,954,306,058	24,846,308,549
Fixed deposits		253,379,563,369	199,668,901,468
Other liabilities	15	33,216,344,527	30,065,238,821
Total liabilities		493,811,246,159	436,939,006,346
Capital/Shareholders' equity			
Paid up capital	16.2	18,305,587,120	17,859,109,390
Statutory reserve	17	9,418,446,509	8,672,124,215
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	43,663,729	109,963,943
Revaluation reserve against fixed assets	20	138,155,094	96,309,954
Foreign currency translation reserve	20.a	14,517,362	7,557,895
Surplus in profit and loss account		8,049,824,854	6,708,860,161
Total shareholders' equity		36,125,266,065	33,608,996,955
Non-controlling interest	22	18,836	17,150
Total equity		36,125,284,901	33,609,014,105
Total liabilities and equity		529,936,531,060	470,548,020,452

IFIC Bank PLC
Consolidated Balance Sheet
as at 31 December 2023

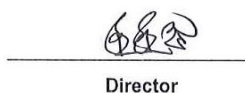
Particulars	Note	Amount in BDT	
		31 December 2023	31 December 2022
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	23	47,527,584,001	69,935,030,734
Acceptances and endorsements	23.1	11,444,104,956	39,758,619,159
Letters of guarantee	23.2	17,366,459,958	8,025,221,783
Irrevocable letters of credit	23.3	10,831,348,110	11,926,244,318
Bills for collection	23.4	7,885,670,977	10,224,945,474
Other contingent liabilities		-	-
Other commitments			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet exposures including contingent liabilities		47,527,584,001	69,935,030,734

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


Managing Director &
CEO

Dhaka, 29 April 2024


Director


Director


Director



Hasan Mahmood FCA, Partner

Enrolment no: 564

M. J. Abedin & Co. Chartered Accountants

Firm Registration no: CAF-001-111

DVC No.:

2404300564 AS 429694

IFIC Bank PLC
Consolidated Profit and Loss Account
for the year ended 31 December 2023

Particulars	Note	Amount in BDT	
		2023	2022
Interest income	25	32,853,931,621	26,293,284,875
Interest paid on deposits, borrowings etc.	26	24,476,965,437	18,194,037,136
Net interest income		8,376,966,184	8,099,247,739
Investment income	27	4,583,279,253	3,395,287,838
Commission, exchange and brokerage	28	2,334,735,687	3,857,159,223
Other operating income	29	364,586,702	221,326,883
		7,282,601,642	7,473,773,943
Total operating income		15,659,567,826	15,573,021,682
Salary and allowances	30	4,445,984,318	3,624,756,913
Rent, taxes, insurance, electricity etc.	31	1,077,668,883	898,236,041
Legal expenses	32	14,597,380	21,476,111
Postage, stamp, telecommunication etc.	33	287,880,544	231,721,873
Stationery, printing, advertisement etc.	34	537,110,857	511,013,400
Managing Director's salary	35	27,520,864	25,128,053
Directors' fees	36	3,891,200	4,257,600
Auditors' fees	37	3,503,286	4,332,625
Depreciation and repair of bank's assets	38	1,898,644,392	1,482,939,906
Other expenses	39	1,921,302,874	1,631,885,209
Total operating expenses		10,218,104,598	8,435,747,730
Operating profit		5,441,463,228	7,137,273,952
Share of profit of joint ventures/associates	39.a	30,454,760	58,926,798
Profit before provision		5,471,917,988	7,196,200,750
Provision for loans, investments & other assets	40		
Provision for loans and advance		1,076,657,295	2,151,328,796
Provision for diminution in value of investments		75,343,569	15,953,403
Other provisions		34,361,480	49,464,436
Total provision		1,186,362,344	2,216,746,635
Profit/(Loss) before taxes		4,285,555,644	4,979,454,114
Provision for taxation	41		
Current tax		2,049,024,682	2,835,201,785
Deferred tax expense/(income)		(768,700,886)	(1,298,112,746)
		1,280,323,796	1,537,089,039
Net profit after taxation		3,005,231,849	3,442,365,075
Net profit after tax attributable to:			
Equity holders of the Bank		3,005,230,163	3,442,364,036
Non-controlling interest		1,686	1,039
		3,005,231,849	3,442,365,075
Profit available for appropriation:			
Retained earnings brought forward from previous year		6,708,860,162	5,060,974,278
Add: Net profit after tax (attributable to equity holders of the Bank)		3,005,230,163	3,442,364,036
		9,714,090,325	8,503,338,314
Appropriations:			
Statutory reserve		746,322,295	914,340,182
Start-up fund		24,987,711	29,704,190
Dividend		892,955,465	850,433,780
		1,664,265,470	1,794,478,152
Retained surplus		8,049,824,854	6,708,860,162
Earnings Per Share (EPS)	49	1.64	1.88

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


Managing Director &
CEO

Dhaka, 29 April 2024


Director


Director


Director



Hasan Mahmood FCA, Partner
Enrolment no: 564
M. J. Abedin & Co. Chartered Accountants
Firm Registration no: CAF-001-111

DVC No.: 24 04 3 00 5 64 AS 4 2 9 6 9 4

IFIC Bank PLC
Consolidated Cash Flow Statement
for the year ended 31 December 2023

		Amount in BDT	
Particulars	Note	2023	2022
A. Cash flows from operating activities			
Interest received		36,440,424,827	29,919,554,178
Interest payments		(23,260,326,446)	(17,641,097,651)
Dividend received		470,290,312	232,355,797
Fees and commission received		2,334,735,687	3,857,159,223
Recoveries of loans and advances previously written-off		423,358,820	852,890,685
Cash payments to employees		(4,583,945,182)	(3,587,764,966)
Cash payments to suppliers		(1,421,161,436)	(812,099,254)
Income taxes paid		(2,679,842,422)	(2,549,487,761)
Receipts from other operating activities	42	711,967,070	234,857,145
Payments for other operating activities	43	(3,420,281,913)	(3,328,871,541)
Operating cash flows before changing in operating assets and liabilities		5,015,219,317	7,177,495,855
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase/sale of trading securities		(6,216,058,503)	2,867,725,460
Loans and advances to other banks		-	-
Loans and advances to customers		(57,444,298,583)	(50,458,848,395)
Other assets	44	(244,387,593)	(28,670,905)
Deposits from other banks		(54,826,198)	(1,341,378,386)
Deposits from customers		65,368,369,745	43,756,746,251
Other liabilities	45	33,666,197	316,708,189
		1,442,465,066	(4,887,717,787)
Net cash flows from/(used in) operating activities		6,457,684,383	2,289,778,068
B. Cash flows from investing activities			
Net proceeds/(payments) from sale/(purchase) of Government securities		6,409,362,605	1,268,139,327
Net proceeds/(payments) from sale/(purchase) of securities		(1,509,973,352)	(1,727,425,408)
Purchase of property, plant & equipment		(1,506,355,977)	(1,868,321,488)
Proceeds from sale of property, plant & equipment		61,142,658	3,978,492
Net cash flows from/(used in) investing activities		3,454,175,935	(2,323,629,077)
C. Cash flows from financing activities			
Borrowing from/(repayment to) other banks, financial institutions and agents		(12,797,510,570)	10,359,024,865
Dividend paid (cash)		(446,477,735)	-
Net cash flows from/(used in) financing activities		(13,243,988,305)	10,359,024,865
D. Net increase/(decrease) in cash (A+B+C)		(3,332,127,987)	10,325,173,856
E. Effects of exchange rate changes on cash and cash equivalents		188,356,515	428,101,127
F. Opening balance of cash and cash equivalents		41,250,805,096	30,497,530,113
G. Closing balance of cash and cash equivalents (D+E+F)		38,107,033,624	41,250,805,096
Closing cash and cash equivalents			
	46		
Cash in hand		14,142,709,521	11,829,060,999
Balance with Bangladesh Bank and its agents bank		20,784,330,852	19,764,152,517
Balance with other banks and financial institutions		1,746,387,151	8,963,806,280
Money at call and on short notice		1,428,500,000	690,000,000
Prize bonds		5,106,100	3,785,300
		38,107,033,624	41,250,805,096

IFIC Bank PLC
Consolidated Statement of Changes in Equity
for the year ended 31 December 2023

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 2023	17,859,109,390	8,672,124,215	155,071,397	109,963,943	96,309,954	7,557,895	6,708,860,161	17,150	33,609,014,105
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2023	17,859,109,390	8,672,124,215	155,071,397	109,963,943	96,309,954	7,557,895	6,708,860,161	17,150	33,609,014,105
Surplus/(deficit) on account of revaluation of investments	-	-	-	(66,300,214)	-	-	-	-	(66,300,214)
Effect of changes in tax rate	-	-	-	-	(5,375,560)	-	-	-	(5,375,560)
Addition during the year	-	-	-	-	47,220,700	-	-	-	47,220,700
Effect of foreign currency translation	-	-	-	-	-	6,959,467	-	-	6,959,467
Net gain and losses not recognized in the profit and loss account	17,859,109,390	8,672,124,215	155,071,397	43,663,729	138,155,094	14,517,362	6,708,860,161	17,150	33,591,518,498
Net profit for the year	-	-	-	-	-	-	3,005,230,163	1,686	3,005,231,849
Bonus share issued for the year 2022	446,477,730	-	-	-	-	-	(446,477,730)	-	-
Cash dividend paid for the year 2022	-	-	-	-	-	-	(446,477,735)	-	(446,477,735)
Transfer to Start-up fund	-	-	-	-	-	-	(24,987,711)	-	(24,987,711)
Transfer to statutory reserve	-	746,322,295	-	-	-	-	(746,322,295)	-	-
Balance as at 31 December 2023	18,305,587,120	9,418,446,509	155,071,397	43,663,729	138,155,094	14,517,362	8,049,824,854	18,836	36,125,284,901
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	-	-	-	-	-	-	-	-	-
Restated 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
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)
Net gain and losses not recognized in the profit and loss account	17,008,675,610	7,757,784,033	155,071,397	109,963,943	96,309,954	7,557,895	5,060,974,278	16,111	30,196,353,221
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)	-	-
Balance as at 31 December 2022	17,859,109,390	8,672,124,215	155,071,397	109,963,943	96,309,954	7,557,895	6,708,860,162	17,150	33,609,014,105

IFIC Bank PLC
Separate Balance Sheet
as at 31 December 2023

Amount in BDT

Particulars	Note	31 December 2023	31 December 2022
PROPERTY AND ASSETS			
Cash	3	34,925,593,273	31,593,152,205
Cash in hand (including foreign currency)	3.1	14,141,262,421	11,828,999,688
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	20,784,330,852	19,764,152,517
Balance with other banks and financial institutions	4	1,669,751,314	8,935,036,091
In Bangladesh	4.1	258,894,471	6,964,083,717
Outside Bangladesh	4	1,410,856,843	1,970,952,374
Money at call and on short notice	5	1,428,500,000	690,000,000
Investments	6	53,744,373,227	52,749,089,960
Government securities	6.1	44,361,867,469	44,618,830,186
Other investments	6.2	9,382,505,758	8,130,259,774
Loans and advances	7	413,406,127,864	354,454,273,864
Loans, cash credit, overdrafts etc.	7.1	393,416,673,201	331,471,884,106
Bills purchased and discounted	8	19,989,454,663	22,982,389,758
Fixed assets including premises, furniture and fixtures	9	10,307,430,936	9,266,829,299
Other assets	10	8,618,663,153	7,435,856,771
Non-banking assets	11	48,000,000	148,474,800
Total assets		524,148,439,767	465,272,712,989
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial Institutions and agents	12	8,523,549,803	20,621,060,373
Subordinated debt	13	10,000,000,000	10,700,000,000
Deposits and other accounts	14	442,170,101,797	375,584,475,522
Current deposit and other accounts		162,683,235,706	148,611,910,560
Bills payable		2,152,810,741	2,457,173,551
Savings bank deposits		23,954,306,058	24,846,308,549
Fixed deposits		253,379,749,292	199,669,082,862
Other liabilities	15	31,361,261,694	28,276,501,168
Total liabilities		492,054,913,294	435,182,037,063
Capital/Shareholders' equity			
Paid up capital	16.2	18,305,587,120	17,859,109,390
Statutory reserve	17	9,353,911,426	8,637,619,318
General reserve	18	155,071,397	155,071,397
Revaluation reserve against securities	19	43,663,729	109,963,943
Revaluation reserve against fixed assets	20	138,155,094	96,309,954
Surplus in profit and loss account	21	4,097,137,707	3,232,601,924
Total shareholders' equity		32,093,526,473	30,090,675,926
Total liabilities and shareholders' equity		524,148,439,767	465,272,712,989

IFIC Bank PLC
Separate Balance Sheet
as at 31 December 2023

Amount in BDT

Particulars	Note	31 December 2023	31 December 2022
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	23	47,527,584,001	69,935,030,734
Acceptances and endorsements	23.1	11,444,104,956	39,758,619,159
Letters of guarantee	23.2	17,366,459,958	8,025,221,783
Irrevocable letters of credit	23.3	10,831,348,110	11,926,244,318
Bills for collection	23.4	7,885,670,977	10,224,945,474
Other contingent liabilities		-	-
Other commitments			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet exposures including contingent liabilities		47,527,584,001	69,935,030,734

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



Managing Director &
CEO

Dhaka, 29 April 2024



Director



Director



Director



Hasan Mahmood FCA, Partner
Enrolment no: 564
M. J. Abedin & Co. Chartered Accountants
Firm Registration no: CAF-001-111
DVC No.: 24 04 3 00 5 64 AS 4 2 9 6 9 4

IFIC Bank PLC
Separate Profit and Loss Account
for the year ended 31 December 2023

Particulars	Note	2023	2022
Interest income	25	32,956,016,802	26,012,333,555
Interest paid on deposits, borrowings, etc.	26	24,478,243,072	18,198,257,752
Net interest income		8,477,773,730	7,814,075,803
Investment income	27	3,895,334,833	3,259,631,140
Commission, exchange and brokerage	28	2,140,714,264	3,657,048,093
Other operating income	29	310,478,100	216,664,448
		6,346,527,196	7,133,343,681
Total operating income		14,824,300,926	14,947,419,484
Salary and allowances	30	4,405,709,365	3,592,564,070
Rent, taxes, insurance, electricity, etc.	31	1,072,125,888	891,412,324
Legal expenses	32	11,707,517	16,285,567
Postage, stamp, telecommunication, etc.	33	286,629,827	230,750,879
Stationery, printing, advertisement, etc.	34	531,573,094	510,528,900
Managing Director's salary	35	27,520,864	25,128,053
Directors' fees	36	3,152,000	3,360,000
Auditors' fees	37	2,875,000	4,025,000
Depreciation and repair of bank's assets	38	1,883,928,465	1,471,901,607
Other expenses	39	1,878,748,133	1,599,033,071
Total operating expenses		10,103,970,153	8,344,989,471
Profit/(Loss) before provision		4,720,330,773	6,602,430,013
Provision for loans, investments and other assets	40		
Provision for loans and advance		1,036,814,929	2,151,328,796
Provision for diminution in value of investments		67,693,825	2,460,354
Other provisions		34,361,480	49,464,436
Total Provision		1,138,870,234	2,203,253,586
Profit/(Loss) before taxes		3,581,460,539	4,399,176,427
Provision for taxation	41		
Current tax		1,851,527,936	2,726,461,102
Deferred tax expense/(income)		(768,838,463)	(1,297,703,716)
		1,082,689,472	1,428,757,387
Net profit after taxation		2,498,771,066	2,970,419,040
Retained earnings brought forward from previous year		3,232,601,924	2,022,156,139
		5,731,372,990	4,992,575,179
Appropriations			
Statutory reserve		716,292,108	879,835,285
Start-up fund		24,987,711	29,704,190
Dividend		892,955,465	850,433,780
		1,634,235,283	1,759,973,255
Retained surplus		4,097,137,707	3,232,601,924
Earnings Per Share (EPS)	49	1.37	1.62

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


Managing Director &
CEO

Dhaka, 29 April 2024


Director


Director


Director



Hasan Mahmood FCA, Partner
Enrolment no: 564

M. J. Abedin & Co. Chartered Accountants

Firm Registration no: CAF-001-111

DVC No.: 2404300564 AS 429694

IFIC Bank PLC
Separate Cash Flow Statement
for the year ended 31 December 2023

Amount in BDT

Particulars	Note	2023	2022
A. Cash flows from operating activities			
Interest received		36,095,359,994	29,729,065,958
Interest payments		(23,261,604,081)	(17,645,318,267)
Dividend received		462,239,594	125,817,064
Fees and commission received		2,140,714,264	3,657,048,093
Recoveries of loans and advances previously written-off		423,358,820	852,890,685
Cash payments to employees		(4,543,230,229)	(3,556,692,123)
Cash payments to suppliers		(1,418,700,653)	(809,746,124)
Income taxes paid		(2,676,811,290)	(2,445,321,941)
Receipts from other operating activities	42	375,716,615	220,216,745
Payments for other operating activities	43	(3,376,686,283)	(3,255,890,372)
Operating cash flows before changing in operating assets and liabilities		4,220,356,750	6,872,069,719
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase/sale of trading securities		(6,216,058,503)	2,867,725,460
Loans and advances to other banks		-	-
Loans and advances to customers		(57,065,432,545)	(50,243,389,244)
Other assets	44	(190,829,948)	(70,097,194)
Deposits from other banks		(54,826,198)	(1,341,378,386)
Deposits from customers		65,426,084,632	43,396,121,993
Other liabilities	45	33,904,452	316,405,090
		1,932,841,891	(5,074,612,281)
Net cash flows from/(used in) operating activities		6,153,198,641	1,797,457,437
B. Cash flows from investing activities			
Net proceeds/(payments) from sale/(purchase) of Government securities		6,409,362,605	1,268,139,327
Net proceeds/(payments) from sale/(purchase) of securities		(1,252,245,985)	(1,243,071,643)
Purchase of property, plant & equipment		(1,506,355,977)	(1,868,321,488)
Proceeds from sale of property, plant & equipment		61,142,658	3,978,492
Net cash flows from/(used in) investing activities		3,711,903,302	(1,839,275,312)
C. Cash flows from financing activities			
Borrowing from/(repayment to) other banks, financial institutions and agents		(12,797,510,570)	10,359,024,865
Dividend paid (cash)		(446,477,735)	-
Net cash flows from/(used in) financing activities		(13,243,988,305)	10,359,024,865
D. Net increase/(decrease) in cash (A+B+C)		(3,378,886,362)	10,317,206,991
E. Effects of exchange rate changes on cash and cash equivalents		185,863,454	427,788,622
F. Opening balance of cash and cash equivalents		41,221,973,595	30,476,977,982
G. Closing balance of cash and cash equivalents (D+E+F)		38,028,950,687	41,221,973,595
Closing cash and cash equivalents			
	46		
Cash in hand		14,141,262,421	11,828,999,688
Balance with Bangladesh Bank and its agents bank		20,784,330,852	19,764,152,517
Balance with other banks and financial institutions		1,669,751,314	8,935,036,091
Money at call and on short notice		1,428,500,000	690,000,000
Prize bonds		5,106,100	3,785,300
		38,028,950,687	41,221,973,595

The reconciliation of cash flows from operating activities (solo basis) has been disclosed in note 47 of these financial statements.

IFIC Bank PLC
Separate Statement of Changes in Equity
for the year ended 31 December 2023

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 2023	17,859,109,390	8,637,619,318	155,071,397	109,963,943	96,309,954	3,232,601,924	30,090,675,926
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2023	17,859,109,390	8,637,619,318	155,071,397	109,963,943	96,309,954	3,232,601,924	30,090,675,926
Effect of changes in tax rate	-	-	-	-	(5,375,560)	-	(5,375,560)
Addition during the year	-	-	-	-	47,220,700	-	47,220,700
Surplus/deficit on account of revaluation of investments	-	-	-	(66,300,214)	-	-	(66,300,214)
Net gain and losses not recognized in the income statement	17,859,109,390	8,637,619,318	155,071,397	43,663,729	138,155,094	3,232,601,924	30,066,220,852
Net profit for the year	-	-	-	-	-	2,498,771,066	2,498,771,066
Bonus share issued for the year 2022	446,477,730	-	-	-	-	(446,477,730)	-
Cash dividend paid for the year 2022	-	-	-	-	-	(446,477,735)	(446,477,735)
Transfer to Start-up fund	-	-	-	-	-	(24,987,711)	(24,987,711)
Transfer to statutory reserve	-	716,292,108	-	-	-	(716,292,108)	-
Balance as at 31 December 2023	18,305,587,120	9,353,911,426	155,071,397	43,663,729	138,155,094	4,097,137,707	32,093,526,473
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	-	-	-	-	-	-	-
Restated 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
Surplus/deficit on account of revaluation of investments	-	-	-	29,037,055	-	-	29,037,055
Net gain and losses not recognized in the income statement	17,008,675,610	7,757,784,033	155,071,397	109,963,943	96,309,954	2,022,156,139	27,149,961,076
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)	-
Balance as at 31 December 2022	17,859,109,390	8,637,619,318	155,071,397	109,963,943	96,309,954	3,232,601,924	30,090,675,926

IFIC Bank PLC
Liquidity Statement
Maturity Analysis of Assets and Liabilities
as at 31 December 2023

Amount in BDT

Particulars	Maturity Period					Total
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	
Assets						
Cash in hand (including Bangladesh Bank)	17,148,893,273	-	-	-	17,776,700,000	34,925,593,273
Balance with other banks and financial institutions	517,308,998	1,121,261,043	31,181,273	-	-	1,669,751,314
Money at call and on short notice	1,428,500,000	-	-	-	-	1,428,500,000
Investment	5,106,100	2,237,368,290	4,603,299,761	20,036,204,460	26,862,394,617	53,744,373,227
Loans and advances	70,114,300,750	27,340,125,249	87,420,096,440	78,066,651,995	150,464,953,430	413,406,127,864
Fixed assets including premises, furniture and fixture	-	1,030,743,094	1,546,114,640	4,122,972,374	3,607,600,828	10,307,430,936
Other assets	547,096,706	1,975,775,125	455,913,922	3,009,901,401	2,629,975,999	8,618,663,153
Non-banking assets	-	-	-	48,000,000	-	48,000,000
Total assets	89,761,205,828	33,705,272,800	94,056,606,036	105,283,730,230	201,341,624,873	524,148,439,767
Liabilities						
Subordinated debt	-	-	1,000,000,000	8,000,000,000	1,000,000,000	10,000,000,000
Borrowing from other banks, financial institutions and agents	978,316,670	3,040,052,969	3,697,509,976	807,670,189	-	8,523,549,803
Deposits and other accounts	71,365,132,864	114,515,423,049	68,234,257,063	41,833,220,082	146,222,068,741	442,170,101,797
Other liabilities	2,879,943,858	676,917,439	5,719,399,745	2,760,625,081	19,324,375,570	31,361,261,694
Total liabilities	75,223,393,391	118,232,393,457	78,651,166,783	53,401,515,352	166,546,444,311	492,054,913,294
Net liquidity	14,537,812,437	(84,527,120,657)	15,405,439,253	51,882,214,878	34,795,180,562	32,093,526,473

Notes to the Financial Statements

As at and for the year ended 31 December 2023

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 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 187 Branches, 1,173 Uposhakhas [sub-branches] and 36 ATM booths with 49 ATMs as at 31 December 2023.

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 1ES, 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-fledge 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 IFICIL 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%. 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 holdings diluted and now IFIC holds 7.77% shares of NBL.

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. Provision should be made for any loss arising from diminution in value of investment on portfolio basis.

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 based on 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 is 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 Bangladesh Bank guideline, 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, 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

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 different circulars of Bangladesh Bank, General Provision ranging from 0.25% to 5% on different categories of unclassified/standard loans and Special General Provision for Covid-19 ranging 1% to 2% on amount under payment deferral facility has to be maintained regardless of objective evidence of impairment. Also provision of 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 Loans and Advances. Also a General Provision ranging 0.5% to 1% to be provided for certain Off-Balance Sheet exposure. Such 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 is 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.

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 its BRPD circular no. 14 dated 25 June 2003 directed all banks to prepare 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 intention nor the need to liquidate or curtail materially the scale of its operation. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

The management of the Bank has calculated all the ratios related to the maintenance of regulatory requirements of capital & liquidity such as CRAR, LCR, NSFR, CRR & SLR and assessed adequacy of 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'. 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 have 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 regarding 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 2023. 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 29 April 2024.

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 2023. 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 is 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 is 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 meets 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 per 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 and BRPD Circular No. 16 dated 18 July 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 leases as an expense.

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

- An increase in recognized assets and liabilities;
- More lease expenses recognized in 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.		1%	1%	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 measured at the prevailing tax rate as per tax laws that are expected to be applied when assets are realized, and liabilities are settled. Any unrecognized deferred tax assets and liabilities are reassessed if that has become probable that future taxable profit or loss will be available on which it could be used or settled.

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

iii. Provision for diminution in value of investment

Provision for diminution of value of quoted shares and mutual funds (closed-end), placed under other liability, has been made on portfolio basis (gain net off) following DOS circular no. 4 dated 24 November 2011 and DOS circular letter no. 01 dated 24 May 2023 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 accounts

Provision has been made against unsettled nostro transactions as per circular letter number FEFD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank. In line with this circular management of the Bank review the outstanding entries of nostro accounts on quarterly basis and certified by the Bank's external auditors on a semi-annual basis. As on the reporting date, the Bank has no unsettled transactions

outstanding for more than 3 months, and no provision has been made in this regard.

v. Provision for Off-balance sheet items

In line with the BRPD Circular number 14, 01, 07, 13 and 06 dated 23 September 2012, 03 January 2018, 21 June 2018, 18 October 2018 and 25 April 2023 respectively, general provision at the rate 0% to 1% has been made against off balance sheet exposures (mainly contingent assets/liabilities).

vi. Provision for Other assets:

Provision for other assets is maintained in line with the BRPD circular No. 4 dated 12 April 2022. Full provision is maintained on other assets which are outstanding for one year or more or classified as Bad/Loss.

vii. 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 2023 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 must 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 Overdraft 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 accrual's basis, interest on loans and advances ceases to be taken into income when such advances are classified, kept in interest suspense account under liabilities. Interest on classified advances is accounted for to income account on realization basis as per Bangladesh Bank guidelines.

ii. Investment income

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

iii. Dividend income on shares

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

iv. Fees and commission income

Fees and commission include 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 were no preference shares, the net profit after tax for the period has been considered as fully attributable to the ordinary shareholders. This has been calculated by dividing the net profit after tax attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

ii. Weighted average number of outstanding ordinary shares

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

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

iii. Diluted earnings per share

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

2.2.5.2 Related party transactions

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

2.2.5.3 Operating segments

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

2.2.5.4 Events after the reporting period

All material event occurring after the reporting period has been considered and where necessary, adjusted for or adequately disclosed in the financial statements as per *IAS 10: Events after the Reporting Period*.

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 Aamar Bank), customer can make transaction within Bank or Other Bank through EFT and RTGS, customer can make credit card payment, standing instruction, cheque book order, request for bank certificate etc.

vii. Other relevant risks

a. Operational risk

Operational risk addresses the risk associated with fraud, forgery, unauthorized activities, error, omission, system failure and other external events. These occur mainly due to inadequate or failed internal processes, people and systems, or from external events (including legal risk). The Bank is managing these risks through written procedures, regular training, and awareness programs and monitoring of the implementation of these procedures. Internal Control and Compliance Division of the Bank monitors operational procedure of the Bank. It undertakes periodical and special audit of the branches and divisions at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

b. Liquidity risk

Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets as they required without incurring unacceptable cost or losses.

Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations.

The objective of liquidity risk management is to ensure that all foreseeable funding and payments commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of retail and corporate deposits maintain balanced tenor and institutional balance. The liquidity management is monitored by Asset Liability Committee (ALCO) on a regular basis.

c. Market risk

It is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank, 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 workplace, 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 2022 and 2021 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 2022	AA	ST-2	Stable	30-Jun-24
Entity	Jan to Dec 2021	AA	ST-2	Stable	30-Jun-23

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, IFC 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
Insurance Contract	17	N/A
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 2023 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 18

Presentation and Disclosure in Financial Statements is effective for annual periods beginning on or after 1 January 2027. 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 2023

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
3 Cash					
Cash in hand (including foreign currency)	3.1	14,142,709,521	11,829,060,999	14,141,262,421	11,828,999,688
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	20,784,330,852	19,764,152,517	20,784,330,852	19,764,152,517
		34,927,040,373	31,593,213,516	34,925,593,273	31,593,152,205
3.1 Cash in hand (including foreign currency)					
Local currency in hand		13,914,086,801	11,536,493,717	13,912,639,701	11,536,432,406
Foreign currencies in hand		51,892,220	38,640,390	51,892,220	38,640,390
Cash with ATM		176,730,500	253,926,892	176,730,500	253,926,892
		14,142,709,521	11,829,060,999	14,141,262,421	11,828,999,688
3.2 Balance with Bangladesh Bank and its agents bank					
Bangladesh Bank					
Local currency		19,179,140,850	18,185,930,172	19,179,140,850	18,185,930,172
Foreign currency		512,716,481	574,004,435	512,716,481	574,004,435
		19,691,857,331	18,759,934,607	19,691,857,331	18,759,934,607
Sonali Bank as agent of Bangladesh Bank		1,092,473,521	1,004,217,910	1,092,473,521	1,004,217,910
		20,784,330,852	19,764,152,517	20,784,330,852	19,764,152,517
3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)					
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Banking Companies Act 1991 (as amended up to date) and MPD circular no. 3, dated 9 April 2020, and MPD circular no. 2, dated 10 December 2013.					
3.3.1 Cash Reserve Requirement (CRR)					
As per Bangladesh Bank issued MPD Circular no. 3 dated 9 April 2020 [effective from 15 April 2020], all scheduled banks have to maintain a CRR of a minimum of 3.5% [Y2022: 3.5%] on daily basis and 4.0% [Y2022: 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 2023 as based on a weekly average balance of October 2023]. CRR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				444,421,701,000	381,261,631,000
Required reserve				17,776,715,000	15,250,288,000
Actual reserve maintained*				19,031,522,880	18,281,241,430
Surplus				1,254,807,880	3,030,953,430
* As per Bangladesh Bank statement.					
3.3.2 Statutory Liquidity Ratio (SLR)					
As per Bangladesh Bank MPD circular no. 2 dated 10 December 2013 [effective from 1 February 2014], all scheduled banks have to maintain SLR of a minimum of 13.0% of weekly average demand and time liabilities excluding inter-bank deposits of immediate preceding two months [i.e., SLR of December 2023 was based on a weekly average balance of October 2023]. SLR maintained by the Bank as per statutory requirement is shown below:					
Average time and demand liabilities				444,421,701,000	381,261,631,000
Required reserve				57,774,821,000	49,564,012,000
Actual reserve maintained				60,845,305,192	60,479,215,914
Surplus				3,070,484,192	10,915,203,914
Actual reserve maintained for SLR					
Cash in hand	3.1			14,141,262,421	11,828,999,688
Balance with Bangladesh Bank in excess of CRR				1,254,807,880	3,030,953,430
Balance with Sonali Bank as agent	3.2			1,092,473,521	1,004,217,910
Government securities (HFT)	6.3			6,216,058,503	-
Government securities (HTM)	6.3			38,140,702,867	44,615,044,886
				60,845,305,192	60,479,215,914

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
4 Balance with other banks and financial institutions					
In Bangladesh	4.1	249,627,760	6,962,563,426	258,894,471	6,964,083,717
Outside Bangladesh *		1,496,759,391	2,001,242,854	1,410,856,843	1,970,952,374
		1,746,387,151	8,963,806,280	1,669,751,314	8,935,036,091
* Details of Balance with outside Bangladesh [solo basis] are shown in "Annexure-A".					
4.1 In Bangladesh					
In current deposit account with					
Agrani Bank PLC		23,027,253	30,013,390	23,027,253	30,013,390
Sonali Bank PLC		28,736,978	53,884,613	28,736,978	53,884,613
		51,764,231	83,898,003	51,764,231	83,898,003
In special notice deposit account with					
Trust Bank Limited		17,067,589	3,392,755	17,067,589	3,392,755
Standard Chartered Bank		2,660,125	4,626,335	2,660,125	4,626,335
		19,727,714	8,019,090	19,727,714	8,019,090
In beneficiary owner (BO) account with					
IFIC Securities Limited		-	-	9,266,711	1,520,291
Latif Securities Limited		26,584	27,034	26,584	27,034
North Star Investments (BD) Limited		11,254,564	3,764,632	11,254,564	3,764,632
		11,281,148	3,791,666	20,547,859	5,311,957
In short term & fixed deposit account with banks and NBFIs					
Short term deposit					
Community Bank PLC		-	400,000,000	-	400,000,000
Midland Bank Limited		-	300,000,000	-	300,000,000
		-	700,000,000	-	700,000,000
Fixed deposit					
Investment Corporation of Bangladesh (ICB)		-	1,000,000,000	-	1,000,000,000
Janata Bank PLC		-	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
		166,854,667	6,166,854,667	166,854,667	6,166,854,667
		249,627,760	6,962,563,426	258,894,471	6,964,083,717
4.2 Maturity grouping of balance with other banks and FIs					
Receivable on demand		9,417,587	98,461,588	18,684,298	99,981,879
Up to 1 month		584,527,249	2,698,490,025	498,624,701	2,668,199,545
More than 1 month but not more than 3 months		1,121,261,043	6,000,000,000	1,121,261,043	6,000,000,000
More than 3 months but not more than 6 months		31,181,273	166,854,667	31,181,273	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		-	-	-	-
		1,746,387,151	8,963,806,280	1,669,751,314	8,935,036,091
5 Money at call and on short notice					
Investment Corporation of Bangladesh (ICB)		1,428,500,000	690,000,000	1,428,500,000	690,000,000
		1,428,500,000	690,000,000	1,428,500,000	690,000,000
6 Investments					
Government Securities	6.1	44,361,867,469	44,618,830,186	44,361,867,469	44,618,830,186
Other Investments	6.2	15,817,081,277	14,276,653,165	9,382,505,758	8,130,259,774
		60,178,948,746	58,895,483,351	53,744,373,227	52,749,089,960
6.1 Government securities					
Treasury bills	6.1.1	3,271,435,503	-	3,271,435,503	-
Treasury bonds	6.1.2	41,085,325,866	44,615,044,886	41,085,325,866	44,615,044,886
Prize bond		5,106,100	3,785,300	5,106,100	3,785,300
		44,361,867,469	44,618,830,186	44,361,867,469	44,618,830,186

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
6.1.1 Treasury bills					
91 Days Govt Treasury bill		493,576,500	-	493,576,500	-
182 Days Govt Treasury bill		-	-	-	-
364 Days Govt Treasury bill		2,777,859,003	-	2,777,859,003	-
		3,271,435,503	-	3,271,435,503	-
6.1.2 Treasury bonds					
2 years Treasury bond		3,944,250,421	1,999,308,521	3,944,250,421	1,999,308,521
5 years Treasury bond		18,596,257,579	22,086,194,681	18,596,257,579	22,086,194,681
10 years Treasury bond		11,630,249,579	13,093,128,672	11,630,249,579	13,093,128,672
15 years Treasury bond		5,235,722,158	5,741,811,762	5,235,722,158	5,741,811,762
20 years Treasury bond		1,678,846,129	1,694,601,250	1,678,846,129	1,694,601,250
		41,085,325,866	44,615,044,886	41,085,325,866	44,615,044,886
6.2 Other investments					
Unquoted shares		99,088,970	99,088,970	42,847,220	42,847,220
Quoted shares		3,440,985,560	5,935,547,612	2,477,530,695	2,417,560,594
Perpetual Bond		1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Sukuk bond		5,946,919,218	1,921,465,835	2,891,176,283	1,698,900,400
Mutual funds		267,986,473	267,986,473	267,986,473	267,986,473
Investment in overseas entity*		5,062,101,056	5,052,564,275	2,702,965,087	2,702,965,087
		15,817,081,277	14,276,653,165	9,382,505,758	8,130,259,774
* Investment in overseas entity includes Oman Exchange LLC, Nabil Bank Ltd, Nepal and MCB Bank Ltd, Pakistan. Details of investment in shares [solo basis] are shown in "Annexure-B".					
** The Management of the Bank had classified the investment in Nabil Bank Limited (NBL) as held for sale on 30 September 2022. Subsequently, the sale process could not be finalized in absence of approval from Nepal Rastra Bank within the stipulated time mentioned in the Share Purchase Agreement signed on 13 February 2022. Consequently, the Management has decided to cease the classification of NBL as held for sale in accordance with IFRS 5 para 26. At the year end, the investment is carried at the lower of its carrying amount and recoverable amount in the separate and consolidated financial statements as required by IFRS 5 para 27.					
6.3 Government securities classified according to Bangladesh Bank Circular					
Held for trading (HFT)		6,216,058,503	-	6,216,058,503	-
Held to maturity (HTM)		38,140,702,867	44,615,044,886	38,140,702,867	44,615,044,886
Other securities	6.1	5,106,100	3,785,300	5,106,100	3,785,300
		44,361,867,470	44,618,830,186	44,361,867,469	44,618,830,186
6.4 Maturity grouping of investments					
On demand		5,106,100	3,785,300	5,106,100	3,785,300
Up to 1 month		-	1,069,680,778	-	1,069,680,778
Over 1 month but not more than 3 months		5,718,696,177	4,354,423,987	2,237,368,290	1,151,829,427
Over 3 months but not more than 6 months		1,803,183,942	3,869,719,103	1,803,183,942	3,869,719,103
Over 6 months but not more than 1 years		2,800,115,819	3,867,679,577	2,800,115,819	3,867,679,577
Over 1 year but not more than 5 years		20,036,204,460	21,307,410,277	20,036,204,460	21,307,410,277
Over 5 years		29,815,642,248	24,422,784,329	26,862,394,617	21,478,985,498
		60,178,948,746	58,895,483,351	53,744,373,227	52,749,089,960
6.5 Disclosure regarding outstanding Repo and Reverse Repo					
Disclosure regarding outstanding Repo					
Sl.	Counterparty name	Agreement date	Reversal date	Amount	
1	Bangladesh Bank	27/12/2023	3/1/2024	5,705,352,660	
				5,705,352,660	
Disclosure regarding outstanding Reverse Repo					
Sl.	Counterparty name	Agreement date	Reversal date	Amount	
				Nil	

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
Disclosure regarding overall transaction of Repo and Reverse Repo					
Counterparty name			Minimum outstanding in Y2023	Maximum outstanding in Y2023	Daily average outstanding in Y2023
Securities sold under Repo					
With Bangladesh Bank			2,714,868,288	5,705,352,660	3,405,210,716
With other Banks and FIs			498,430,500	1,029,114,850	843,010,271
Securities purchased under Reverse Repo					
From Bangladesh Bank			-	-	-
From other Banks and FIs			99,719,300	2,038,263,450	1,018,650,427
7 Loans and advances					
Loans, cash credit, overdraft etc.	7.1	394,993,349,869	332,876,481,759	393,416,673,201	331,471,884,106
Bill purchased and discounted	8	19,989,454,663	22,982,389,758	19,989,454,663	22,982,389,758
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.1 Loans, cash credit, overdraft etc.					
Inside Bangladesh					
Term loan industrial		15,514,506,535	15,473,794,536	15,514,506,535	15,473,794,536
Term loan consumer finance		1,058,724,654	686,182,040	1,058,724,654	686,182,040
Agricultural loan		8,247,256,739	607,195,583	8,247,256,739	607,195,583
Term loan women entrepreneur		21,742,282	42,647,310	21,742,282	42,647,310
Term loan-others		138,084,856,598	115,875,943,526	138,084,856,598	115,875,943,526
House building loan		91,328,357,381	82,580,258,239	91,328,357,381	82,580,258,239
Staff loan		920,415,222	977,473,186	920,415,222	977,473,186
Transport loan		22,299,704	38,414,951	22,299,704	38,414,951
Loan general		1,881,544,453	1,986,493,982	1,881,544,453	1,986,493,982
Demand loan		6,171,632,767	8,833,968,314	6,171,632,767	8,833,968,314
Overdrafts		107,126,342,763	76,601,124,933	109,533,902,649	79,206,745,250
Cash credit		18,257,921,667	20,415,281,670	18,257,921,667	20,415,281,670
Credit card finance		156,904,027	147,634,540	156,904,027	147,634,540
Loan against trust receipt (LTR)		813,064,937	2,725,216,551	813,064,937	2,725,216,551
Lease finance		118,148,740	144,028,535	118,148,740	144,028,535
Margin loan		3,984,236,554	4,010,217,971	-	-
		393,707,955,023	331,145,875,866	392,131,278,355	329,741,278,213
Outside Bangladesh					
Term Loan-Foreign Currency (OBU)		1,285,394,846	1,730,605,893	1,285,394,846	1,730,605,893
		394,993,349,869	332,876,481,759	393,416,673,201	331,471,884,106
7.2 Net loans and advances including bills purchased and discounted					
Total loans and advances		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
Provision against loans and advances		(14,622,190,627)	(16,388,902,519)	(14,351,051,422)	(13,141,262,582)
Interest suspense account		(11,899,279,629)	(9,562,415,923)	(10,398,436,819)	(8,061,573,113)
		388,461,334,277	329,907,553,075	388,656,639,623	333,251,438,169
7.3 Residual maturity grouping of Loans, cash credit, overdraft etc.					
On demand		51,846,359,571	57,576,333,868	51,846,359,571	57,576,333,868
Up to 1 month		7,127,788,626	8,706,550,512	7,127,788,626	8,706,550,512
Over 1 month but not more than 3 months		25,094,600,579	22,108,464,706	23,517,923,910	20,703,867,052
Over 3 months but not more than 1 years		82,392,995,669	54,516,449,018	82,392,995,669	54,516,449,018
Over 1 year but not more than 5 years		78,066,651,995	79,923,887,636	78,066,651,995	79,923,887,636
Over 5 years		150,464,953,430	110,044,796,020	150,464,953,430	110,044,796,020
		394,993,349,869	332,876,481,759	393,416,673,201	331,471,884,106

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
7.4 Loans and advances under broad categories					
In Bangladesh					
Loans		267,201,525,553	233,254,454,839	265,624,848,885	231,849,857,186
Cash credit		18,257,921,667	20,415,281,670	18,257,921,667	20,415,281,670
Overdrafts		109,533,902,649	79,206,745,250	109,533,902,649	79,206,745,250
		394,993,349,869	332,876,481,759	393,416,673,201	331,471,884,106
Bill purchased and discounted	8	19,989,454,663	22,982,389,758	19,989,454,663	22,982,389,758
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.5 Loans and advances on the basis of significant concentration					
Loans and advances to Directors, executives and others					
Loans and advances to directors and their allied concerns		-	-	-	-
Loans and advances to Managing Director, Senior Executives and Staffs		920,415,222	977,473,186	920,415,222	977,473,186
Advances to customers' groups		414,062,389,310	354,881,398,331	412,485,712,642	353,476,800,678
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.6 Loans and advances allowed to each customer exceeding 10% of Bank's total capital					
Number of customers				30	20
Outstanding - Funded				144,923,790,000	84,283,300,000
Outstanding - Non-funded				20,264,100,000	31,344,200,000
Amount classified				-	-
Amount of loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 4,213.40 million [Y2022 BDT 4,326.63 million] representing 10% of the Bank's total capital (as defined in Bank Companies Act 1991 as amended) as at 31 December 2023 are furnished in Annexure-C.					
7.7 Industry wise position of loans and advances including bills purchased and discounted					
Agriculture		8,719,362,810	1,556,206,067	8,719,362,810	1,556,206,067
Jute		5,674,596,087	5,537,019,975	5,674,596,087	5,537,019,975
Textile		22,534,088,962	19,445,124,895	22,534,088,962	19,445,124,895
Garments		44,858,982,432	48,806,996,382	44,858,982,432	48,806,996,382
Chemical and chemical products		61,453,783	129,650,018	61,453,783	129,650,018
Cement		6,252,915,194	2,874,712,180	6,252,915,194	2,874,712,180
Bricks & ceramic		4,584,663,046	4,006,448,192	4,584,663,046	4,006,448,192
Food products & processing		4,294,727,698	4,368,585,357	4,294,727,698	4,368,585,357
Engineering & metal		12,897,582,889	10,188,878,512	12,897,582,889	10,188,878,512
Drugs & pharmaceuticals		2,125,609,084	2,800,458,403	2,125,609,084	2,800,458,403
Hospital & clinics		202,811,147	197,782,914	202,811,147	197,782,914
Paper & paper products		3,207,204,806	3,210,642,751	3,207,204,806	3,210,642,751
Other small industries		13,631,406,366	11,235,923,048	13,631,406,366	11,235,923,048
IT sector		4,978,815,028	5,298,962,072	4,978,815,028	5,298,962,072
Other service industries		29,648,515,278	25,823,194,719	29,648,515,278	25,823,194,719
Trade & commerce		52,154,841,789	26,251,850,336	52,154,841,789	26,251,850,336
Transport		696,176,043	694,646,876	696,176,043	694,646,876
Construction firms/companies		24,520,727,005	24,206,131,466	24,520,727,005	24,206,131,466
Housing societies/companies		32,314,053,128	32,700,280,093	32,314,053,128	32,700,280,093
Consumer finance		104,974,539,675	93,003,600,026	104,974,539,675	93,003,600,026
Energy		8,002,664,253	8,635,132,783	8,002,664,253	8,635,132,783
Telecommunication		10,838,223,059	11,097,235,492	10,838,223,059	11,097,235,492
NBFI's		76,998,739	94,793,422	76,998,739	94,793,422
Others		17,731,846,233	13,694,615,539	16,155,169,565	12,290,017,885
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
7.8 Sector wise position of loans and advances including bills purchased and discounted					
Government sector		-	-	-	-
Other public sector		739,050,000	793,900,000	739,050,000	793,900,000
Private sector		414,166,755,793	354,970,178,096	412,590,079,125	353,565,580,442
Co-operative sector		76,998,739	94,793,422	76,998,739	94,793,422
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.9 Geographical location-wise loans and advances including bills purchased and discounted					
Dhaka division		356,650,809,252	300,055,753,188	355,074,132,584	298,651,155,535
Chittagong division		31,578,933,608	31,465,631,635	31,578,933,608	31,465,631,635
Sylhet division		2,939,733,181	2,692,733,947	2,939,733,181	2,692,733,947
Rajshahi division		8,287,178,930	7,937,943,741	8,287,178,930	7,937,943,741
Khulna division		6,482,659,124	5,709,287,910	6,482,659,124	5,709,287,910
Barisal division		1,501,791,681	1,295,975,810	1,501,791,681	1,295,975,810
Rangpur division		4,400,918,955	3,891,280,927	4,400,918,955	3,891,280,927
Mymensingh division		3,140,779,800	2,810,264,360	3,140,779,800	2,810,264,360
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.10 Business segment-wise concentration of loans and advances as per CL					
Corporate		275,760,762,535	221,001,296,689	274,184,085,867	229,703,779,874
SME		29,969,298,653	43,719,788,719	29,969,298,653	33,612,707,881
Short term agri credit		8,771,250,168	1,184,684,576	8,771,250,168	1,184,684,576
Consumer (including staff)		16,042,078,728	12,878,348,733	16,042,078,728	12,878,348,733
Others		84,439,414,448	77,074,752,800	84,439,414,448	77,074,752,800
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.11 Loans and advances including bills purchased and discounted as per CL					
Continuous loan					
Consumer finance		13,420,545,570	10,783,088,585	13,420,545,570	10,783,088,585
Small and medium enterprise		16,418,113,748	26,314,518,136	16,418,113,748	19,678,042,953
Loans to BHs/MBs/SDs		-	18,539,376	-	18,539,376
Other continuous loans		105,485,637,786	67,460,814,158	103,908,961,118	72,692,691,688
		135,324,297,104	104,576,960,255	133,747,620,436	103,172,362,602
Demand loans					
Consumer finance		46,627,086	59,275,481	46,627,086	59,275,481
Small and medium enterprise		2,450,634,809	2,831,015,071	2,450,634,809	2,831,015,071
Other demand loans		40,803,357,337	34,599,394,486	40,803,357,337	34,599,394,486
		43,300,619,232	37,489,685,038	43,300,619,232	37,489,685,038
Term loan					
Consumer finance (including staff, other than HF)		2,574,906,072	2,035,984,667	2,574,906,072	2,035,984,667
Small and medium enterprise		11,100,550,096	14,574,255,512	11,100,550,096	11,103,649,858
Housing finance (HF)		84,439,414,448	77,056,213,424	84,439,414,448	77,056,213,424
Loans for professionals		-	-	-	-
Loans to BHs/MBs/SDs		-	-	-	-
Other fixed term loan		129,471,767,412	118,941,088,045	129,471,767,412	122,411,693,699
		227,586,638,028	212,607,541,648	227,586,638,028	212,607,541,648
Short term loan					
Short term agri credit		8,771,250,168	1,184,684,576	8,771,250,168	1,184,684,576
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
7.12 Security/collateral-wise concentration of loans and advances including bills purchased and discounted					
Collateral of movable/immovable assets		345,815,168,887	295,219,583,680	345,815,168,887	295,219,583,680
Government guarantee		739,050,000	793,900,000	739,050,000	793,900,000
Export documents		315,007,901	374,719,441	315,007,901	374,719,441
Import documents		9,556,485,146	11,684,920,476	9,556,485,146	11,684,920,476
Fixed deposit receipts		15,939,176,308	13,933,404,724	15,939,176,308	13,933,404,724
Personal guarantee		14,301,074,993	11,490,832,877	14,301,074,993	11,490,832,877
Other securities		28,316,841,298	22,361,510,319	26,740,164,629	20,956,912,665
		414,982,804,532	355,858,871,517	413,406,127,864	354,454,273,864
7.13 Particulars of loans and advances					
i) Loans considered good in respect of which the Bank is fully secured				388,583,256,217	342,815,817,423
ii) Loans considered good for which the Bank holds no other security than the debtors' personal guarantee				156,904,027	147,623,564
iii) Loans considered good being secured by personal security of one or more persons in addition to the personal security of the debtors				24,665,967,619	11,490,832,877
iv) Loans adversely classified; provision not maintained there against				-	-
				413,406,127,864	354,454,273,864
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons.				920,415,222	977,473,186
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				993,774,898	1,042,534,435
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members				-	-
ix) Due from banking companies				-	-
x) a) Amount of classified loan on which interest has not been charged should be mentioned as follows:					
Increase/(decrease) in specific provision				2,514,762,826	5,181,472,213
Amount of loan written off				476,331,756	-
Amount recovered against the loans previously written off				477,688,192	972,678,867
b) Amount of provision kept against loans classified as bad/loss as at the Balance Sheet date				10,054,855,386	7,917,501,154
c) Amount of interest creditable to the interest suspense account				5,615,888,300	3,199,245,384
xi) Cumulative amount of written off loan:					
Opening balance				13,081,132,133	14,053,811,000
Amount written off during the year				476,331,756	-
Recovery from written-off during the year*				(477,688,192)	(972,678,867)
				13,079,775,697	13,081,132,133
* Recovery from written-off loans during the year include interest waiver of BDT 54.33 million [Y2022: Interest waiver BDT 119.79 million].					
7.14 Cumulative amount of written off loans for which law suits have been filed					
Opening balance				20,972,282,771	20,972,282,771
During the year				476,331,756	-
				21,448,614,527	20,972,282,771

Out of this cumulative amount of written-off loans, no suit could be filed for recovery of Tk. 43.8 million for becoming time barred.

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
7.15 Classification of loans and advances					
Unclassified					
Standard				370,754,515,507	326,329,086,698
Special mention account				9,617,116,769	8,245,802,016
				380,371,632,276	334,574,888,714
Classified					
Substandard				8,056,906,447	2,836,938,825
Doubtful				1,951,701,087	1,049,672,726
Bad/Loss				23,025,888,055	15,992,773,598
				33,034,495,588	19,879,385,150
				413,406,127,864	354,454,273,864
7.16 Movements of classified loans and advances					
Opening balance				19,879,385,150	18,588,204,792
Additions during the year				16,197,940,438	18,343,860,359
Reduction during the year				(3,042,830,000)	(17,052,680,000)
				33,034,495,588	19,879,385,150

7.17 Disclosure of Document Verification System (DVS)

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	493	78.01%	493	78.01%
Total file	632		632	

8 Bills purchased and discounted

Payable in Bangladesh	8.1	19,884,602,663	22,696,734,559	19,884,602,663	22,696,734,559
Payable outside Bangladesh	8.1	104,852,000	285,655,199	104,852,000	285,655,199
		19,989,454,663	22,982,389,758	19,989,454,663	22,982,389,758

8.1 Bill purchased and discounted**Payable in Bangladesh****Local bills/documents**

Inland documentary bill purchase (IDBP)		1,204,473,148	1,623,617,154	1,204,473,148	1,623,617,154
Payment against documents-cash		112,016,470	13,190,413	112,016,470	13,190,413
Payment against documents-EDF		8,248,612,698	19,587,510,822	8,248,612,698	19,587,510,822
Payment against documents-forced (Inland)		900,695,300	833,924,531	900,695,300	833,924,531
Payment against documents-forced (Foreign)		423,005,838	83,956,276	423,005,838	83,956,276
Payment against documents-Others		8,995,799,209	554,535,363	8,995,799,209	554,535,363
		19,884,602,663	22,696,734,559	19,884,602,663	22,696,734,559

Payable outside Bangladesh

Foreign documentary bill purchase (FDBP)		104,852,000	110,003,041	104,852,000	110,003,041
Usance Bill Discounted (OBU)		-	175,652,158	-	175,652,158
		104,852,000	285,655,199	104,852,000	285,655,199
		19,989,454,663	22,982,389,758	19,989,454,663	22,982,389,758

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
8.2 Residual maturity grouping of bill purchased and discounted					
On demand		7,548,851,188	7,321,669,436	7,548,851,188	7,321,669,436
Up to 1 month		3,591,301,366	4,504,036,805	3,591,301,366	4,504,036,805
Over 1 month but not more than 3 months		3,822,201,338	4,750,707,370	3,822,201,338	4,750,707,370
Over 3 months but not more than 6 months		4,647,476,083	5,922,808,003	4,647,476,083	5,922,808,003
Over 6 months		379,624,688	483,168,144	379,624,688	483,168,144
		19,989,454,663	22,982,389,758	19,989,454,663	22,982,389,758
9 Fixed assets including premises, furniture and fixtures					
Cost/revalued:					
Land		2,536,305,059	2,423,609,559	2,536,305,059	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		436,725,629	376,268,592	435,811,031	375,353,994
Steel furniture		299,420,193	252,852,611	299,420,193	252,852,611
Computer equipment		2,091,478,297	1,537,890,629	2,077,652,463	1,524,217,591
Office equipment		591,816,423	513,231,465	591,816,423	513,231,465
Electrical & gas equipment		1,789,819,146	1,668,136,877	1,786,968,966	1,665,286,697
Leasehold improvement		1,539,028,552	1,245,265,335	1,523,593,923	1,231,228,309
Vehicles		251,095,960	218,424,822	251,095,960	218,424,822
Soft furnishing		13,471,059	12,829,120	13,471,059	12,829,120
Software		1,732,374,942	1,479,022,873	1,729,366,721	1,476,585,948
		13,184,152,464	11,630,149,088	13,148,119,002	11,596,237,319
Capital work in progress		286,987,375	366,020,865	286,987,375	366,020,865
		13,471,139,839	11,996,169,952	13,435,106,377	11,962,258,184
Right of Use Assets		2,672,457,109	2,354,397,434	2,626,438,620	2,311,079,457
		16,143,596,947	14,350,567,386	16,061,544,997	14,273,337,641
Less: Accumulated depreciation		5,800,607,688	5,047,429,110	5,754,114,061	5,006,508,343
Written down value		10,342,989,259	9,303,138,276	10,307,430,936	9,266,829,299
Details of fixed assets [solo basis] are shown in "Annexure-D"					
10 Other assets					
Stationery and stamps		42,767,981	23,354,297	42,767,981	23,354,297
Suspense account	10.1	1,133,518,449	876,995,266	1,088,975,815	865,755,661
Advance, deposit and prepayments	10.2	693,536,001	762,007,862	691,911,891	760,822,012
Accrued interest & other income receivable	10.3	1,470,799,220	1,291,683,852	1,246,312,850	1,017,799,319
Investment in subsidiaries	10.4	-	-	2,629,975,999	2,629,975,999
Deferred tax assets	10.5	2,863,282,360	2,099,957,033	2,862,206,001	2,098,743,098
Others receivable		77,956,989	41,034,402	56,512,616	39,406,385
		6,281,860,999	5,095,032,712	8,618,663,153	7,435,856,771
10.1 Suspense account					
Advance against bills, new branches		18,934,287	75,301,114	18,934,287	75,301,114
Advance against TA / DA		1,156,700	541,700	1,156,700	541,700
Law charges		402,119,439	360,534,646	402,119,439	360,534,646
Sanchaypatra paid		34,077,452	49,563,369	34,077,452	49,563,369
Wage earners development bond paid		60,729,474	55,105,071	60,729,474	55,105,071
Sundry debtors		96,461,345	84,572,136	51,918,711	73,332,531
Cash incentive audit fees		6,530,850	24,750	6,530,850	24,750
Cash incentive remittance		5,289	4,868	5,289	4,868
Payment gateway receivable		513,503,613	251,347,612	513,503,613	251,347,612
		1,133,518,449	876,995,266	1,088,975,815	865,755,661

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
10.2 Advance, deposit and prepayments					
Rent		381,600,343	461,516,244	380,795,107	460,802,604
Security deposit including demand note		5,520,572	5,020,572	5,520,572	5,020,572
Car purchase scheme		135,573,318	136,840,452	135,434,444	136,368,242
Exchange house company		6,100,757	460,514	6,100,757	460,514
Protested bills		81,804,053	71,951,339	81,804,053	71,951,339
Supplier		82,256,958	86,218,741	82,256,958	86,218,741
		693,536,001	762,007,862	691,911,891	760,822,012
10.3 Accrued interest & other income receivable					
Treasury bonds and bills		728,599,992	701,603,497	728,599,992	701,603,497
Receivables from Government		41,272,375	41,272,375	41,272,375	41,272,375
Receivables from BB Stimulus Package		27,056,653	42,394,086	27,056,653	42,394,086
Dividend & profit receivable		672,402,020	501,377,436	447,915,650	227,492,903
Term and call placement		1,468,180	5,036,458	1,468,180	5,036,458
		1,470,799,220	1,291,683,852	1,246,312,850	1,017,799,319
10.4 Investment in subsidiaries					
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	29,987,999
				2,629,975,999	2,629,975,999
10.5 Deferred tax assets					
Deferred tax assets have been recognized and measured as per <i>International Accounting Standards 12: Income Taxes</i> and BRPD Circular no. 11, dated 12 December 2011 based on the temporary difference in the carrying amount of the assets and liabilities in the financial statements and its tax base. Calculation of deferred tax assets is as follows:					
Deferred tax assets				3,100,389,800	2,327,072,618
Deferred tax liabilities				(238,183,800)	(228,329,520)
Deferred tax assets/(liabilities)				2,862,206,001	2,098,743,098
i) Deferred tax on provision for loans and advances classified as BL					
Carrying amount				8,218,055,386	6,147,293,014
Tax base				-	-
Deductible/(taxable) temporary difference				8,218,055,386	6,147,293,014
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				3,081,770,770	2,305,234,880
Opening deferred tax assets/(liabilities)				2,305,234,880	1,038,789,843
Deferred tax (expense)/income (A)				776,535,890	1,266,445,037
As per BRPD Circular no. 11 dated 12 December 2011, the Bank may recognise deferred tax assets amounting BDT 3,770,570,770 for provision against classified loans. However, the Bank has recognised deferred tax assets amounting BDT 3,081,770,770 prudently as per para 27 of IAS 12.					
ii) Deferred tax on fixed assets					
Carrying amount				5,872,354,396	5,260,085,265
Tax base				5,302,211,759	4,701,885,878
Deductible/(Taxable) temporary difference				570,142,637	558,199,387
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				(213,803,489)	(209,324,770)
Opening deferred tax assets/(liabilities)				(209,324,770)	(234,034,456)
Deferred tax (expense)/income (B)				(4,478,719)	24,709,686

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
iii) Deferred tax on leased assets					
Right-of-Use Assets				1,610,689,465	1,220,227,425
Less: Lease Liabilities				(1,501,587,543)	(1,092,233,466)
Carrying amount				109,101,922	127,993,959
Tax base				158,752,670	186,227,927
Temporary difference				49,650,747	58,233,968
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				18,619,030	21,837,738
Opening deferred tax assets/(liabilities)				21,837,738	15,288,746
Deferred tax (expense)/income (C)				(3,218,708)	6,548,993
Deferred tax (expense)/income (A+B+C)				768,838,463	1,297,703,716
iv) Deferred tax on land revaluation surplus					
Carrying amount				248,495,500	475,118,759
Tax base				-	-
Temporary difference				(248,495,500)	(475,118,759)
Tax rate				6% , 8%	4.00%
Closing deferred tax assets/(liabilities)				(24,380,311)	(19,004,750)
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.					
10.6 Income generating other assets					
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	29,987,999
				2,629,975,999	2,629,975,999
10.7 Non-income generating other assets					
Stationery and stamps				42,767,981	23,354,297
Suspense account				1,088,975,815	865,755,661
Advance, deposit and prepayments				691,911,891	760,822,012
Accrued interest & other income receivable				1,246,312,850	1,017,799,319
Deferred tax assets				2,862,206,001	2,098,743,098
Receivable others				56,512,616	39,406,385
				5,988,687,154	4,805,880,772
11 Non-banking assets					
Income generating				-	-
Non-income generating	11.1	48,000,000	148,474,800	48,000,000	148,474,800
		48,000,000	148,474,800	48,000,000	148,474,800
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.					
11.1 Non-income generating					
Balance at the beginning of the year		148,474,800	148,474,800	148,474,800	148,474,800
Less: Transfer to fixed assets during the year		(65,474,800)	-	(65,474,800)	-
Less: Sale during the year		(35,000,000)	-	(35,000,000)	-
		48,000,000	148,474,800	48,000,000	148,474,800

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
12 Borrowing from other banks, financial institutions and agents					
In Bangladesh	12.1	8,523,549,803	20,621,060,373	8,523,549,803	20,621,060,373
Outside Bangladesh		-	-	-	-
		8,523,549,803	20,621,060,373	8,523,549,803	20,621,060,373
12.1 In Bangladesh					
Short term borrowing					
Commercial Bank of Ceylon PLC		-	800,000,000	-	800,000,000
Uttara Bank PLC		-	300,000,000	-	300,000,000
Dutch Bangla Bank PLC		-	750,000,000	-	750,000,000
		-	1,850,000,000	-	1,850,000,000
Money at call and on short notice					
Bank Alfalah Limited		-	100,000,000	-	100,000,000
		-	100,000,000	-	100,000,000
Refinance from Bangladesh Bank					
Export Development Fund (EDF)		6,107,714,049	17,319,335,991	6,107,714,049	17,319,335,991
Small and Medium Enterprise (SME)		1,818,159,338	821,857,017	1,818,159,338	821,857,017
Pre Shipment Credit		322,130,000	15,189,000	322,130,000	15,189,000
Stimulus Package		275,546,416	514,678,365	275,546,416	514,678,365
		8,523,549,803	18,671,060,373	8,523,549,803	18,671,060,373
		8,523,549,803	20,621,060,373	8,523,549,803	20,621,060,373
12.2 Secured and unsecured borrowing from other banks, financial institutions and agents					
Secured borrowing		-	-	-	-
Unsecured borrowing		8,523,549,803	20,621,060,373	8,523,549,803	20,621,060,373
		8,523,549,803	20,621,060,373	8,523,549,803	20,621,060,373
12.3 Maturity grouping of borrowing from other banks, financial institutions and agents					
Payable					
On demand		15,345,417	211,169,412	15,345,417	211,169,412
Up to 1 month		962,971,253	5,623,867,211	962,971,253	5,623,867,211
Over 1 month but not more than 3 months		3,040,052,969	7,880,731,267	3,040,052,969	7,880,731,267
Over 3 months but not more than 1 year		3,697,509,976	6,735,538,735	3,697,509,976	6,735,538,735
Over 1 year but not more than 5 years		807,670,189	169,753,749	807,670,189	169,753,749
Over 5 years		-	-	-	-
		8,523,549,803	20,621,060,373	8,523,549,803	20,621,060,373
13 Subordinated debt					
Institution wise subscription, redemption, and outstanding amount of the Principal of the Bond are as follows:					
Subscribers	Subscribed Amount	Redemption of Principal	Outstanding 31 December 2023	Outstanding 31 December 2022	
IFIC Bank 1 st Subordinated debt	3,500,000,000	3,500,000,000	-	700,000,000	
IFIC Bank 2 nd Subordinated debt	5,000,000,000	-	5,000,000,000	5,000,000,000	
IFIC Bank 3 rd Subordinated debt	5,000,000,000	-	5,000,000,000	5,000,000,000	
	13,500,000,000	3,500,000,000	10,000,000,000	10,700,000,000	

IFIC Bank 1st Subordinated debt: 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 has been fully redeemed in the year 2023.

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
IFIC Bank 2nd Subordinated debt: 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.					
IFIC Bank 3rd Subordinated debt: 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.					
14 Deposits and other accounts					
Current deposit and other accounts	14.1	162,584,671,662	148,580,323,584	162,683,235,706	148,611,910,560
Bills payable	14.2	2,152,810,741	2,457,173,551	2,152,810,741	2,457,173,551
Savings bank deposits	14.3	23,954,306,058	24,846,308,549	23,954,306,058	24,846,308,549
Fixed deposits	14.4	253,379,563,369	199,668,901,468	253,379,749,292	199,669,082,862
		442,071,351,829	375,552,707,152	442,170,101,797	375,584,475,522
14.1 Current deposit and other accounts					
Current accounts		37,163,034,905	29,754,953,732	37,261,598,949	29,786,540,708
IFIC AAMAR account		109,954,176,292	106,027,328,084	109,954,176,292	106,027,328,084
IFIC Shohoj Account		6,166,788,718	3,419,523,239	6,166,788,718	3,419,523,239
Foreign currency deposit		499,060,372	535,199,002	499,060,372	535,199,002
Resident foreign currency deposit		59,936,499	65,777,513	59,936,499	65,777,513
Exporters foreign currency account		5,848,919,636	6,197,306,082	5,848,919,636	6,197,306,082
Margin on letters of credit		1,481,134,571	1,423,513,797	1,481,134,571	1,423,513,797
Margin on letters of guarantee		370,570,785	389,406,356	370,570,785	389,406,356
Sundry deposit	14.1.1	1,041,049,884	767,315,779	1,041,049,884	767,315,779
		162,584,671,662	148,580,323,584	162,683,235,706	148,611,910,560
14.1.1 Sundry deposit					
Sundry creditor		56,944,097	61,316,698	56,944,097	61,316,698
Lease deposit		9,423,334	9,893,043	9,423,334	9,893,043
Risk fund-lease, CCS & others		218,057	218,057	218,057	218,057
Clearing collection		32,529,395	49,281,777	32,529,395	49,281,777
Card deposit		798,916,913	443,093,684	798,916,913	443,093,684
FDD issued but not presented		13,596,339	13,596,339	13,596,339	13,596,339
Key deposit		7,996,750	7,021,100	7,996,750	7,021,100
Other sundry deposits		121,424,999	182,895,081	121,424,999	182,895,081
		1,041,049,884	767,315,779	1,041,049,884	767,315,779
14.2 Bills payable					
Payment order		2,146,425,817	2,450,538,811	2,146,425,817	2,450,538,811
Demand draft		4,522,161	4,768,662	4,522,161	4,768,662
Security deposit receipt		1,862,763	1,866,078	1,862,763	1,866,078
		2,152,810,741	2,457,173,551	2,152,810,741	2,457,173,551
14.3 Savings bank deposit					
Savings account		19,559,594,255	20,098,901,777	19,559,594,255	20,098,901,777
Super savings plus		3,170,260,693	3,372,872,295	3,170,260,693	3,372,872,295
Payroll savings		356,347,489	370,952,733	356,347,489	370,952,733
Sanchita-female savings		864,036,019	1,001,937,315	864,036,019	1,001,937,315
Interest payable on savings deposit		4,067,602	1,644,429	4,067,602	1,644,429
		23,954,306,058	24,846,308,549	23,954,306,058	24,846,308,549

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
14.4 Fixed deposit					
Special notice deposit (SND)		14,844,848,948	17,453,657,947	14,845,034,871	17,453,839,341
Term deposit	14.4.1	221,841,553,261	167,606,568,227	221,841,553,261	167,606,568,227
Recurring deposit	14.4.2	15,858,334,211	13,950,659,470	15,858,334,211	13,950,659,470
Non resident foreign currency deposit (NFCD)		99,241,137	81,605,776	99,241,137	81,605,776
Export retention quota (ERQ)		735,585,812	576,410,048	735,585,812	576,410,048
		253,379,563,369	199,668,901,468	253,379,749,292	199,669,082,862
14.4.1 Term deposit					
Fixed deposits		197,140,044,935	156,292,861,018	197,140,044,935	156,292,861,018
Double return deposit scheme		3,564,303,392	3,576,336,722	3,564,303,392	3,576,336,722
Three years deposit plus		3,467,505	3,467,505	3,467,505	3,467,505
Monthly income scheme		16,756,675,387	4,850,103,971	16,756,675,387	4,850,103,971
Monthly income scheme - Arjon		319,141,640	21,550,000	319,141,640	21,550,000
Interest payable on term deposit		4,057,920,402	2,862,249,011	4,057,920,402	2,862,249,011
		221,841,553,261	167,606,568,227	221,841,553,261	167,606,568,227
14.4.2 Recurring deposit					
Pension savings scheme (PSS)		2,755,031,551	4,417,877,394	2,755,031,551	4,417,877,394
Pension savings scheme - Joma		6,284,892	9,903,208	6,284,892	9,903,208
Flexi DPS - Freedom		1,054,260,105	1,194,379,581	1,054,260,105	1,194,379,581
Millionaire dream plan		229,728,036	327,509,963	229,728,036	327,509,963
School savings plan		17,275,480	19,952,554	17,275,480	19,952,554
IFIC Aamar Bhobishawt		11,311,110,691	7,512,666,591	11,311,110,691	7,512,666,591
Interest payable on recurring deposit		484,643,456	468,370,179	484,643,456	468,370,179
		15,858,334,211	13,950,659,470	15,858,334,211	13,950,659,470
14.5 Deposit and other accounts of the banks					
Deposit from banks	14.8	4,535,855,081	4,590,681,278	4,535,855,081	4,590,681,278
Deposit from customers		437,535,496,749	370,962,025,873	437,634,246,716	370,993,794,244
		442,071,351,829	375,552,707,152	442,170,101,797	375,584,475,522
14.6 Payable on demand and time deposit					
Demand deposits					
Current deposits		159,691,730,499	145,999,906,255	159,790,480,467	146,031,674,625
Savings deposits		2,155,887,545	2,236,167,769	2,155,887,545	2,236,167,769
Sundry deposit		2,892,755,240	2,580,235,933	2,892,755,240	2,580,235,933
Bills payable		2,152,810,741	2,457,173,551	2,152,810,741	2,457,173,551
		166,893,184,025	153,273,483,508	166,991,933,993	153,305,251,878
Time deposits					
Savings deposits		21,798,418,512	22,610,140,779	21,798,418,512	22,610,140,779
Fixed deposits		222,906,108,246	168,592,094,014	222,906,108,246	168,592,094,014
Special notice deposits		14,845,034,871	17,453,839,341	14,845,034,871	17,453,839,341
Deposits under schemes		15,628,606,175	13,623,149,510	15,628,606,175	13,623,149,510
		275,178,167,804	222,279,223,644	275,178,167,804	222,279,223,644
		442,071,351,829	375,552,707,152	442,170,101,797	375,584,475,522
14.7 Sector-wise concentration of deposits and other accounts					
Government deposits		5,694,933,810	6,242,116,389	5,694,933,810	6,242,116,389
Other public sector		34,091,515,684	32,646,311,003	34,091,515,684	32,646,311,003
Deposit from banks		4,535,855,081	4,590,681,278	4,535,855,081	4,590,681,278
Foreign currency deposits		7,242,743,456	7,456,298,421	7,242,743,456	7,456,298,421
Private sectors		390,506,303,799	324,617,300,061	390,605,053,767	324,649,068,431
		442,071,351,829	375,552,707,152	442,170,101,797	375,584,475,522

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
14.8 Residual maturity grouping of deposits and other accounts					
Maturity grouping of deposit from banks					
On demand		35,855,081	90,681,278	35,855,081	90,681,278
Up to 1 month		2,000,000,000	2,500,000,000	2,000,000,000	2,500,000,000
Over 1 month but not more than 3 months		-	-	-	-
Over 3 months but not more than 1 year		2,500,000,000	2,000,000,000	2,500,000,000	2,000,000,000
Over 1 year but not more than 5 years		-	-	-	-
Over 5 years		-	-	-	-
		4,535,855,081	4,590,681,278	4,535,855,081	4,590,681,278
Maturity grouping of deposit from customers excluding bills payable					
On demand		24,578,269,030	20,283,284,971	24,578,269,030	20,283,284,971
Up to 1 month		44,105,165,530	44,431,641,346	44,105,165,530	44,431,641,346
Over 1 month but not more than 3 months		114,084,860,901	83,281,288,187	114,084,860,901	83,281,288,187
Over 3 months but not more than 1 year		65,518,975,989	65,992,157,613	65,518,975,989	65,992,157,613
Over 1 year but not more than 5 years		41,402,657,933	40,804,348,894	41,402,657,933	40,804,348,894
Over 5 years		145,692,756,625	113,712,131,312	145,791,506,593	113,743,899,683
		435,382,686,008	368,504,852,323	435,481,435,975	368,536,620,693
Maturity grouping of bills payable					
On demand		215,281,074	245,717,355	215,281,074	245,717,355
Up to 1 month		430,562,148	491,434,710	430,562,148	491,434,710
Over 1 month but not more than 3 months		430,562,148	491,434,710	430,562,148	491,434,710
Over 3 months but not more than 1 year		215,281,074	245,717,355	215,281,074	245,717,355
Over 1 year but not more than 5 years		430,562,148	491,434,710	430,562,148	491,434,710
Over 5 years		430,562,148	491,434,710	430,562,148	491,434,710
		2,152,810,741	2,457,173,551	2,152,810,741	2,457,173,551
		442,071,351,830	375,552,707,152	442,170,101,797	375,584,475,522
14.9 Unclaimed deposits		41,646,453	38,627,879	41,646,453	38,627,879
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 2024. We reported BDT 41,646,453 as 10 years and above unclaimed deposit amount as on 31 December 2023 (cut off basis) to Bangladesh Bank.					
15 Other liabilities					
Specific provision for classified loans and advance	15.1	10,693,762,826	8,179,000,000	10,693,762,826	8,179,000,000
General provision for unclassified loans and advances	15.2	1,583,293,200	2,848,424,820	1,312,153,995	2,617,127,981
Special general provision COVID-19	15.3	2,345,134,601	2,345,134,601	2,345,134,601	2,345,134,601
Provision for loans and advance		14,622,190,627	13,372,559,421	14,351,051,422	13,141,262,582
Provision for off balance sheet items	15.4	492,670,005	609,606,885	492,670,005	609,606,885
Provision for diminution in value of investments	15.5	449,775,593	374,432,024	428,632,800	360,938,975
Provision for other assets	15.6	550,127,282	515,765,802	550,127,282	515,765,802
Provision for loans, investments and other assets		16,114,763,507	14,872,364,132	15,822,481,509	14,627,574,244
Provision for taxation (net off AIT)	15.7	1,381,885,386	2,198,765,185	1,385,332,487	2,210,615,842
Interest suspense accounts	15.8	11,899,279,629	9,562,415,923	10,398,436,819	8,061,573,113
Incentive bonus	15.9	253,130,000	363,570,000	251,000,000	361,000,000
Unclaimed dividend account	15.10	-	-	-	-
Start-up fund	15.11	80,067,088	55,079,377	80,067,088	55,079,377
Lease Liability		1,533,131,845	1,123,499,027	1,501,587,543	1,092,233,466
Rebate to good borrowers		21,870,000	21,870,000	21,870,000	21,870,000
Interest payable on borrowing and bond		332,449,582	330,178,432	332,449,582	330,178,432
Accrued expenses		186,213,852	157,609,304	154,729,467	136,973,946
Withholding Tax payable to government *		526,365,321	518,120,849	526,235,220	518,039,989

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
Withholding VAT payable to government *		159,706,663	147,808,457	159,623,944	147,723,483
Excise duty payable to government *		537,709,645	469,822,779	537,709,645	469,822,779
Payable against Govt Bond & Sanchaypatra		40,829,330	69,075,648	40,829,330	69,075,648
Others		148,942,679	175,059,708	148,909,060	174,740,848
		33,216,344,527	30,065,238,821	31,361,261,694	28,276,501,168

* Subsequently deposited to government exchequer.

15.1 Specific provision for classified loans and advances

Provision held at the beginning of the year		8,179,000,000	2,997,527,787	8,179,000,000	2,997,527,787
Less: Fully provided debts written off		(367,321,789)	-	(367,321,789)	-
Add: Recoveries of amounts previously written off		423,358,820	852,890,685	423,358,820	852,890,685
Add: Specific provision for the year	40	2,458,725,795	4,328,581,529	2,458,725,795	4,328,581,529
		10,693,762,826	8,179,000,000	10,693,762,826	8,179,000,000

15.1.1 Specific provision required for classified loans and advances

Status of loans and advances	Base for provision	Rate (%)	Required provision	
			31 December 2023	31 December 2022
Sub-standard-Cottage, Micro and Small	109,744,459	5%	5,487,223	7,783,279
Sub-standard- Short term agri. credit	38,191,148	5%	1,909,557	3,368,557
Sub-standard	1,313,849,947	20%	262,769,989	84,758,757
Doubtful- Short term agri. credit	59,661,935	5%	2,983,097	488,708
Doubtful-Cottage, Micro and Small	187,255,974	20%	37,451,195	38,689,796
Doubtful	656,612,756	50%	328,306,378	126,409,749
Bad/loss*	10,054,855,386	100%	10,054,855,386	7,917,501,154
	12,272,235,997		10,693,762,826	8,179,000,000
Specific provision maintained (note-15.1)			10,693,762,826	8,179,000,000
Excess/(short)			-	-

* As per Bangladesh Bank instruction, BDT 11 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.

** Provision requirement of BDT 1,600 million against loans and advances to be maintained in the year 2024 as per Bangladesh Bank letter no DOS(CAMS)1157/41(Dividend)/2024-1785 dated 29 April 2024.

15.2 General provision for un-classified loans & advances

Provision held at the beginning of the year		2,829,362,238	5,171,728,085	2,598,065,399	4,940,431,246
Provision made/(release) during the year	40	(1,298,765,354)	(2,342,365,847)	(1,298,765,354)	(2,342,365,847)
		1,570,439,250	2,829,362,238	1,299,300,045	2,598,065,399
Off-shore Banking Unit (OBU)					
Provision held at the beginning of the year		19,062,582	20,623,452	19,062,582	20,623,452
Provision made/(release) during the year	40	(6,208,632)	(1,560,870)	(6,208,632)	(1,560,870)
		12,853,950	19,062,582	12,853,950	19,062,582
		1,583,293,200	2,848,424,820	1,312,153,995	2,617,127,981

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 2023	31 December 2022
Standard				
Small and medium enterprise	5,323,335,965	0.25%	13,308,340	79,477,807
Consumer finance (house building)	21,411,826,226	1.00%	214,118,262	729,441,711
Loans to LP/BHs/MBs/SDs share etc.	-	2.00%	-	370,788
Consumer finance	715,588,094	2.00%	14,311,762	26,830,225
Consumer finance (card)	93,501,641	2.00%	1,870,033	1,891,673
Short term agri. and micro-credit	8,437,254,092	1.00%	84,372,541	8,565,585
Staff loan	920,415,222	0.00%	-	-
Other unclassified loan	89,401,046,829	1.00%	894,010,468	1,627,156,706
	126,302,968,070		1,221,991,406	2,473,734,495

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
Special Mention Account (SMA)					
Small and medium enterprise		594,378,364	0.25%	1,485,946	1,067,083
Consumer finance (house building)		2,539,891,228	1.00%	25,398,912	16,874,920
Consumer finance		276,258,039	2.00%	5,525,161	3,179,080
Consumer finance (card)		5,020,746	2.00%	100,415	50,714
Other unclassified loan **		91,790,627	1.00%	44,798,207	103,159,107
		3,507,339,005		77,308,641	124,330,904
Off-shore banking unit					
Un-classified loans		1,285,394,846	1.00%	12,853,948	19,062,581
		1,285,394,846		12,853,948	19,062,581
				1,312,153,995	2,617,127,981
General provision maintained (note-15.2)					
				1,312,153,995	2,617,127,981
Excess/(short)					
				-	-
** 1% additional provision has been maintained against the restructured loan in line with the BRPD Circular No. 04, dated 29 January 2015. Details Restructured Loan are shown in Annexure-J.					
15.3 Special general provision COVID-19					
Provision held at the beginning of the year		2,345,134,601	2,166,337,000	2,345,134,601	2,166,337,000
Provision made/(release) during the year	40	-	178,797,601	-	178,797,601
		2,345,134,601	2,345,134,601	2,345,134,601	2,345,134,601
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.					
15.4 Provision for off-balance sheet					
Provision held at the beginning of the year		609,606,885	621,730,502	609,606,885	621,730,502
Provision made/(release) during the year	40	(116,936,880)	(12,123,617)	(116,936,880)	(12,123,617)
		492,670,005	609,606,885	492,670,005	609,606,885
15.4.1 Provision required for off-balance sheet exposure					
Status	Base for provision	Rate (%)	Required provision		
			31 December 2023	31 December 2022	
Acceptances and endorsements	11,444,104,956	1.00%	114,441,050	397,586,192	
Letters of guarantee *	17,366,459,958	1.00%	186,170,631	92,758,249	
Irrevocable letters of credit	10,831,348,110	1.00%	108,313,481	119,262,443	
Overdue for 3-12 months	883,111,338	1.00%	8,831,113	-	
Overdue for 12-24 months	326,341,588	2.00%	6,526,832	-	
Overdue over 24 months	1,367,737,950	5.00%	68,386,898	-	
Required provision			492,670,005	609,606,885	
Provision maintained (note-15.4)			492,670,005	609,606,885	
Excess/(short)					
			-	-	
As per Bangladesh Bank instruction, BDT 537,544 and BDT 11,968,588 have been maintained as an additional provision against a letter of guarantee of M/s. Hannan Works and M/s ATCO International, respectively.					
15.5 Provision for diminution in value of investments					
Provision held at the beginning of the year		374,432,024	358,478,621	360,938,975	358,478,621
Provision made/(release) during the year	40	75,343,569	15,953,403	67,693,825	2,460,354
		449,775,593	374,432,024	428,632,800	360,938,975
15.6 Provision for other assets					
Provision held at the beginning of the year		515,765,802	466,301,366	515,765,802	466,301,366
Provision made/(release) during the year	40	34,361,480	49,464,436	34,361,480	49,464,436
		550,127,282	515,765,802	550,127,282	515,765,802

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
15.6.1 Particulars of required provision for other assets					
Status		Base for provision	Rate (%)	Required provision	
				31 December 2023	31 December 2022
Doubtful		63,176,743	50%	31,588,372	29,680,324
Bad Loss		518,538,910	100%	518,538,910	486,085,479
Required provision				550,127,282	515,765,802
Provision maintained (note-15.6)				550,127,282	515,765,802
Excess/(Short)				-	-
15.7 Provision for taxation (net off AIT)					
Provision for tax	15.7.1	10,792,037,801	10,219,232,960	10,273,345,834	9,711,975,681
Advance income tax	15.7.2	9,410,152,416	8,020,467,776	8,888,013,347	7,501,359,839
		1,381,885,386	2,198,765,185	1,385,332,487	2,210,615,842
15.7.1 Provision for tax					
Provision held at the beginning of the year		10,219,232,960	8,637,469,873	9,711,975,681	8,238,953,276
Provision made during the year		2,028,527,274	2,835,201,785	1,851,527,936	2,726,461,102
		12,247,760,234	11,472,671,658	11,563,503,616	10,965,414,379
Less: Settlement of tax on stock dividend		-	(85,043,378)	-	(85,043,378)
Less: Settlement of year 2020		(1,290,157,782)	-	(1,290,157,782)	-
Less: Settlement of year 2011, 2014, 2015 & 2017 (IFICSL)		(147,977,416)	-	-	-
Less: Settlement of year 2021 (IFICIL)		(17,587,235)	-	-	-
Less: Settlement of year 2018		-	(1,168,395,320)	-	(1,168,395,320)
		10,792,037,801	10,219,232,960	10,273,345,834	9,711,975,681
15.7.2 Advance income tax					
Opening balance on 1 January		8,020,467,776	6,639,375,335	7,501,359,839	6,224,433,218
Add: Payment made during the year		2,845,407,073	2,549,487,761	2,676,811,290	2,445,321,941
Less: Settlement of year 2020		(1,290,157,782)	-	(1,290,157,782)	-
Less: Settlement of year 2011, 2014, 2015 & 2017 (IFICSL)		(147,977,416)	-	-	-
Less: Settlement of year 2021 (IFICIL)		(17,587,235)	-	-	-
Less: Settlement of year 2018		-	(1,168,395,320)	-	(1,168,395,320)
Closing balance		9,410,152,416	8,020,467,776	8,888,013,347	7,501,359,839
15.7.3 Reconciliation of effective tax (Bank only)					
Particulars	31 December 2023		31 December 2022		
	%	Taka	%	Taka	
Profit before Income tax as per Profit & Loss Account		3,581,460,539		4,399,176,427	
Income Tax as per applicable tax rate	37.50%	1,343,047,702	37.50%	1,649,691,160	
Factors affecting the tax charge for current year:					
Non deductible expense/(Tax Savings)	14.40%	515,784,819	26.82%	1,179,764,810	
Tax savings from reduced tax rates from dividend	-2.26%	(80,891,929)	-0.50%	(22,017,986)	
Tax savings from reduced tax rates from capital gains	-0.50%	(17,940,592)	-0.02%	(976,882)	
Provision adjustment	2.56%	91,527,936	-1.82%	(80,000,000)	
Change in recognised deductible temporary differences	-21.47%	(768,838,463)	-29.50%	(1,297,703,716)	
Total income tax expenses	30.23%	1,082,689,472	32.48%	1,428,757,387	

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
15.8 Interest suspense account					
Balance at the beginning of the year		9,562,415,923	9,904,987,451	8,061,573,113	8,404,144,641
Add: Amount transferred to interest suspense account		5,615,888,300	3,199,245,384	5,615,888,300	3,199,245,384
Less: Amount transferred to interest income account		(3,170,217,581)	(3,541,816,912)	(3,170,217,581)	(3,541,816,912)
Less: Amount written-off during the year		(108,807,013)	-	(108,807,013)	-
		11,899,279,629	9,562,415,923	10,398,436,819	8,061,573,113
15.9 Incentive bonus					
Balance at the beginning of the year		361,000,000	300,000,000	361,000,000	300,000,000
Add: Provision made during the year		252,130,000	362,570,000	250,000,000	360,000,000
Less: Paid during the year		(360,000,000)	(299,000,000)	(360,000,000)	(299,000,000)
		253,130,000	363,570,000	251,000,000	361,000,000
15.10 Unclaimed dividend account					
More than 3 years		-	-	-	-
More than 4 years		-	-	-	-
More than 5 years & above		-	-	-	-
		-	-	-	-
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		55,079,377	25,375,187	55,079,377	25,375,187
Transferred from current year profit		24,987,711	29,704,190	24,987,711	29,704,190
		80,067,088	55,079,377	80,067,088	55,079,377
In line with the direction of SME&SP Circular no. 05 dated 26 April 2021, Bank transferred BDT 24,987,711 to Start-up fund which is equivalent to 1% of profit after tax of Y2023.					
16 Share Capital					
16.1 Authorized Capital					
4,000,000,000 ordinary shares of Taka 10 each		40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
16.2 Issued, subscribed and fully paid up capital					
8,000,000 ordinary shares of Taka 10 each issued for cash		80,000,000	80,000,000	80,000,000	80,000,000
4,400,000 ordinary shares of Taka 10 each issued as rights share	16.2.1	44,000,000	44,000,000	44,000,000	44,000,000
563,821,907 ordinary shares of Taka 10 each issued as rights share	16.2.2	5,638,219,070	5,638,219,070	5,638,219,070	5,638,219,070
1,254,336,805 [Year 2022: 1,209,689,032] ordinary shares of Taka 10 each issued for bonus share		12,543,368,050	12,096,890,320	12,543,368,050	12,096,890,320
		18,305,587,120	17,859,109,390	18,305,587,120	17,859,109,390
16.2.1	The Bank raised paid-up capital of Tk. 44,000,000 through Rights Issue of 440,000 no. of ordinary shares at a ratio of 1R:2 i.e. one rights share for two existing share at par in the year 1989 which was completed in the month of January 1990, before change of denomination from Tk. 100 to Tk. 10 which was effected from 4 December 2011.				
16.2.2	The Bank raised paid-up capital of Tk. 5,638,219,070 through Rights Issue of 563,821,907 no. of ordinary shares at a ratio of 1R:1 i.e. one rights share for one existing share at par in the year 2017.				

Amount in BDT

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
16.3 Issued, subscribed and fully paid up Capital-Shareholders' Category					
1,231,077,140 [Year 2022: 1,201,050,868 ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.		12,310,771,400	12,010,508,680	12,310,771,400	12,010,508,680
599,481,572 [Year 2022: 584,860,071 ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.		5,994,815,720	5,848,600,710	5,994,815,720	5,848,600,710
		18,305,587,120	17,859,109,390	18,305,587,120	17,859,109,390

16.4 Shareholding by category

Category	31 December 2023			31 December 2022		
	No. of Share	%	Taka	No. of Share	%	Taka
Sponsors & Directors	112,471,635	6.14	1,124,716,350	109,728,426	6.14	1,097,284,260
Government (Director also)	599,481,572	32.75	5,994,815,720	584,860,071	32.75	5,848,600,710
Sub-Total	711,953,207	38.89	7,119,532,070	694,588,497	38.89	6,945,884,970
Institutions	381,654,594	20.85	3,816,545,940	373,973,083	20.05	3,739,730,830
Foreign investors	20,541,482	1.12	205,414,820	19,757,607	1.07	197,576,070
General investors	716,409,429	39.14	7,164,094,290	697,591,752	39.99	6,975,917,520
Sub-Total	1,118,605,505	61.11	11,186,055,050	1,091,322,442	61.11	10,913,224,420
Total	1,830,558,712	100.00	18,305,587,120	1,785,910,939	100.00	17,859,109,390

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.

16.5 Distribution of paid up capital

Holding of share	31 December 2023			31 December 2022		
	No. of holder	Total shares	%	No. of holder	Total shares	%
1 to 500 shares	16,103	2,266,499	0.12	16,423	2,467,502	0.14
501 to 5,000 shares	26,009	50,237,791	2.74	25,738	50,770,815	2.84
5,001 to 10,000 shares	5,031	33,962,550	1.86	4,945	35,232,750	1.97
10,001 to 20,000 shares	4,099	54,735,838	2.99	3,821	53,129,007	2.97
20,001 to 30,000 shares	1,546	36,486,671	1.99	1,460	35,600,808	1.99
30,001 to 40,000 shares	898	30,259,309	1.65	805	27,699,801	1.55
40,001 to 50,000 shares	454	20,025,805	1.09	491	22,384,231	1.25
50,001 to 100,000 shares	1,123	74,309,550	4.06	1,092	76,294,912	4.27
100,001 to 1,000,000 shares	1,030	253,267,019	13.84	925	241,164,499	13.50
More than 1,000,000 shares	122	1,275,007,680	69.65	117	1,241,166,614	69.50
Total	56,415	1,830,558,712	100	55,817	1,785,910,939	100

16.6 Shareholding of Directors

Sl.	Name of the Directors	Status	Holding %	Closing Position	Opening Position
1	Mr. Salman F Rahman	Chairman	2.00	36,621,480	35,728,274
2	Mr. Ahmed Shayan Fazlur Rahman*	Vice-Chairman	2.11	38,644,193	37,701,652
3	Mr. A. R. M. Nazmus Sakib**	Director	2.03	37,205,962	36,298,500
4	Mr. Sudhangshu Shekhar Biswas	Independent Director	Nil	Nil	Nil
5	Ms. Quamrun Naher Ahmed***	Govt. nominated Director			
6	Mr. Md. Zafar Iqbal, ndc***	Govt. nominated Director	32.75	599,481,572	584,860,071
7	Mr. Md. Golam Mostofa***	Govt. nominated Director			
8	Mr. Mohammad Shah Alam Sarwar	Managing Director & CEO	Nil	Nil	Nil

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

** 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.

**** Ms. Rabeya Jamali, Independent Director, completed her 2nd term on 21.12.2023.

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
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	18,305,587,120	17,859,109,390	18,305,587,120	17,859,109,390
Statutory reserve	17	9,418,446,509	8,672,124,215	9,353,911,426	8,637,619,318
General reserve	18	155,071,397	155,071,397	155,071,397	155,071,397
Retained earnings	21	8,049,824,854	6,708,860,161	4,097,137,707	3,232,601,924
		35,928,929,880	33,395,165,163	31,911,707,650	29,884,402,029
Less: Regulatory Adjustments:					
Deduction from Tier-1 Capital (95% of deferred tax assets)		2,927,682,232	2,189,973,136	2,927,682,232	2,189,973,136
Total Common Equity Tier 1 Capital		33,001,247,649	31,205,192,027	28,984,025,418	27,694,428,893
Additional Tier 1 Capital		-	-	-	-
Total Tier 1 Capital		33,001,247,649	31,205,192,027	28,984,025,418	27,694,428,893
Tier-2 (Gone-Concern Capital)					
General provision		4,421,097,806	5,803,166,306	4,149,958,601	5,571,869,467
Subordinated debt that meet the qualifying criteria for Tier 2		9,000,000,000	10,000,000,000	9,000,000,000	10,000,000,000
Total Tier-2 Capital		13,421,097,806	15,803,166,306	13,149,958,601	15,571,869,467
Total Regulatory Capital (A)		46,422,345,454	47,008,358,333	42,133,984,019	43,266,298,360
Total assets including off-balance sheet items		577,464,115,061	540,483,051,186	571,676,023,768	535,207,743,724
Total risk-weighted Assets		364,475,410,062	345,161,463,356	356,583,268,287	338,564,420,710
Required capital @12.50% (B)		45,559,426,258	43,145,182,920	44,572,908,536	42,320,552,589
Total capital surplus/(Deficit) C=(A-B)		862,919,196	3,863,175,413	(2,438,924,517)	945,745,771

Capital to Risk-weighted Asset Ratio (CRAR):

Common Equity Tier 1 to RWA	9.05%	9.04%	8.13%	8.18%
Tier - 1 Capital to RWA	9.05%	9.04%	8.13%	8.18%
Tier - 2 Capital to RWA	3.68%	4.58%	3.69%	4.60%
Capital to Risk-weighted Asset Ratio (CRAR)	12.74%	13.62%	11.82%	12.78%

Details computation of risk-weighted assets [solo basis] are shown in "Annexure - E"

17 Statutory reserve

Balance at the beginning of the year	8,672,124,215	7,757,784,033	8,637,619,318	7,757,784,033
Transferred from profit during the year	746,322,295	914,340,182	716,292,108	879,835,285
	9,418,446,509	8,672,124,215	9,353,911,426	8,637,619,318

18 General reserve

	155,071,397	155,071,397	155,071,397	155,071,397
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General reserve also includes the surplus provision of Tk. 99,300,000 against the restructured large loan of RR Holdings which was transferred from the specific provision in the year 2015 as per BRPD Circular No. 04 dated 29 January 2015 and extra ordinary foreign exchange gain of Tk. 28,559,248 transferred from profit in the year 2010.

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
19 Revaluation reserve against securities					
HTM securities	19.1	42,733,190	109,963,943	42,733,190	109,963,943
HFT securities	19.2	930,539	-	930,539	-
		43,663,729	109,963,943	43,663,729	109,963,943
19.1 Revaluation reserve HTM securities					
Balance at the beginning of the year		109,963,943	80,926,888	109,963,943	80,926,888
Addition/(adjustment) during the year		(67,230,753)	29,037,055	(67,230,753)	29,037,055
		42,733,190	109,963,943	42,733,190	109,963,943
19.2 Revaluation reserve HFT securities					
Balance at the beginning of the year		-	-	-	-
Addition/(adjustment) during the year		930,539	-	930,539	-
		930,539	-	930,539	-
20 Revaluation reserve against fixed assets					
Balance at the beginning of the year		96,309,954	96,309,954	96,309,954	96,309,954
Addition during the year		47,220,700	-	47,220,700	-
Transfer to deferred tax liability		(5,375,560)	-	(5,375,560)	-
		138,155,094	96,309,954	138,155,094	96,309,954
20.a Consolidated foreign currency translation reserve					
IFIC Money Transfer (UK) Limited		14,517,362	7,557,896	-	-
		14,517,362	7,557,895	-	-
21 Surplus in profit and loss account					
Balance at the beginning of the year		-	-	3,232,601,924	2,022,156,139
Net profit after tax for the year		-	-	2,498,771,066	2,970,419,040
Transfer to statutory reserve during the year		-	-	(716,292,108)	(879,835,285)
Transfer to Start-up fund during the year		-	-	(24,987,711)	(29,704,190)
Cash dividend paid		-	-	(446,477,735)	-
Issue of bonus shares		-	-	(446,477,730)	(850,433,780)
		-	-	4,097,137,707	3,232,601,924
22 Non-controlling interest (NCI)					
IFIC Securities Limited	22.1	9,810	8,776	-	-
IFIC Investment Limited	22.2	9,026	8,374	-	-
		18,836	17,150	-	-
22.1 NCI of IFIC Securities Limited					
Opening balance on 1 January		8,776	7,957	-	-
Add: Share of profit during the year		1,034	819	-	-
		9,810	8,776	-	-
22.2 NCI of IFIC Investment Limited					
Opening balance on 1 January		8,374	8,154	-	-
Add: Share of profit during the year		652	220	-	-
		9,026	8,374	-	-
23 Contingent liabilities					
Acceptances and endorsements	23.1	11,444,104,956	39,758,619,159	11,444,104,956	39,758,619,159
Letters of guarantee	23.2	17,366,459,958	8,025,221,783	17,366,459,958	8,025,221,783
Irrevocable Letters of credit	23.3	10,831,348,110	11,926,244,318	10,831,348,110	11,926,244,318
Bills for collection	23.4	7,885,670,977	10,224,945,474	7,885,670,977	10,224,945,474
		47,527,584,001	69,935,030,734	47,527,584,001	69,935,030,734

Particulars	Note	Group		Bank	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
23.1 Acceptances and endorsements					
Back to back bills (local currency)		279,594,776	279,594,776	279,594,776	279,594,776
Back to back bills (foreign currency)		11,164,510,180	39,479,024,383	11,164,510,180	39,479,024,383
		11,444,104,956	39,758,619,159	11,444,104,956	39,758,619,159
23.2 Letters of guarantee					
Letters of guarantee (local currency)		16,924,721,000	7,809,936,511	16,924,721,000	7,809,936,511
Letters of guarantee (foreign currency)		441,738,958	215,285,272	441,738,958	215,285,272
		17,366,459,958	8,025,221,783	17,366,459,958	8,025,221,783
Money for which the bank is contingently liable in respect of guarantee issued favouring:					
Directors		-	-	-	-
Government		3,735,648,335	3,149,859,086	3,735,648,335	3,149,859,086
Banks and other financial institutions		1,874,618,531	2,803,429,859	1,874,618,531	2,803,429,859
Others		11,756,193,091	2,071,932,838	11,756,193,091	2,071,932,838
		17,366,459,958	8,025,221,783	17,366,459,958	8,025,221,783
23.3 Irrevocable letters of credit					
Letter of credit (LC) - cash sight		3,893,698,668	4,274,610,318	3,893,698,668	4,274,610,318
Letter of credit (LC) - back to back		6,881,393,575	7,580,236,068	6,881,393,575	7,580,236,068
Letter of credit (LC) - cash usance		56,255,867	71,397,932	56,255,867	71,397,932
		10,831,348,110	11,926,244,318	10,831,348,110	11,926,244,318
23.4 Bills for collection					
Inland bills collection		5,323,747	5,060,554	5,323,747	5,060,554
Inland documentary bills for collection		3,467,777,835	4,839,585,077	3,467,777,835	4,839,585,077
Foreign documentary bills for collection		4,412,569,395	5,380,299,843	4,412,569,395	5,380,299,843
		7,885,670,977	10,224,945,474	7,885,670,977	10,224,945,474

Notes to the Financial Statements
As at and for the year ended 31 December 2023

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
24 Income statement					
Income					
Interest, discount and similar income	25, 27	36,616,365,908	29,433,841,127	36,320,699,239	29,133,749,807
Dividend income	27	470,290,312	232,355,797	462,239,594	125,817,064
Fees, commission and brokerage	28.1	2,004,565,550	2,337,088,394	1,810,544,127	2,229,209,085
Gains less losses arising from dealing in securities	27	3,174,286	8,845,527	3,174,286	8,845,527
Gains less losses arising from investment securities	27.1	347,380,368	13,530,262	65,238,515	3,552,297
Gain less losses arising from dealing in foreign currencies	28	330,170,137	1,520,070,829	330,170,137	1,427,839,009
Other operating income	29	395,041,462	280,253,681	310,478,100	216,664,448
		40,166,988,023	33,825,985,616	39,302,543,998	33,145,677,236
Expenses					
Interest, fee and commission	27	24,476,965,437	18,194,037,136	24,478,243,072	18,198,257,752
Administrative expenses	30-37	6,398,157,332	5,320,922,615	6,341,293,555	5,274,054,793
Other operating expenses	38, 39	2,513,542,672	2,015,162,045	2,465,251,710	1,979,889,789
Depreciation on banking assets	38	1,306,404,594	1,099,663,070	1,297,424,888	1,091,044,889
		34,695,070,035	26,629,784,867	34,582,213,225	26,543,247,223
Profit before provision		5,471,917,988	7,196,200,750	4,720,330,773	6,602,430,013
25 Interest income					
Term loan-industrial		1,368,361,329	1,253,653,389	1,368,361,329	1,253,653,389
Term Loan-Agricultural Loan		353,877,438	29,594,553	353,877,438	29,594,553
Term loan-consumer finance		93,456,686	39,081,708	93,456,686	39,081,708
Term Loan-Housing Finance		7,973,687,648	6,046,569,998	7,973,687,648	6,046,569,998
Term Loan-Transport loan		2,873,227	3,570,503	2,873,227	3,570,503
Term Loan-Lease finance		6,371,419	10,840,683	6,371,419	10,840,683
Term Loan-Foreign Currency (OBU)		111,949,924	107,190,530	111,949,924	107,190,530
Term loan-others		8,539,882,913	7,168,404,552	8,539,882,913	7,168,404,552
Overdrafts		9,212,195,928	6,688,088,890	9,427,362,200	6,911,919,202
Cash credit		1,327,607,842	1,502,182,309	1,327,607,842	1,502,182,309
Credit card		16,032,846	19,899,754	16,032,846	19,899,754
Demand loan		634,832,750	672,620,886	634,832,750	672,620,886
Loan general		3,082,747	23,419,790	3,082,747	23,419,790
Loan against trust receipt (LTR)		99,371,068	280,201,917	99,371,068	280,201,917
Staff loan		32,509,516	33,116,020	32,509,516	33,116,020
Overdue interest		367,479,123	401,987,579	367,479,123	401,987,579
Interest on Margin Loan		113,081,091	504,781,632	-	-
Interest income from loans and advances		30,256,653,495	24,785,204,693	30,358,738,676	24,504,253,373
Inland documentary bill purchased (IDBP)		120,695,108	143,399,474	120,695,108	143,399,474
Usance Bill Discounted (OBU)		430,982	2,755,491	430,982	2,755,491
Payment against document (cash)		256,363	6,459,033	256,363	6,459,033
Payment against document (forced)		202,646,555	76,029,024	202,646,555	76,029,024
Payment against document (EDF)		501,779,836	448,392,386	501,779,836	448,392,386
Payment against document (inland)		221,809,710	194,993,886	221,809,710	194,993,886
Payment against document (others)		975,812,117	185,684,674	975,812,117	185,684,674
Interest income from bills paid and discounted		2,023,430,671	1,057,713,968	2,023,430,671	1,057,713,968
Money at call on short notice		184,841,640	223,205,397	184,841,640	223,205,397
Balance held outside Bangladesh		29,351,441	13,258,995	29,351,441	13,258,995
Balance held inside Bangladesh		359,654,374	213,901,822	359,654,374	213,901,822
		32,853,931,621	26,293,284,875	32,956,016,802	26,012,333,555

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
26 Interest paid on deposits, borrowings etc.					
Interest paid on deposits					
Current deposit*		7,244,189,942	6,111,200,994	7,245,467,577	6,115,421,610
Saving bank deposit		465,342,374	464,592,399	465,342,374	464,592,399
Special notice deposit		750,580,080	505,715,459	750,580,080	505,715,459
Fixed deposit		12,917,418,937	8,694,414,161	12,917,418,937	8,694,414,161
Non resident FC deposit		6,126,560	900,209	6,126,560	900,209
Resident FC deposit		365,724	251,402	365,724	251,402
Pension savings scheme		935,823,832	868,980,971	935,823,832	868,980,971
Monthly income scheme		757,505,544	650,863,179	757,505,544	650,863,179
Foreign currency deposit		460,109	493,993	460,109	493,993
		23,077,813,102	17,297,412,767	23,079,090,737	17,301,633,383
* Interest on current deposit generated from interest bearing flagship product "IFIC AAMAR account", "IFIC Shohoj Account" and "IFIC Corporate Plus".					
Interest paid on borrowings					
Call borrowing		35,238,570	4,429,766	35,238,570	4,429,766
Term borrowing		98,480,542	20,286,285	98,480,542	20,286,285
Repurchase agreement (repo)		43,040,478	1,685,723	43,040,478	1,685,723
Bangladesh Bank- Refinance		45,059,294	45,606,418	45,059,294	45,606,418
Interest on subordinated bond		908,973,175	625,698,657	908,973,175	625,698,657
Bangladesh Bank- EDF		268,360,276	190,923,010	268,360,276	190,923,010
Bangladesh Bank- LTFF Refinance		-	7,994,510	-	7,994,510
		1,399,152,335	896,624,369	1,399,152,335	896,624,369
		24,476,965,437	18,194,037,136	24,478,243,072	18,198,257,752
27 Investment income					
Interest on Treasury bills and bonds		2,977,600,993	2,870,039,814	2,977,600,993	2,870,039,814
Interest on reverse repo		3,174,286	8,845,527	3,174,286	8,845,527
Profit on sukuk bond		684,844,504	170,520,000	287,092,654	151,380,000
Interest on perpetual bond		99,988,790	99,996,438	99,988,790	99,996,438
Gain/(loss) on share sale	27.1	347,380,368	13,530,262	65,238,515	3,552,297
Dividend income - local		113,280,246	232,355,797	84,311,548	125,817,064
Dividend income - Foreign		357,010,066	-	377,928,046	-
		4,583,279,253	3,395,287,838	3,895,334,833	3,259,631,140
27.1 Gain from sale of shares of listed companies					
Gain on share sale		362,822,230	16,332,994	80,680,377	6,355,029
Less: Loss on sale of share		(15,441,862)	(2,802,732)	(15,441,862)	(2,802,732)
		347,380,368	13,530,262	65,238,515	3,552,297
28 Commission, exchange and brokerage					
Commission	28.1	1,967,720,222	2,279,058,263	1,810,544,127	2,229,209,085
Exchange gain/(loss)		330,170,137	1,520,070,829	330,170,137	1,427,839,009
Brokerage		36,845,329	58,030,132	-	-
		2,334,735,687	3,857,159,223	2,140,714,264	3,657,048,093
28.1 Commission					
Remittances (inland)		3,903,383	4,481,999	3,903,383	4,481,999
Remittances (foreign)		2,363,425	3,828,813	2,363,425	3,828,813
Letter of guarantee (LG)-local		101,809,835	95,133,590	101,809,835	95,133,590

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
Letter of credit (back to back)		408,944,077	532,564,015	408,944,077	532,564,015
Letter of credit (cash)		61,381,712	188,925,845	61,381,712	188,925,845
Letter of credit (others)		102,582,678	117,752,113	102,582,678	117,752,113
Local documentary bills collection (LDBC)		2,309,167	3,420,477	2,309,167	3,420,477
Inward foreign documentary bills collection (IFDBC)		50,411,267	271,202,952	50,411,267	271,202,952
Add confirmation		15,275,991	52,510,773	15,275,991	52,510,773
Bill collection commission OBU		8,159,642	6,825,762	8,159,642	6,825,762
Loan origination fees		80,643,510	120,365,669	80,643,510	120,365,669
Service charge on accounts		508,883,531	377,868,519	508,301,944	377,297,769
Fees and Commission-Cards		358,231,684	243,094,497	358,231,684	243,094,497
Sanchaypatra		13,671,897	28,577,009	13,671,897	28,577,009
Wage earners development bond		1,368,370	2,025,125	1,368,370	2,025,125
Foreign correspondent charges		36,960,481	50,064,080	36,960,481	50,064,080
Negotiation against contract		2,631,087	21,208,869	2,631,087	21,208,869
Rebate from foreign correspondent		41,438,057	104,676,385	41,438,057	104,676,385
Auto Chalan System		8,454,727	3,754,148	8,454,727	3,754,148
Commission others		158,295,703	50,777,625	1,701,195	1,499,197
		1,967,720,222	2,279,058,263	1,810,544,127	2,229,209,085

29 Other operating income

Locker rent		17,654,415	18,346,175	17,654,415	18,346,175
Cheque Book charge recovery		93,018,843	65,889,153	93,018,843	65,889,153
Gain/(loss) on sale of fixed assets	39.5	25,929,260	2,010,724	25,929,260	2,010,724
Miscellaneous earning		227,984,183	135,080,831	173,875,581	130,418,397
		364,586,702	221,326,883	310,478,100	216,664,448

Miscellaneous earnings includes BDT 2,491,314 (Y2023) and BDT BDT 2,378,596 (Y2022) against forfeited amount returned from Provident Fund according to the Instruction of Financial Reporting Council [FRC] directives Dated 7 July 2020.

30 Salary and allowances

Basic salary		2,003,415,573	1,570,256,410	1,975,483,632	1,549,023,672
House rent allowance		880,431,154	702,028,376	876,109,345	698,352,785
Conveyance allowance		137,585,567	87,020,347	136,734,897	86,599,854
Medical allowances		191,678,899	152,077,215	190,947,227	151,226,360
Entertainment allowance		27,336,792	29,591,965	27,006,792	29,262,465
Other allowances		66,928,110	71,081,647	65,531,007	70,216,598
Leave encashment		4,268,990	7,261,115	4,268,990	7,261,115
Bonus		598,770,320	646,754,502	594,800,879	642,588,685
Leave fare assistance		143,134,538	109,955,129	142,392,222	109,302,329
Provident fund- Bank's contribution		166,534,374	123,230,207	166,534,374	123,230,207
Contribution to gratuity fund		225,900,000	125,500,000	225,900,000	125,500,000
		4,445,984,318	3,624,756,913	4,405,709,365	3,592,564,070

Total number of employees in the Bank for the year ended 31 December 2023 were 5,423 (Y2022: 4,977). Number of employees for the year ended 31 December 2023 who were paid remuneration less than Tk. 36,000 was nil (Y2022: nil).

31 Rent, taxes, insurance, electricity etc.

Rent paid		486,270,298	398,682,686	483,216,770	395,945,526
Rates & taxes		27,642,572	30,525,479	26,791,264	28,833,736
Insurance premium		341,624,923	297,223,201	341,462,820	297,080,430
Electricity & water		222,131,090	171,804,675	220,655,033	169,552,632
		1,077,668,883	898,236,041	1,072,125,888	891,412,324

Total office rent expenses for year ended 31 December 2023 are Tk. 965,159,264. Due to application of IFRS 16: Leases, Tk. 483,536,979 has been distributed as depreciation (Annexure-D) and interest expense (note 39). Required withholding tax and VAT on total rental expense have been deducted and deposited accordingly. Details are disclosed in Note 2.2.1.6.

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
32 Legal expenses					
Legal expenses		2,260,350	5,243,897	844,044	2,931,599
Professional fees		12,337,030	16,232,214	10,863,473	13,353,968
		14,597,380	21,476,111	11,707,517	16,285,567
33 Postage, stamp, telecommunication etc.					
Postage expenses		32,261,512	34,244,527	32,261,512	34,244,527
Telephone		57,183,324	42,798,116	56,877,196	42,534,300
Communication facilities		198,435,708	154,679,230	197,491,119	153,972,052
		287,880,544	231,721,873	286,629,827	230,750,879
34 Stationery, printing, advertisement etc.					
Printing stationery		7,782,622	21,919,068	6,999,202	21,451,825
Security stationery		43,068,204	22,754,078	43,068,204	22,754,078
Petty stationery		129,888,007	75,293,216	129,888,007	75,293,216
Computer stationery		6,000,823	8,369,278	6,000,823	8,369,278
Advertisement and publicity		350,371,202	382,677,760	345,616,858	382,660,503
		537,110,857	511,013,400	531,573,094	510,528,900
35 Managing Director's salary					
Basic salary		20,534,003	18,667,275	20,534,003	18,667,275
House rent allowance		1,200,000	1,200,000	1,200,000	1,200,000
Provident fund- Bank's contribution		2,053,406	1,866,728	2,053,406	1,866,728
Festival bonus		3,733,455	3,394,050	3,733,455	3,394,050
		27,520,864	25,128,053	27,520,864	25,128,053
In addition to the above, the Managing Director was paid BDT 1 million as incentive bonuses in both years and BDT 1.70 million as LFA in Y2023 (Y2022: 1.54 million).					
36 Directors' fees					
Meeting attendance fees		3,891,200	4,257,600	3,152,000	3,360,000
		3,891,200	4,257,600	3,152,000	3,360,000
Each Director is paid Tk. 8,000 for attending each meeting as per the latest BRPD Circular no. 11, dated 04 October 2015.					
37 Auditors' fees					
Statutory annual audit fees		3,503,286	3,182,625	2,875,000	2,875,000
Interim audit fees		-	1,150,000	-	1,150,000
		3,503,286	4,332,625	2,875,000	4,025,000
38 Depreciation and repair of bank's assets					
Depreciation					
Buildings and premises		47,045,580	47,045,580	47,045,580	47,045,580
Wooden furniture		35,286,046	30,219,749	35,194,586	30,128,289
Steel furniture		16,122,301	12,376,045	16,122,301	12,376,045
Computer equipment		218,465,788	152,367,140	216,488,453	150,324,734
Office equipment		71,450,822	50,233,051	71,450,822	50,233,051
Electrical & gas equipment		186,479,784	166,155,163	186,123,511	165,822,924
Leasehold improvement		126,910,684	89,328,593	125,952,097	88,363,964
Vehicles		11,907,401	13,928,595	11,907,401	13,928,595
Soft furnishing		769,294	680,292	769,294	680,292
Software		144,948,937	111,133,994	144,948,937	111,133,994
		859,386,636	673,468,202	856,002,983	670,037,468
Right of Use Assets		447,017,958	426,194,869	441,421,905	421,007,421
		1,306,404,594	1,099,663,070	1,297,424,888	1,091,044,889
Repairs and maintenance					
Property maintenance and repairs		535,097,877	334,044,898	529,361,656	331,958,116
Vehicles maintenance and repairs		57,141,921	49,231,938	57,141,921	48,898,602
		592,239,798	383,276,836	586,503,577	380,856,718
		1,898,644,392	1,482,939,906	1,883,928,465	1,471,901,607

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
39 Other expenses					
Entertainment		84,166,315	54,597,469	83,486,834	54,064,483
Petrol, oil and lubricants	39.1	131,064,428	94,091,574	131,064,428	94,091,574
Training and internship	39.2	16,840,335	11,787,551	16,836,502	11,784,996
Traveling expenses	39.3	73,682,084	54,387,254	72,157,567	53,968,622
Casual and contractual service	39.4	551,106,938	482,374,158	551,005,375	482,229,546
Subscription and donation		26,969,295	22,163,738	26,215,564	21,616,908
Corporate Social Responsibility (CSR)		122,786,671	191,536,396	122,786,671	191,536,396
Books, newspapers and magazines, etc.		124,534	701,335	124,534	701,335
Interest on leased assets		44,722,902	48,334,361	42,115,073	45,711,459
NID verification charge		7,203,064	2,020,506	7,203,064	2,020,506
Reward and recognition		11,034,780	490,000	11,034,780	490,000
Uniforms and liveries		2,168,806	324,549	2,168,806	324,549
AGM and EGM expense		5,366,518	2,265,860	5,009,018	1,915,860
Business development		29,514,163	19,188,278	29,514,163	19,188,278
Crockeries		3,074,109	2,705,579	3,072,269	2,690,929
Security services		389,789,526	296,427,424	388,171,509	295,004,433
Bank charges and commission		38,153,004	28,886,477	12,212,669	11,310,083
Recovery and sales agent		3,532,419	3,736,643	3,532,419	3,736,643
Visa card expense		314,189,791	224,830,114	314,189,791	224,830,114
Branch Charge		13,151,091	12,341,128	13,151,091	12,341,128
Bond & Rights Share issue		1,556,625	38,541,250	1,556,625	38,541,250
Health & safety expense		5,609,986	3,379,704	5,609,986	3,379,704
Clean materials expense		12,901,562	10,294,417	12,901,562	10,294,417
Miscellaneous		32,593,928	26,479,443	23,627,833	17,259,856
		1,921,302,874	1,631,885,209	1,878,748,133	1,599,033,071
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.					
39.1 Petrol, oil and lubricants					
Petrol, oil and lubricants - pool car		77,341,492	51,655,401	77,341,492	51,655,401
Petrol, oil and lubricants - car purchase scheme		53,722,936	42,436,173	53,722,936	42,436,173
		131,064,428	94,091,574	131,064,428	94,091,574
39.2	Training and internship expense includes daily allowance and traveling allowances.				
39.3	Traveling expense represents foreign and local travel which include daily allowances and traveling allowance.				
39.4 Casual and contractual service					
Driver salary - car purchase scheme		51,454,094	42,714,321	51,454,094	42,714,321
DSA salary and incentive		159,126,400	170,171,325	159,126,400	170,171,325
Cleaning & maintenance expenses		250,869,731	152,203,723	250,869,731	152,203,723
Casual and contractual - staff		89,656,713	117,284,789	89,555,150	117,140,177
		551,106,938	482,374,158	551,005,375	482,229,546
39.5 Gain/ (loss) on sales of fixed assets					
Cost of fixed assets sold					
Wooden furniture		2,790,511	7,873,347	2,790,511	7,873,347
Steel furniture		43,640	1,401,929	43,640	1,401,929
Computer equipment		17,797,777	22,224,455	17,797,777	22,224,455
Office equipment		3,173,992	5,540,180	3,173,992	5,540,180
Electrical & gas equipment		8,410,712	22,111,571	8,410,712	22,111,571
Leasehold improvement		904,810	11,447,025	904,810	11,447,025
Vehicles		-	4,127,607	-	4,127,607
Soft furnishing		386,344	1,100,721	386,344	1,100,721
Software		-	40,000	-	40,000
Non-banking assets		35,000,000	-	35,000,000	-
		68,507,786	75,866,835	68,507,786	75,866,835

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
Less : Accumulated depreciation					
Wooden furniture		2,714,729	7,719,830	2,714,729	7,719,830
Steel furniture		34,857	1,264,826	34,857	1,264,826
Computer equipment		17,779,133	22,214,275	17,779,133	22,214,275
Office equipment		3,164,264	5,524,670	3,164,264	5,524,670
Electrical & gas equipment		8,376,940	21,737,424	8,376,940	21,737,424
Leasehold improvement		838,124	10,169,777	838,124	10,169,777
Vehicles		-	4,127,605	-	4,127,605
Soft furnishing		386,340	1,100,661	386,340	1,100,661
Software		-	39,998	-	39,998
		33,294,388	73,899,066	33,294,388	73,899,066
Written down value		35,213,398	1,967,768	35,213,398	1,967,768
Sale proceeds of above fixed assets		61,142,658	3,978,492	61,142,658	3,978,492
Gain / (loss) on sales of fixed assets		25,929,260	2,010,724	25,929,260	2,010,724
39.a Details of investment in associates - under equity method					
i) Oman Exchange LLC					
Opening balance		192,333,544	182,723,244	-	-
Add: Share of post acquisition profit during the year		30,454,760	58,926,798	-	-
Add/ (less): Effect of changes in foreign currency exchange rate		-	(49,316,498)	-	-
Add/ (less): Cash dividend received		(20,917,981)	-	-	-
Closing balance		201,870,323	192,333,544	-	-
ii) Share of post acquisition profit during the year					
Oman Exchange LLC		30,454,760	58,926,798	-	-
		30,454,760	58,926,798	-	-
40 Provision for loans, investments and other assets					
Specific provision	15.1	2,458,725,795	4,328,581,529	2,458,725,795	4,328,581,529
General provision	15.2	(1,258,922,988)	(2,342,365,847)	(1,298,765,354)	(2,342,365,847)
Provision for off-shore banking unit	15.2	(6,208,632)	(1,560,870)	(6,208,632)	(1,560,870)
Special general provision COVID-19	15.3	-	178,797,601	-	178,797,601
Provision for off-balance sheet exposure	15.4	(116,936,880)	(12,123,617)	(116,936,880)	(12,123,617)
Provision for loans and advances		1,076,657,295	2,151,328,796	1,036,814,929	2,151,328,796
Provision for investments	15.5	75,343,569	15,953,403	67,693,825	2,460,354
Provision for other assets		34,361,480	49,464,436	34,361,480	49,464,436
		1,186,362,344	2,216,746,635	1,138,870,234	2,203,253,586
41 Provision for taxation					
Current tax		2,049,024,682	2,835,201,785	1,851,527,936	2,726,461,102
Deferred tax expense/(income)	41.1	(768,700,886)	(1,298,112,746)	(768,838,463)	(1,297,703,716)
		1,280,323,796	1,537,089,039	1,082,689,472	1,428,757,387
41.1 Deferred tax expense/(income)					
Deferred tax on provision for loans(BL)	10.5	(776,535,890)	(1,266,445,037)	(776,535,890)	(1,266,445,037)
Deferred tax on fixed assets	10.5	4,616,296	(25,118,716)	4,478,719	(24,709,686)
Deferred tax on leased assets	10.5	3,218,708	(6,548,993)	3,218,708	(6,548,993)
		(768,700,886)	(1,298,112,746)	(768,838,463)	(1,297,703,716)
42 Receipts from other operating activities					
Rent received		17,654,415	18,346,175	17,654,415	18,346,175
Other receipts		346,932,287	202,980,708	292,823,685	198,318,273
Capital gain/(loss)	27.1	347,380,368	13,530,262	65,238,515	3,552,297
		711,967,070	234,857,145	375,716,615	220,216,745

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
43 Payments for other operating activities					
Rent paid		968,212,793	863,755,155	965,159,264	861,017,995
Rates, taxes & utilities		27,642,572	30,525,479	26,791,264	28,833,736
Insurance premium		341,624,923	297,223,201	341,462,820	297,080,430
Electricity & water		222,131,090	171,804,675	220,655,033	169,552,632
Traveling expenses		73,682,084	54,387,254	72,157,567	53,968,622
Auditors' fees		3,503,286	4,332,625	2,875,000	4,025,000
Directors' fees		3,891,200	4,257,600	3,152,000	3,360,000
Legal expenses		14,597,380	21,476,111	11,707,517	16,285,567
Repairs and maintenance		592,239,798	383,276,836	586,503,577	380,856,718
Other expenses		1,203,682,896	1,449,380,524	1,166,299,323	1,420,467,555
		3,451,208,023	3,280,419,459	3,396,763,366	3,235,448,256
Closing accrued expenses		(139,531,108)	(108,604,998)	(108,046,723)	(87,969,640)
Opening accrued expenses		108,604,998	157,057,080	87,969,640	108,411,756
		3,420,281,913	3,328,871,541	3,376,686,283	3,255,890,372
44 (Increase)/decrease of other assets					
Stationery and stamps		42,767,981	23,354,297	42,767,981	23,354,297
Suspense account		1,133,518,449	876,995,266	1,088,975,815	865,755,661
Advance, deposit and prepayments		693,536,001	762,007,862	691,911,891	760,822,012
Receivable others		77,956,989	41,034,402	56,512,616	39,406,385
Closing other assets		1,947,779,420	1,703,391,827	1,880,168,303	1,689,338,355
Opening other assets		1,703,391,827	1,674,720,921	1,689,338,355	1,619,241,161
		(244,387,593)	(28,670,905)	(190,829,948)	(70,097,194)
45 Increase/(decrease) of other liabilities					
Withholding Tax payable to government		526,365,321	518,120,849	526,235,220	518,039,989
Withholding VAT payable to government		159,706,663	147,808,457	159,623,944	147,723,483
Excise duty payable to government		537,709,645	469,822,779	537,709,645	469,822,779
Payable against Govt. Bond & Sanchaypatra		40,829,330	69,075,648	40,829,330	69,075,648
Others		148,942,679	175,059,708	148,909,060	174,740,848
Closing other liabilities		1,413,553,638	1,379,887,441	1,413,307,199	1,379,402,747
Opening other liabilities		1,379,887,441	1,063,179,252	1,379,402,747	1,062,997,657
		33,666,197	316,708,189	33,904,452	316,405,090
46 Cash and cash equivalents					
Cash in hand		14,142,709,521	11,829,060,999	14,141,262,421	11,828,999,688
Balance with BB and its agent Bank (s)		20,784,330,852	19,764,152,517	20,784,330,852	19,764,152,517
Balance with other banks and FI		1,746,387,151	8,963,806,280	1,669,751,314	8,935,036,091
Money at call and on short notice		1,428,500,000	690,000,000	1,428,500,000	690,000,000
Prize Bonds		5,106,100	3,785,300	5,106,100	3,785,300
		38,107,033,624	41,250,805,096	38,028,950,687	41,221,973,596
47 Reconciliation of statement of cash flows from operating activities					
Net profit after taxation				2,498,771,066	2,970,419,040
Add/(less): Adjustment					
Depreciation on fixed asset				1,152,475,951	979,910,895
Amortization on software				144,948,937	111,133,994
Provision (tax)				1,082,689,472	1,428,757,387
Provision (loans and others)				1,138,870,234	2,203,253,586
Recovery of written off loans				423,358,820	852,890,685
Interest receivable				(228,513,531)	586,470,624
Interest payable on deposits				1,216,638,991	552,939,485

Amount in BDT

Particulars	Note	Group		Bank	
		2023	2022	2023	2022
Bonus payable				(110,000,000)	61,000,000
Rent paid - lease adjustment				(481,942,495)	(465,072,469)
Accrued Expense				17,755,521	(10,023,027)
Interest on leased assets				42,115,073	45,711,459
				4,398,396,974	6,346,972,619
Changes in operating assets and liabilities					
Changes in loans & advances				(57,065,432,545)	(50,243,389,244)
Changes in deposit and other accounts				65,371,258,434	42,054,743,607
Changes of trading securities				(6,216,058,503)	2,867,725,460
Changes in other assets				(190,829,948)	(70,097,194)
Changes in other liabilities				33,904,452	316,405,090
				1,932,841,891	(5,074,612,281)
Income tax paid				(2,676,811,290)	(2,445,321,941)
Net cash flows from/(used in) operating activities				6,153,198,641	1,797,457,437

48 Number of ordinary shares outstanding

Balance at the beginning of the year	1,785,910,939	1,700,867,561	1,785,910,939	1,700,867,561
Add: Bonus share issued	44,647,773	85,043,378	44,647,773	85,043,378
	1,830,558,712	1,785,910,939	1,830,558,712	1,785,910,939

49 Earnings Per Share (EPS)*

Net profit after tax	3,005,231,849	3,442,365,075	2,498,771,066	2,970,419,040
Number of ordinary shares outstanding	1,830,558,712	1,830,558,712	1,830,558,712	1,830,558,712
Earning Per Share (EPS)	1.64	1.88	1.37	1.62

The consolidated EPS of the Bank as of Y2023 is lower compared to Y2022 due to lower level of operating income.

50 Net Operating Cash Flow per Share*

Net cash flows from operating activities	6,457,684,383	2,289,778,068	6,153,198,641	1,797,457,437
Number of ordinary shares outstanding	1,830,558,712	1,830,558,712	1,830,558,712	1,830,558,712
Net Operating Cash Flow per Share	3.53	1.25	3.36	0.98

The consolidated NOCFPS of the Bank as of Y2023 has improved compared to Y2022 due to higher deposit growth.

51 Net Asset Value (NAV) per Share*

Net assets value at the end of the year	36,125,284,901	33,609,014,105	32,093,526,473	30,090,675,926
Number of ordinary shares outstanding	1,830,558,712	1,830,558,712	1,830,558,712	1,830,558,712
Net Asset Value (NAV) per Share	19.73	18.36	17.53	16.44

* Previous year's figure has been restated.

52 Events after the reporting period

The Board of Directors in its 882th Meeting held on 29 April 2024 recommended 5% stock dividend for the year ended 31 December 2023. 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 47th Annual General Meeting of the Bank.

Balance with other Banks and Financial Institutions-Outside Bangladesh

as at 31 December 2023

Annexure-A

Name of the Bank and Financial Institutions	Account type	Currency type	31 December 2023			31 December 2022		
			FC amount	Conversion rate	Equivalent BDT	FC amount	Conversion rate	Equivalent BDT
AB Bank Ltd., Mumbai	CD	USD	316,603	110.00	34,826,289	242,667	103.30	25,066,794
Amana Bank, Sri Lanka	CD	USD	6,159	110.00	677,466	6,159	103.30	636,183
Bank of Bhutan, Phuentsoling	CD	USD	-	110.00	-	-	103.30	-
Citi Bank N.A. New York	CD	USD	521,498	110.00	57,364,726	997,264	103.30	103,014,356
Commerz Bank AG, Frankfurt	CD	USD	290,276	110.00	31,930,402	240,345	103.30	24,826,956
Commerz Bank AG, Frankfurt	CD	EUR	1,257,424	122.16	153,600,613	367,943	109.60	40,325,836
Zhejiang Chouzhou Bank, China	CD	CNY	3,540,826	15.40	54,543,233	-	-	-
Zhejiang Chouzhou Bank, China	CD	USD	500	110.00	55,019	-	-	-
Habib Bank, New York	CD	USD	381,866	110.00	42,005,211	152,091	103.30	15,710,579
Habib Bank AG, Zurich	CD	CHF	60,916	130.45	7,946,370	33,981	111.21	3,778,987
ICIC Bank Ltd., India	CD	USD	418,453	110.00	46,029,784	831,886	103.30	85,931,331
J.P. Morgan Chase Bank AG, Frankfurt	CD	EUR	84,709	122.16	10,347,688	45,934	109.60	5,034,225
J.P. Morgan Chase Bank, New York	CD	USD	2,746,401	110.00	302,104,076	5,087,435	103.30	525,516,779
J.P. Morgan Chase Bank, Sydney	CD	AUD	56,280	75.31	4,238,238	22,118	69.59	1,539,246
Mashreq Bank, PSC, India	CD	USD	219,521	110.00	24,147,265	178,721	103.30	18,461,389
Masreq Bank PSC, New York	CD	USD	946,446	110.00	104,109,091	1,007,805	103.30	104,103,272
MCB Bank Ltd, Pakistan	CD	USD	69,731	110.00	7,670,407	41,764	103.30	4,314,117
Nabil Bank Ltd., Nepal	CD	USD	26,650	110.00	2,931,459	26,650	103.30	2,752,827
Sonali Bank Limited, Kolkata	CD	USD	26,736	110.00	2,941,001	26,736	103.30	2,761,787
Standard Chartered Bank, New York	CD	USD	1,645,783	110.00	181,036,172	7,092,322	103.30	732,615,627
Standard Chartered Bank, Mumbai	CD	USD	1,007,996	110.00	110,879,505	170,675	103.30	17,630,231
Standard Chartered Bank, London	CD	GBP	597,060	140.76	84,043,022	312,579	124.11	38,794,543
Standard Chartered Bank, London	CD	USD	84,326	110.00	9,275,809	169,071	103.30	17,464,480
Standard Chartered Bank, Tokyo	CD	JPY	6,134,769	0.78	4,757,513	2,471,590	0.77	1,898,675
Wells Fargo Bank, New York	CD	USD	1,212,695	110.00	133,396,484	1,924,297	103.30	198,774,154
Total			21,653,622		1,410,856,843	21,450,034		1,970,952,374

Details of investment in shares

as at 31 December 2023

Annexure-B

Amount in BDT

Name of the Company	Face value	No. of share	Cost/share	Cost price	Mkt or NAV price/share	Total value	Gain/(loss)
Unquoted shares							
Karma Sangsthan Bank	100	200,000	100.00	20,000,000	310.67	62,133,301	42,133,301
Central Depository Bangladesh Limited	10	2,284,722	10.00	22,847,220	39.31	89,816,973	66,969,753
				42,847,220		151,950,274	109,103,054
Quoted shares							
Under General Fund							
Bangladesh Shipping Corporation	10	20,000	125.30	2,506,040	107.00	2,140,000	(366,040)
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	99.14	455,303,703	115.60	530,904,560	75,600,857
Beximco Pharmaceuticals Limited	10	3,040,600	105.26	320,041,062	146.20	444,535,720	124,494,658
Brac bank Limited	10	100,000	32.41	3,241,310	35.80	3,580,000	338,690
British American Tobacco Bangladesh Company Limited	10	38,747	539.96	20,921,646	518.70	20,098,069	(823,577)
Doreen Power Generations and Systems Limited	10	106,400	67.34	7,164,891	61.00	6,490,400	(674,491)
Energypac Power Generation PLC	10	619,500	41.90	25,960,000	34.50	21,372,750	(4,587,250)
Fareast Life Insurance Company Limited	10	979,224	125.11	122,511,641	75.00	73,441,800	(49,069,841)
Grameen Phone Limited	10	38,000	336.20	12,775,630	286.60	10,890,800	(1,884,830)
IDLC Finance Limited	10	496,000	74.64	37,023,277	46.50	23,064,000	(13,959,277)
Index Agro Industries Limited	10	12,000	103.96	1,247,551	103.60	1,243,200	(4,351)
IT Consultants Limited	10	70,000	39.27	2,748,718	37.00	2,590,000	(158,718)
Jamuna Oil Company Limited	10	20,000	180.43	3,608,504	168.50	3,370,000	(238,504)
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)
Meghna Petroleum Limited	10	30,000	206.85	6,205,410	198.60	5,958,000	(247,410)
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	45,000	148.75	6,693,845	152.00	6,840,000	146,156
Power Grid Company of Bangladesh Limited	10	50,000	69.13	3,456,265	52.40	2,620,000	(836,265)
Pragati Life Insurance Limited	10	34,000	129.50	4,402,905	102.10	3,471,400	(931,505)
Renata Limited	10	30,495	1,259.45	38,406,822	1,217.90	37,139,861	(1,266,962)
Square Pharmaceuticals PLC	10	1,760,000	217.05	382,014,604	210.30	370,128,000	(11,886,604)
Square Textiles PLC	10	150,000	69.98	10,497,615	67.50	10,125,000	(372,615)
Sumit Power Limited	10	208,545	49.92	10,411,536	34.00	7,090,530	(3,321,006)
TITAS Gas Transmission and Distribution Company Ltd.	10	1,665,760	76.60	127,592,706	40.90	68,129,584	(59,463,122)
United Power Generation & Distribution Company Ltd.	10	30,000		7,506,972	233.70	7,011,000	(495,972)
Unique Hotel & Resorts PLC	10	200,000	105.15	21,029,385	56.70	11,340,000	(9,689,385)
Total				1,695,793,071		1,914,779,201	218,986,131

Name of the Company	Face value	No. of share	Cost/share	Cost price	Mkt or NAV price/share	Total value	Gain/(loss)
Under Special Fund as per BB DOS Circular number 1, dated 10 February 2020							
Beximco Pharmaceuticals Limited	10	7,371,650	106.05	781,737,625	146.20	1,077,735,230	295,997,605
Beximco Green-Sukuk Al Istisna'a	100	8,000,000	100.00	800,000,000	85.00	680,000,000	(120,000,000)
Total				1,581,737,625		1,757,735,230	175,997,605
Investment in bond/sukuk							
AB Bank Perpetual Bond	1,000	1,000,000	1,000.00	1,000,000,000	1,005.00	1,005,000,000	5,000,000
Beximco Green-Sukuk Al Istisna'a	100	24,375,182	85.79	2,091,176,283	85.00	2,071,890,470	(19,285,813)
Total				3,091,176,283		3,076,890,470	(14,285,813)
Mutual funds							
IFIC Bank 1 st Mutual Fund	10	37,951,655	6.59	250,000,000	5.10	193,553,441	(56,446,560)
ICB Employee 1 st Mutual Fund	10	1,339,500	13.43	17,986,473	7.90	10,582,050	(7,404,423)
				267,986,473		204,135,491	(63,850,983)
Investment in overseas entity: In associate/joint venture							
Oman Exchange LLC		627,841	83.47	52,404,650	485.63	304,899,837	252,495,187
				52,404,650		304,899,837	252,495,187
Other investment in overseas entity							
MCB Bank Limited, Pakistan		175,508	2,064.34	362,307,872	67.30	11,811,867	(350,496,005)
Nabil Bank Limited, Nepal		21,017,264	108.87	2,288,252,563	471.52	9,910,084,701	7,621,832,138
Total Investment in overseas entity				2,702,965,085		10,226,796,406	(350,496,005)
Total				9,382,505,757		17,332,287,072	(428,632,800)

Particulars	Cost price	Market value	Req. Provision
Unquoted shares	42,847,220	151,950,274	-
Quoted- general Fund	1,695,793,071	1,914,779,201	-
Quoted- under special fund	1,581,737,625	1,757,735,230	-
Bond/sukuk	3,091,176,283	3,076,890,470	14,285,813
Mutual funds	267,986,473	204,135,491	63,850,983
Sub-total	6,679,540,672	7,105,490,666	78,136,796
Investment in overseas entity: In associate/joint venture	52,404,650	304,899,837	-
Investment in overseas entity: Nabil Bank Ltd.	2,288,252,563	9,910,084,701	-
Investment in overseas entity: MCB Bank Ltd.	362,307,872	11,811,867	350,496,005
Grand Total	9,382,505,757	17,332,287,072	428,632,800

** Provision has been made as per DOS circular no. 01 dated 24 May 2023.

Loans and advances allowed to each customer exceeding 10% of Bank's total capital
as at 31 December 2023

BDT in million

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2023			Amount classified
			Funded	Non-funded	Total	
1	Sreepur Township	Sreepur Township	-	10,200.00	10,200.00	-
		Sub Total:	-	10,200.00	10,200.00	-
2	Silver Line	Silver Composite Textile Mills Ltd.	3,106.20	1,720.20	4,826.40	-
		Silver Line Composite Textile Mill Ltd.	2,982.23	1,576.80	4,559.03	-
		Silver Line Garments Ltd.	78.70	-	78.70	-
		Sundarban Air Travel Ltd.	-	7.50	7.50	-
		Sub Total:	6,167.13	3,304.50	9,471.63	-
3	BRAC	BRAC	6,591.17	-	6,591.17	-
		Sub Total:	6,591.17	-	6,591.17	-
4		Habib Hotel International Ltd.	6,504.01	-	6,504.01	-
		Sub Total:	6,504.01	-	6,504.01	-
5	Nassa	Nassa Properties Ltd.	3,957.90	-	3,957.90	-
		Nassa Spinners & Garments Ltd.	1,572.83	65.00	1,637.83	-
		Nassa Supreme Wash Ltd.	745.12	36.20	781.32	-
		Sub Total:	6,275.85	101.20	6,377.05	-
6		Sunstar Business	6,150.46	-	6,150.46	-
		Sub Total:	6,150.46	-	6,150.46	-
7		Fareast Business	6,141.76	-	6,141.76	-
		Sub Total:	6,141.76	-	6,141.76	-
8		Cosmos Commodities Limited	6,125.71	-	6,125.71	-
		Sub Total:	6,125.71	-	6,125.71	-
9	Doha-Global	Dohatec Newmedia Ltd.	2,184.04	2.50	2,186.54	-
		Global Voice Telecom Ltd.	2,652.39	1,245.30	3,897.69	-
		Sub Total:	4,836.43	1,247.80	6,084.23	-
10	ENA	Ena Properties Ltd.	2,381.70	-	2,381.70	-
		Northern Power Solutions Ltd.	2,241.43	-	2,241.43	-
		Ena Building Products Ltd.	337.10	-	337.10	-
		Sakoatex Ltd.	493.38	12.90	506.28	-
		Ena DDJ Construction Firm	-	544.50	544.50	-
		Sub Total:	5,453.61	557.40	6,011.01	-
11	Anwar	Anwar Ispat Ltd.	1,216.61	-	1,216.61	-
		Anwar Cement Ltd.	4,017.79	563.50	4,581.29	-
		Sub Total:	5,234.40	563.50	5,797.90	-
12		Alpha Enterprise Ltd	5,698.25	-	5,698.25	-
		Sub Total:	5,698.25	-	5,698.25	-
13	Ascent	Scholastica Limited	5,575.33	0.10	5,575.43	-
		Sub Total:	5,575.33	0.10	5,575.43	-
14	Uttara Jute	Uttara Jute Fibres & Industries Ltd.	5,517.04	10.10	5,527.14	-
		Sub Total:	5,517.04	10.10	5,527.14	-
15	Wisdom	Wisdom Attires Ltd.	4,640.77	371.30	5,012.07	-
		Three Star Farm House Ltd.	50.95	-	50.95	-
		Five Star Farm House Ltd.	414.81	-	414.81	-
		Sub Total:	5,106.53	371.30	5,477.83	-

Sl.	Name of the group	Name of clients	Outstanding as on 31 December 2023			Amount classified
			Funded	Non-funded	Total	
16	Knit Concern	Knit Concern Ltd.	1,495.45	1,195.40	2,690.85	-
		KC Apparels Ltd.	179.98	134.60	314.58	-
		Pack Concern Ltd.	48.36	14.30	62.66	-
		KC Lingerie Ltd.	1,425.65	459.80	1,885.45	-
		Zas Concern Ltd.	26.42	12.90	39.32	-
		Surecell Medical (BD) Ltd.	2.80	-	2.80	-
		JMJ Mollah Ice & Cold Storage Ltd	95.02	-	95.02	-
		JHM Cotton Ltd	25.76	-	25.76	-
		KC Spinning Mills Ltd.	-	36.90	36.90	-
		Sub Total:	3,299.44	1,853.90	5,153.34	-
17	Phonix	Appollo Ispat Complex Ltd.	4,889.44	-	4,889.44	-
		Sub Total:	4,889.44	-	4,889.44	-
18	Islam	Islam Garments Ltd.	2,744.91	1,906.50	4,651.41	-
		Islam Knit Designs Ltd.	0.24	31.20	31.44	-
		Euro Jeans Ltd.	50.62	15.20	65.82	-
		Sub Total:	2,795.77	1,952.90	4,748.67	-
19		Absolute Construction & Engineering Ltd.	4,637.10	-	4,637.10	-
		Sub Total:	4,637.10	-	4,637.10	-
20		Serve Construction & Engineering Ltd.	4,583.78	-	4,583.78	-
		Sub Total:	4,583.78	-	4,583.78	-
21		Apollo Trade International Ltd.	4,556.23	-	4,556.23	-
		Sub Total:	4,556.23	-	4,556.23	-
22		Altron Trading Ltd.	4,493.06	-	4,493.06	-
		Sub Total:	4,493.06	-	4,493.06	-
23	Navana	Navana Ltd.	647.11	43.90	691.01	-
		Navana Real Estate Ltd.	3,523.01	-	3,523.01	-
		Navana Interlinks Ltd.	75.18	9.90	85.08	-
		Navana Electronics Ltd.	117.58	4.20	121.78	-
		Sub Total:	4,362.88	58.00	4,420.88	-
24	Sikder	Powerpac Mutiara Keraniganj Ltd.	2,190.95	-	2,190.95	-
		R & R Holdings Ltd.	2,197.08	-	2,197.08	-
		Sub Total:	4,388.03	-	4,388.03	-
25	Aegis	Aegis Cotton Mills Ltd.	2,082.39	3.30	2,085.69	-
		Bakerganj Bohumukhi Khamar (Pvt) Ltd.	2,252.55	-	2,252.55	-
		Sub Total:	4,334.94	3.30	4,338.24	-
26		Bengal Communications Ltd.	3,364.20	-	3,364.20	-
		Sweets Of Bengal Ltd.	926.72	-	926.72	-
		Sub Total:	4,290.92	-	4,290.92	-
27		Assad Trading & Engineering Ltd.	4,263.66	-	4,263.66	-
		Sub Total:	4,263.66	-	4,263.66	-
28	Uttara	Uttara Acrylic Mills Ltd.	79.40	-	79.40	-
		Uttara Spinning Mills Ltd.	3,874.16	14.20	3,888.36	-
		Uttara Rotors Yarn Mills Ltd.	261.50	25.90	287.40	-
		Sub Total:	4,215.06	40.10	4,255.16	-
29		NPM Apparels Ltd.	4,218.65	-	4,218.65	-
		Sub Total:	4,218.65	-	4,218.65	-
30		Northstone Construction & Engineering Ltd.	4,217.15	-	4,217.15	-
		Sub Total:	4,217.15	-	4,217.15	-
		Grand Total:	144,923.79	20,264.10	165,187.89	-

Schedule of fixed assets including premises, furniture and fixture
as at 31 December 2023

Annexure - D

Particulars	Cost					Depreciation/Amortization				Written down value as at 31 December 2023
	Balance as at 1 January 2023	Addition during the year	Transfer from CWIP	Disposal during the year	Balance as at 31 December 2023	Balance as at 1 January 2023	Charged during the year	Disposal during the year	Balance as at 31 December 2023	
Land	2,423,609,559	112,695,500	-	-	2,536,305,059	-	-	-	-	2,536,305,059
Buildings and premises	1,902,617,204	-	-	-	1,902,617,204	516,099,696	47,045,580	-	563,145,275	1,339,471,929
Wooden furniture	375,353,994	63,247,548	-	2,790,511	435,811,031	190,687,585	35,194,586	2,714,729	223,167,442	212,643,589
Steel furniture	252,852,611	46,611,222	-	43,640	299,420,193	66,794,601	16,122,301	34,857	82,882,045	216,538,148
Computer equipment	1,524,217,591	245,254,125	325,978,524	17,797,777	2,077,652,463	927,815,644	216,488,453	17,779,133	1,126,524,964	951,127,499
Electrical & gas equipment	1,665,286,697	130,092,981	-	8,410,712	1,786,968,966	795,351,720	186,123,511	8,376,940	973,098,292	813,870,674
Office equipment	513,231,465	81,758,950	-	3,173,992	591,816,423	286,393,046	71,450,822	3,164,264	354,679,604	237,136,819
Leasehold improvement	1,231,228,309	293,270,423	-	904,810	1,523,593,923	323,191,424	125,952,097	838,124	448,305,397	1,075,288,526
Vehicles	218,424,822	32,671,138	-	-	251,095,960	193,116,126	11,907,401	-	205,023,526	46,072,434
Software	1,476,585,948	35,350,631	217,430,142	-	1,729,366,721	604,434,656	144,948,937	-	749,383,592	979,983,129
Soft furnishing	12,829,120	1,028,283	-	386,344	13,471,059	11,771,815	769,294	386,340	12,154,769	1,316,290
Sub-total	11,596,237,320	1,041,980,801	543,408,666	33,507,786	13,148,119,002	3,915,656,312	856,002,983	33,294,388	4,738,364,906	8,409,754,096
Right of Use Assets	2,311,079,457	1,194,278,223	-	878,919,061	2,626,438,620	1,090,852,032	441,421,905	516,524,782	1,015,749,155	1,610,689,465
Sub-total	13,907,316,777	2,236,259,025	543,408,666	912,426,847	15,774,557,622	5,006,508,343	1,297,424,888	549,819,170	5,754,114,061	10,020,443,561
Capital work in progress *	366,020,865	464,375,175	(543,408,666)	-	286,987,375	-	-	-	-	286,987,375
Total	14,273,337,642	2,700,634,200	-	912,426,847	16,061,544,997	5,006,508,343	1,297,424,888	549,819,170	5,754,114,061	10,307,430,936

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

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
Sub-total	10,045,083,271	1,258,729,224	368,291,659	75,866,835	11,596,237,320	3,319,517,910	670,037,468	73,899,066	3,915,656,312	7,680,581,008
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
Sub-total	11,874,329,890	1,931,209,586	368,291,659	266,514,358	13,907,316,777	4,076,171,929	1,091,044,889	160,708,475	5,006,508,343	8,900,808,433
Capital work in progress *	124,720,260	609,592,264	(368,291,659)	-	366,020,865	-	-	-	-	366,020,865
Total	11,999,050,150	2,540,801,850	-	266,514,358	14,273,337,641	4,076,171,929	1,091,044,889	160,708,475	5,006,508,343	9,266,829,299

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

Computation of Risk Weighted Assets
Annexure -E

Solo Basis

as at 31 December 2023

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	14,141.26	-
b.	Claims on Bangladesh Government (other than PSEs) and Bangladesh Bank		0	58,930.14	-
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	422.25	84.45
		2,3	0.50	40.05	20.02
		4,5	1.00	5.98	5.98
		6	1.50	-	-
		Unrated	1.00	166.85	166.85
	ii) Maturity less than 3 months		0.20	3,772.04	754.41
h.	Claims on Corporate (excluding equity exposure)	1	0.20	19,917.60	3,983.52
		2	0.50	40,530.52	20,265.26
		3,4	1.00	92,770.14	92,770.14
		5,6	1.50	-	-
		Unrated	1.25	17,764.07	22,205.09
h(1)	Claims on SME	SME 1	0.20	-	-
		SME 2	0.40	833.88	333.55
		SME 3	0.60	6,356.93	3,814.16
		SME 4	0.80	1,121.15	896.92
		SME 5	1.20	-	-
		SME 6	1.50	-	-
		Unrated (small enterprise & <BDT 3m)	0.75	1,980.94	1,485.71
		Unrated (small enterprise having ≥ BDT 3m&Medium enterprise)	1.00	6,897.69	6,897.69

Sl.	Exposure Type	Rating	Risk Weight	Exposure	RWA
i.	Claims under Credit Risk Mitigation	PSE		-	-
		Banks & NBFIs		-	-
		Corporate		47,069.67	27,504.95
		Retail		776.84	29.88
		SME		1,409.87	130.24
		Consumer finance		3,062.85	171.45
		Residential property		11,168.49	3,423.12
	Commercial real estate		-	-	
j.	Claims categorized as retail portfolio (excluding SME, Consumer Finance and Staff loan) up to 1 crore		0.75	1,704.34	1,278.26
k.	Consumer finance		1.00	7,189.17	7,189.17
l.	Claims fully secured by residential property		0.50	93,131.66	46,565.83
m.	Claims fully secured by Commercial real estate		1.00	19,033.14	19,033.14
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	15,809.55	23,714.33
	ii) Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim		1.00	3,563.07	3,563.07
	iii) Where specific provisions are more than 50 percent of the outstanding amount of the past due claim		0.50	2,813.30	1,406.65
	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	5,099.90	5,099.90
	3. Loans and claims fully secured against residential property that are past due for more than 60 days and/or impaired and specific provision held there-against is no less than 20% of outstanding amount		0.75	296.27	222.20
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	75.25	94.06
q.	Investments in venture capital		1.50	-	-
r.	Investments in premises, plant and equipment and all other fixed assets		1.00	10,307.43	10,307.43
s.	Claims on all fixed assets under operating lease		1.00	68.03	68.03
t.	All other assets			-	-
	i) Claims on GoB & BB		0.00	891.74	-
	ii) Staff loan/Investment		0.20	893.69	178.74
	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	6,737.90	6,737.90
Sub-Total				496,773.67	310,412.10

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	1,845.15	369.03
		2	0.50	13,528.42	6,764.21
		3,4	1.00	4,053.64	4,053.64
		5,6	1.50	-	-
		Unrated	1.25	986.53	1,233.17
h)	Claims under retail exposure		0.75	8.40	6.30
h(1)		1	0.20	-	-
		2	0.40	160.19	64.08
		3	0.60	693.81	416.29
		4	0.80	5.86	4.69
		5	1.20	-	-
		6	1.50	-	-
	Claims under SME Credit Rating-wise exposure	Unrated (small enterprise & <BDT 3.00m)	0.75	49.62	37.22
		Unrated (small enterprise having ≥ BDT 3.00m & Medium enterprise)	1.00	658.53	658.53
i)	Consumer Loan		1.00		
j)	Claims fully secured by residential property		0.50		
k.)	Claims fully secured by commercial real estate		1.00		
l)	Investments in venture capital		1.50		
m)	All other assets		1.00		
Sub-Total				21,990.15	13,607.14

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	52.34	10.00	523.35
b	Equities	1,416.58	10.00	14,165.80
c	Foreign Exchange Position	65.48	10.00	654.84
d	Commodities	-	-	-
Sub-Total		1,534.40		15,344.10

4.0 Capital Charge for Operational Risk (Basic Indicator Approach)

Sl. No.	Operational Risk	Capital Charge	Risk Weight	RWA
a	Gross Income	1,722.00	10.00	17,220.03
Sub-Total		1,722.00	10.00	17,220.03
Grand Total Risk Weighted Assets				356,583.27

Name of Directors and their interest in different entities
as at 31 December 2023

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	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

Sl No.	Name	Status with the Bank	Status with interested entities	Name of the firms/companies in which they have interest
5	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
6	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
7	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
8	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	
	31 December 2023	31 December 2022
1) Name of the Party : IFIC Securities Limited		
A. Capital investment	2,199,994,000	2,199,994,000
B. Current & SND Account	69,040,744	60,641,476
C. BO account balance	9,266,711	1,520,291
D. Loan	2,407,559,886	2,605,620,317
2) Name of the Party : IFIC Money Transfer (UK) Limited		
Relationship with the company : Subsidiary		
Capital investment	29,987,999	29,987,999
3) Name of the Party : IFIC Investment Limited		
Relationship with the company : Subsidiary		
A. Capital investment	399,994,000	399,994,000
B. Current & SND Account	80,948,111	16,024,083
4) Name of the Party : Oman Exchange LLC		
Relationship with the company : Associate		
Capital investment	52,404,650	52,404,650
5) Name of the Party : IFIC Gratuity Fund		
Saving Account	72,033,008	28,168,444
6) Name of the Party : IFIC Provident Fund		
Saving Account	36,024,177	19,821,892

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
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Nil

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, Receiving Dish Line Service from Beximco Communication Limited with a fees of BDT 87,372 during the year and also an agreement with Giga Tech Limited for implementation of Card Management Switching Solution with a fees of BDT 49,462,380 & Digital Banking Solutions with a fees of BDT 38,650,792.

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	455,303,703
Beximco Green-Sukuk Al Istisna'a	Mr. Salman F Rahman	Chairman	Vice Chairman	2,891,176,283

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	Mr. Sudhangshu Shekhar Biswas	Independent Director	Member	BA (Hons), MA (Economics)
2	Mr. Md. Zafar Iqbal, ndc	Director	Member	B. Com (Hons), M. Com (Accounting), MBA, Masters in Economics

* Ms. Rabeya Jamali, Independent Director, completed her 2nd term on 21.12.2023.

b) Particulars of meetings held by the Audit Committee during the period from 01 January to 31 December 2023

Sl.	Meeting No	Meeting held on
1	197th Audit Committee Meeting	26.01.2023
2	197th Adjourned Audit Committee Meeting	30.01.2023
3	198th Audit Committee Meeting	01.03.2023
4	199th Audit Committee Meeting	06.03.2023
5	200th Audit Committee Meeting	22.03.2023
6	201st Audit Committee Meeting	16.04.2023
7	202nd Audit Committee Meeting	27.04.2023
8	203rd Audit Committee Meeting	14.05.2023
9	204th Audit Committee Meeting	24.05.2023
10	205th Audit Committee Meeting	15.06.2023
11	206th Audit Committee Meeting	12.07.2023
12	207th Audit Committee Meeting	30.07.2023
13	208th Audit Committee Meeting	31.07.2023
14	209th Audit Committee Meeting	13.08.2023
15	210th Audit Committee Meeting	10.10.2023
16	211th Audit Committee Meeting	29.10.2023
16	212th Audit Committee Meeting	31.10.2023
17	213th Audit Committee Meeting	10.11.2023

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 2023, 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 2023 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.

During 2023, the Committee presented quarterly compliance reports to the Board reviewing compliance with recommendations given in internal and external audit reports, as well as 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 2023

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	32,843,635,896	112,380,906	-	32,956,016,802	113,081,091	-	-	-	(215,166,272)	32,853,931,621
Interest paid on deposits and borrowings, etc.	24,478,243,072	94,892,791	(94,892,791)	24,478,243,072	215,166,272	-	-	-	(216,443,907)	24,476,965,437
Net interest income	8,365,392,824	17,488,115	(94,892,791)	8,477,773,730	(102,085,181)	-	-	-	1,277,635	8,376,966,184
Investment income	3,895,334,833	-	-	3,895,334,833	677,947,469	30,914,932	-	(20,917,981)	-	4,583,279,253
Commission, exchange and brokerage	2,133,071,670	7,642,594	-	2,140,714,264	36,845,329	-	156,594,508	-	-	2,334,154,100
Other operating income	309,961,052	517,048	-	310,478,100	3,959,998	51,277,635	730,192	-	(1,277,635)	365,168,289
	6,338,367,554	8,159,642	-	6,346,527,196	718,752,796	82,192,567	157,324,699	(20,917,981)	(1,277,635)	7,282,601,642
Total operating income	14,703,760,378	25,647,757	(94,892,791)	14,824,300,926	616,667,615	82,192,567	157,324,699	(20,917,981)	0	15,659,567,826
Salary and allowances	4,405,709,365	-	-	4,405,709,365	16,614,101	6,455,811	17,205,041	-	-	4,445,984,318
Rent, taxes, insurance, electricity, etc.	1,072,125,888	-	-	1,072,125,888	1,368,652	24,598	4,149,745	-	-	1,077,668,883
Legal expenses	11,707,517	-	-	11,707,517	634,500	-	2,255,363	-	-	14,597,380
Postage, stamps, telecommunication, etc.	286,629,827	-	-	286,629,827	1,035,089	4,934	210,693	-	-	287,880,544
Stationery, printing, advertisement, etc.	531,573,094	-	-	531,573,094	569,453	2,875	4,965,436	-	-	537,110,857
Managing Director's salary	27,520,864	-	-	27,520,864	-	-	-	-	-	27,520,864
Directors' fees	3,152,000	-	-	3,152,000	369,600	369,600	-	-	-	3,891,200
Auditors' fees	2,875,000	-	-	2,875,000	172,500	57,500	398,286	-	-	3,503,286
Depreciation and repairs of Bank's assets	1,883,928,465	-	-	1,883,928,465	9,227,940	-	5,487,988	-	-	1,898,644,392
Other expenses	1,878,748,133	-	-	1,878,748,133	13,827,970	756,713	27,970,057	-	-	1,921,302,874
Total operating expenses	10,103,970,153	-	-	10,103,970,153	43,819,805	7,672,031	62,642,609	-	-	10,218,104,598
Operating profit	4,599,790,225	25,647,757	(94,892,791)	4,720,330,773	572,847,809	74,520,536	94,682,090	(20,917,981)	0	5,441,463,228
Share of profit of joint ventures/associates	-	-	-	-	-	-	-	30,454,760	-	30,454,760
Profit before provision	4,599,790,225	25,647,757	(94,892,791)	4,720,330,773	572,847,809	74,520,536	94,682,090	9,536,779	0	5,471,917,988
Provision against loans and advances	1,036,814,929	-	-	1,036,814,929	39,842,366	-	-	-	-	1,076,657,295
Provision for diminution in value of investments	67,693,825	-	-	67,693,825	-	7,649,744	-	-	-	75,343,569
Provisions for other assets	34,361,480	-	-	34,361,480	-	-	-	-	-	34,361,480
Total provision	1,138,870,234	-	-	1,138,870,234	39,842,366	7,649,744	-	-	-	1,186,362,344
Profit before taxation	3,460,919,991	25,647,757	(94,892,791)	3,581,460,539	533,005,444	66,870,792	94,682,090	9,536,779	0	4,285,555,644
Provision for taxation	-	-	-	-	-	-	-	-	-	-
Current tax	1,851,527,936	-	-	1,851,527,936	153,614,396	23,384,942	20,497,408	-	-	2,049,024,682
Deferred tax	(768,838,463)	-	-	(768,838,463)	137,577	-	-	-	-	(768,700,886)
	1,082,689,472	-	-	1,082,689,472	153,751,973	23,384,942	20,497,408	-	-	1,280,323,796
Net profit after taxation	2,378,230,518	25,647,757	(94,892,791)	2,498,771,066	379,253,471	43,485,851	74,184,682	9,536,779	0	3,005,231,849

The Bank reports its operations under geographical location and business segment as per IFRS:8 Operating Segment
Balance Sheet as at 31 December 2023

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								
PROPERTY AND ASSETS										
Cash	34,925,593,273	-	-	34,925,593,273	29,851	10,677	1,406,572	-	-	34,927,040,373
Balance with other banks and FI	1,669,751,314	3,194,996	(3,194,996)	1,669,751,314	69,040,744	-	85,902,548	-	(78,307,455)	1,746,387,151
Money at call and on short notice	1,428,500,000	-	-	1,428,500,000	-	-	-	-	-	1,428,500,000
Investments	53,744,373,227	-	-	53,744,373,227	3,537,569,637	537,869,913	-	-	2,359,135,969	60,178,948,746
Loans and advances	412,120,733,018	1,285,394,846	-	413,406,127,864	3,984,236,554	-	-	-	(2,407,559,886)	414,982,804,532
Fixed assets	10,307,430,936	-	-	10,307,430,936	35,385,933	-	172,390	-	-	10,342,989,259
Other assets	8,618,663,153	-	-	8,618,663,153	228,668,681	19,348,244	45,156,920	-	(2,629,975,999)	6,281,860,999
Non-banking assets	48,000,000	-	-	48,000,000	-	-	-	-	-	48,000,000
Total Assets	522,863,044,921	1,288,589,842	(3,194,996)	524,148,439,767	7,854,931,401	557,228,833	132,638,430	-	(2,756,707,371)	529,936,531,060
LIABILITIES AND CAPITAL										
Borrowings from other banks, FI and agents	8,523,549,803	1,258,510,000	(1,258,510,000)	8,523,549,803	2,407,559,886	-	-	-	(2,407,559,886)	8,523,549,803
Subordinated debt	10,000,000,000	-	-	10,000,000,000	-	-	-	-	-	10,000,000,000
Deposits and other accounts	442,170,101,797	-	-	442,170,101,797	61,410,624	-	-	-	(160,160,591)	442,071,351,829
Other Liabilities	31,356,829,610	4,432,084	-	31,361,261,694	1,788,802,975	37,319,097	28,960,758	-	-	33,216,344,525
Total Liabilities	492,050,481,210	1,262,942,084	(1,258,510,000)	492,054,913,294	4,257,773,485	37,319,097	28,960,758	-	(2,567,720,477)	493,811,246,157
Capital/Shareholders' equity										
Paid up capital	18,305,587,120	-	-	18,305,587,120	2,200,000,000	-	42,012,299	-	(2,242,012,299)	18,305,587,120
Statutory reserve	9,353,911,426	-	-	9,353,911,426	64,535,083	-	-	-	-	9,418,446,509
General reserve	155,071,397	-	-	155,071,397	-	-	-	-	-	155,071,397
Revaluation reserve against securities	43,663,729	-	-	43,663,729	-	-	-	-	-	43,663,729
Revaluation reserve against fixed assets	138,155,094	-	-	138,155,094	-	-	-	-	-	138,155,094
Foreign currency translation reserve	-	-	-	-	-	-	2,493,062	-	12,024,300	14,517,362
Surplus in profit and loss account	4,097,137,707	25,647,757	(25,647,757)	4,097,137,707	1,332,619,023	201,759,847	59,172,311	2,359,135,967	-	8,049,824,854
	32,093,526,473	25,647,757	(25,647,757)	32,093,526,473	3,597,154,106	201,759,847	103,677,672	2,359,135,967	(2,229,987,999)	36,125,266,065
Minority Interest	-	-	-	-	9,810	9,026	-	-	-	18,836
Total shareholders' equity	32,093,526,473	25,647,757	(25,647,757)	32,093,526,473	3,597,163,916	201,768,873	103,677,672	2,359,135,967	(2,229,987,999)	36,125,284,901
Total liabilities and shareholders' equity	524,144,007,683	1,288,589,841	(1,284,157,757)	524,148,439,767	7,854,937,400	239,087,970	132,638,430	2,359,135,967	(4,797,708,476)	529,936,531,060

**Financial highlights of the Bank (solo basis)
as at and for the year ended 31 December 2023**

Sl.	Particulars	Currency/ percentage	31 December 2023	31 December 2022
1	Paid up capital	BDT	18,305,587,120	17,859,109,390
2	Total capital	BDT	42,133,984,019	43,266,298,360
3	Capital surplus/(deficit)	BDT	(2,438,924,517)	945,745,771
4	Total assets	BDT	524,148,439,767	465,272,712,989
5	Total deposits	BDT	442,170,101,797	375,584,475,522
6	Total loan & advances	BDT	413,406,127,864	354,454,273,864
7	Total contingent liabilities & commitments	BDT	47,527,584,001	69,935,030,734
8	Credit deposit ratio	%	89.27	87.47
9	Percentage of classified loan against total loans & advances	%	7.99	5.61
10	Profit after tax & provision	BDT	2,498,771,066	2,970,419,040
11	Amount of classified loans	BDT	33,034,495,588	19,879,385,150
12	Provision kept against classified loans	BDT	10,693,762,826	8,179,000,000
13	Cost of fund	%	4.84	4.08
14	Interest earning assets	BDT	462,781,864,378	408,907,097,342
15	Non-interest earning assets	BDT	61,366,575,389	56,365,615,648
16	Return on Investment (ROI)	%	7.32	6.02
17	Return on Assets (ROA)	%	0.51	0.68
18	Income from investment	BDT	3,895,334,833	3,259,631,140
19	Earnings per share	BDT	1.37	1.62
20	Net income per share	BDT	1.37	1.62
21	Net Asset Value (NAV)	BDT	32,093,526,473	30,090,675,926
22	Net Asset Value (NAV) per share	BDT	17.53	16.44
23	Net Operating Cash Flow Per Share (NOCFPS)	BDT	3.36	0.98
24	Price earning ratio	Times	8.20	7.09

Disclosure of Restructured Loan

as at and for the year ended 31 December 2023

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 2023		Present Status	Outstanding as at 31 December 2022
				Required	Realized		At the time of taking NOC from BB	New/Fresh Disbursement amount after NOC	Outstanding as at 31 December 2023	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	2,190.95	43.82	43.82	SMA(RST)	2,371.49
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	1,237.56	24.75	24.75	SMA(RST)	1,200.92
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	959.52	19.19	19.19	SMA(RST)	1,046.13
Total				-	-		3,573.30		4,388.03	87.76	87.76		4,618.54

Statement of Tax Position
as at 31 December 2023

Accounting year	Assessment year	Tax provision in Financial Statements	Tax as per assessment	Excess/ (shortage) provision	Advance income tax paid	Remarks
2005	2006-2007	46,719,403	-	46,719,403	-	Tax authority has filed reference application before Honorable High Court Division of Supreme Court.
2010	2011-2012	1,454,854,995	1,508,170,344	(53,315,349)	1,385,538,554	Honorable High Court Division of Supreme Court.
2019	2020-2021	1,700,000,000	1,699,489,718	510,282	1,532,741,318	Bank has received set a side Tribunal Order and subsequently filed appeal before the Commissioner of Taxes (Appeal).
2021	2022-2023	2,493,782,398	2,385,201,832	108,580,566	2,384,939,483	Bank has filed appeal before the Taxes Appellate Tribunal against the Order of the Commissioner of Taxes (appeal).
2022	2023-2024	2,726,461,102	2,726,461,102	-	2,768,240,847	Returns of income has been submitted within tax day.
2023	2024-2025	1,851,527,936	1,851,527,936	-	816,553,145	Not yet due
Total		10,273,345,834	10,170,850,932	102,494,902	8,888,013,347	

IFIC Bank PLC
Off-shore Banking Unit
Balance Sheet
as at 31 December 2023

Particulars	Note	31 December 2023		31 December 2022	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		-	-	-	-
Balance with other banks and financial institutions		29,046	3,194,996	1,014,662	104,811,530
In Bangladesh		1,903	209,287	987,519	102,007,759
Outside Bangladesh		27,143	2,985,709	27,143	2,803,771
Money at call and on short notice		-	-	-	-
Investments		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
Loans and advances	3	11,685,408	1,285,394,846	18,454,147	1,906,258,051
Loans, cash credits, overdrafts etc.	3.1	11,685,408	1,285,394,846	16,753,690	1,730,605,893
Bills purchased and discounted	3.2	-	-	1,700,457	175,652,158
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets	4	-	-	-	-
Non banking assets		-	-	-	-
Total assets		11,714,453	1,288,589,842	19,468,809	2,011,069,581
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from other banks, financial Institutions and agents	5	11,441,000	1,258,510,000	19,000,000	1,962,643,000
Deposit and other accounts		-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed Deposits		-	-	-	-
Other liabilities	6	40,292	4,432,084	47,500	4,906,608
Total liabilities		11,481,292	1,262,942,084	19,047,500	1,967,549,608
Capital / Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General Reserve		-	-	-	-
Revaluation reserve against securities		-	-	-	-
Revaluation reserve against fixed assets		-	-	-	-
Surplus in profit and loss account	7	233,161	25,647,757	421,309	43,519,974
Total shareholders' equity		233,161	25,647,757	421,309	43,519,974
Total liabilities and shareholders' equity		11,714,453	1,288,589,842	19,468,809	2,011,069,581

IFIC Bank PLC
Off-shore Banking Unit
Profit and Loss Account
for the year ended 31 December 2023

Particulars	Note	2023		2022	
		USD	Taka	USD	Taka
Interest income	8	1,021,645	112,380,906	1,064,368	109,946,021
Interest paid on deposits, borrowings etc.	9	862,662	94,892,791	709,138	73,251,809
Net interest income		158,983	17,488,115	355,230	36,694,212
Investment Income		-	-	-	-
Commission, exchange and brokerage	10	69,478	7,642,594	27,423	2,832,681
Other operating income	11	4,700	517,048	38,656	3,993,081
Total operating income		233,161	25,647,757	421,309	43,519,974
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telecommunication etc.		-	-	-	-
Stationery, printing, advertisement etc.		-	-	-	-
Managing Director's salary		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Charges on loan loss		-	-	-	-
Depreciation and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
Total operating expenses		-	-	-	-
Profit/(Loss) before provision		233,161	25,647,757	421,309	43,519,974
Provision for loans, investments and other assets					
Specific Provision		-	-	-	-
General Provision		-	-	-	-
Provision for off-balance sheet exposures		-	-	-	-
Provision for diminution in value of investments		-	-	-	-
Provision for other assets		-	-	-	-
Total provision		-	-	-	-
Profit/(Loss) before taxes		233,161	25,647,757	421,309	43,519,974

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 2023

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 2023		31 December 2022	
		USD	Taka	USD	Taka
3 Loans and advances					
3.1 Loans, cash credits, overdrafts etc.					
Term loan		11,685,408	1,285,394,846	16,753,690	1,730,605,893
		11,685,408	1,285,394,846	16,753,690	1,730,605,893
3.2 Bills purchased and discounted					
Inside Bangladesh		-	-	1,700,457	175,652,158
Outside Bangladesh		-	-	-	-
		-	-	1,700,457	175,652,158
		11,685,408	1,285,394,846	18,454,147	1,906,258,051
4 Other assets					
Interest receivable on term loan		-	-	-	-
Interest receivable on bills discount		-	-	-	-
		-	-	-	-
5 Borrowing from other banks, financial institutions and its agents					
In Bangladesh:					
IFIC Bank PLC		11,441,000	1,258,510,000	19,000,000	1,962,643,000
		11,441,000	1,258,510,000	19,000,000	1,962,643,000
6 Other liabilities					
Interest on borrowing from abroad		-	-	-	-
Due to Head Office		40,292	4,432,084	47,500	4,906,608
		40,292	4,432,084	47,500	4,906,608
7 Surplus in profit and loss account					
Opening balance		421,309	43,519,974	443,670	38,066,968
Less: Adjustment/ payment for the year		(421,309)	(43,519,974)	(443,670)	(38,066,968)
Add: Addition during the year		233,161	25,647,757	421,309	43,519,974
		233,161	25,647,757	421,309	43,519,974
Particulars	Note	2023		2022	
		USD	Taka	USD	Taka
8 Interest income					
Term Loan		1,017,727	111,949,924	1,037,693	107,190,530
Bills discount		3,918	430,982	26,675	2,755,491
Interest on loans and advances		1,021,645	112,380,906	1,064,368	109,946,021
9 Interest paid on deposits, borrowings etc.					
Interest paid on IFIC Bank PLC		862,662	94,892,791	709,138	73,251,809
		862,662	94,892,791	709,138	73,251,809
10 Commission, exchange and brokerage					
Income-Fees & Commission		69,478	7,642,594	27,423	2,832,681
		69,478	7,642,594	27,423	2,832,681
11 Other operating income					
Income-Other Operating		4,700	517,048	38,656	3,993,081
		4,700	517,048	38,656	3,993,081