

**Independent Auditors' Report
and audited financial statements
of
ICB Islamic Bank Limited
as at and for the year ended 31 December 2021**

**Independent Auditor's Report
To the Shareholders of ICB Islamic Bank Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of ICB Islamic Bank Limited (the "Bank"), which comprise the balance sheet as at 31 December 2021 and profit and loss account, cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Bank give a true and fair view of the financial position of the Bank as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 3.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3.3 in the financial statements, which shows that the Bank has an accumulated loss of Tk. 19,236.25 million (2020; Tk. 18,841.43 million) for the year ended 31 December 2021; Negative equity of Tk. 12,054.07 million (2020; Tk. 11,659.25 million) as at 31 December 2021 and capital adequacy ratio of (137.41%) (2020; -133.16%) as against minimum of 12.50% (2020; 12.50%); Profit paying deposits aggregates to BDT 8,762.74 million (2020; Tk. 7,447.01 million) as against the profit earning investment of BDT 1,619.75 million (2020; Tk. 1,852.56 million) as at 31 December 2021; Overall 80.80% (2020 : 78.37%) of investment of the bank is classified. As stated in Note 3.3, these events or conditions, along with other matters as set forth in Note 3.3, indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



Key Audit Matters

Risk	Our response to the risk
Measurement of Provision for Investment	
<p>At year end the Bank reported total investment of BDT 8,435,110,894 (2020: BDT 8,565,231,970) and total provision for investments and off-balance sheet items of BDT 3,635,630,586 (2020: BDT 3,676,807,978). We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in relevant BRPD Circulars. • For individually assessed provisions, the measurement of the provision could be dependent on the value of collateral, estimates of exit values and the timing of cash flows. <p>See Note No. 14.00 to the financial statements</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (CL); • Ensuring compliance with Bangladesh Bank Circulars and Guidelines.

Impairment assessment of Unquoted Investments	
<p>In the absence of quoted price in an active market, the fair value of unquoted shares and securities, especially any impairment is calculated using net asset value per share of last audited accounts of the unquoted company as per BRPD 14/2003.</p> <p>See Notes No. 07.00 to the financial statements</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • Assessing the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process. • We compared the cost price of the shares with their NAVPS as per the companies' last audited accounts. • Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Risk	Our response to the risk
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 testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Other Information

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

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 3, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing 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 Bank to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company.
- 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 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 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 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 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 Bank as disclosed in the note 2.00 to 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 Bank other than matters disclosed in these financial statements.
- iii) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- iv) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- v) the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- vi) the expenditures incurred were for the purpose of the Bank's business for the year;
- vii) the 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; adequate provisions have been made for advance and other assets which are, in our opinion, doubtful of recovery;
- viii) adequate provisions have been made for advance and other assets which are, in our opinion, doubtful of recovery;
- ix) the information and explanation required by us have been received and found satisfactory;
- x) we have reviewed over 80% of the risk weighted assets of the bank and spent over 2950 person hours; and
- xi) as referred in note 15.7, the capital adequacy ratio as on 31 December 2021 was negative (137.41%) as against 12.5% (including 2.5% for capital conservation buffer as required by law). Besides, as per the Oriental Bank Limited (former name of ICB Islamic Bank) Reconstruction scheme 2007, the paid-up capital should have been raised to Taka 7,000 million as against actual paid-up capital which stood at Taka 6,647 million on 31 December, 2021.



M. J. ABEDIN & CO
Chartered Accountants
Reg. No.
Kamrul Abedin, FCA, Partner
Enroll. No: 527
DVC: 2203280527A5996098

Dated, Dhaka
March 24, 2022

ICB ISLAMIC BANK LIMITED
Balance Sheet
as at 31 December 2021

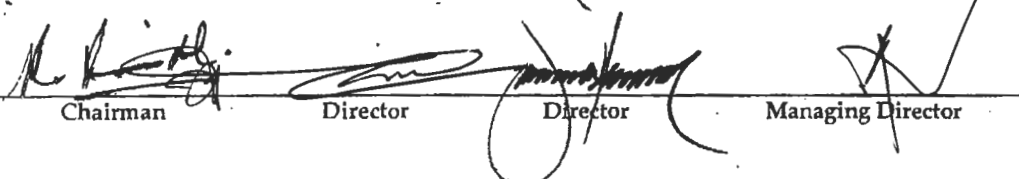
	Notes	Amount in Taka	
		31-Dec-21	31-Dec-20
<u>PROPERTY AND ASSETS</u>			
Cash in hand	4.00	922,990,674	808,783,300
Cash In hand (including foreign currencies)		242,535,652	207,108,582
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		680,455,022	601,674,718
Balance with other banks and financial institutions	5.00	32,692,499	54,253,578
In Bangladesh		16,944,499	24,812,001
Outside Bangladesh		15,748,000	29,441,577
Placement with banks & other financial institutions	6.00	600,400,000	401,200,000
Investments in shares and securities	7.00	110,569,450	260,569,450
Government		-	-
Others		110,569,450	260,569,450
Investments	8.00	8,435,110,894	8,565,231,970
General Investments etc.		8,432,178,428	8,562,302,505
Bills purchased and discounted		2,932,465	2,929,465
Fixed assets including premises	9.00	287,594,554	24,948,999
Other assets	10.00	443,398,504	394,759,930
Non - banking assets	11.00	750,276,130	750,276,130
Total assets		11,583,032,705	11,260,023,357
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Placement from banks & other financial institutions	12.00	4,788,469,861	4,793,869,861
Deposits and other accounts	13.00	12,925,582,536	12,434,118,251
Al-wadeeah current and other deposits accounts		636,702,353	588,542,502
Bills payable		166,996,482	147,969,646
Mudaraba savings deposits		1,537,749,154	1,491,585,484
Mudaraba term deposits		10,584,134,547	10,206,020,619
Other liabilities	14.00	5,923,049,996	5,691,288,125
Total liabilities		23,637,102,393	22,919,276,237
Capital/ Shareholders' equity			
Paid up capital	15.00	6,647,023,000	6,647,023,000
Statutory reserve	16.00	78,810,975	78,810,975
Other reserve	17.00	456,341,806	456,341,806
Surplus in profit and loss account / Retained earnings	18.00	(19,236,245,469)	(18,841,428,662)
Total Shareholders' equity		(12,054,069,688)	(11,659,252,881)
Total liabilities and Shareholders' equity		11,583,032,705	11,260,023,357
Net Asset Value (NAV) Per Share	18.1	(18.13)	(17.54)



ICB ISLAMIC BANK LIMITED
Balance Sheet
as at 31 December 2021


	Notes	Amount in Taka	
		31-Dec-21	31-Dec-20
<u>OFF- BALANCE SHEET ITEMS</u>			
Contingent liabilities	19.00	319,112,113	197,298,015
Acceptances and endorsements		6,374,000	6,374,000
Letters of guarantee	19.1	126,956,700	127,766,288
Irrevocable letters of credit	19.2	137,593,045	19,966,614
Bills for collection	19.3	48,188,367	43,191,112
Other commitments			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities commitments		-	-
Liabilities against forward purchase and sale		-	-
Others		-	-
Total Off-Balance Sheet items including contingent liabilities		319,112,113	197,298,015

The accompanying notes form an integral part of this financial statement.


Chairman Director Director Managing Director

As per our report of even date.

Dated, Dhaka
March 24, 2022

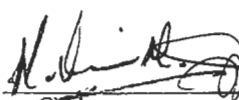
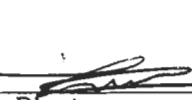



M. J. ABEDIN & CO
Chartered Accountants
DVC: 2203280527AS996098



ICB ISLAMIC BANK LIMITED
Profit and Loss Account
for the year ended 31 December 2021


	Notes	Amount in Taka	
		31-Dec-21	31-Dec-20
Investment Income	20.00	292,123,534	366,058,113
Profit paid on deposits	21.00	(419,102,743)	(459,859,618)
Net investment income		(126,979,208)	(93,801,507)
Income from investments in shares and securities	22.00	4,679,912	4,956,861
Commission, Exchange and Brokerage	23.00	7,550,156	3,207,069
Other operating income	24.00	73,378,485	271,771,768
Total operating income (A)		(41,370,656)	186,134,192
Less: Operating Expenditure			
Salary and Allowances	25.00	164,210,744	179,245,599
Rent, Taxes, Insurance and Electricity	26.00	117,709,508	125,869,178
Legal expenses	27.00	2,467,160	5,874,132
Postage, Stamp and Telecommunication	28.00	6,400,377	6,565,277
Stationery, Printing and Advertisements	29.00	3,381,293	4,820,260
Chief Executive's salary and fees	30.00	14,491,877	14,871,600
Directors' fees & expenses	31.00	2,425,675	82,160
Shariah Supervisory Committee's fees & expenses	32.00	72,000	36,000
Auditors' fees		500,000	500,000
Depreciation and repair of Bank's assets	33.00	31,688,590	39,487,203
Zakat expenses		-	-
Other expenses	34.00	47,832,535	52,177,089
Total operating expenses (B)		391,179,759	429,528,498
Profit/ (loss) before provision (C=A-B)		(432,550,415)	(243,394,305)
Less: Provision for investments	35.00	40,000,000	60,000,000
Specific provision (charged)/released		40,000,000	60,000,000
General provision (charged)/released			
Provision for off-balance sheet items (charged)/released			-
Provision for diminution in value of investments			-
Provision for contingency			-
Other provisions			-
Total provision (D)		40,000,000	60,000,000
Total profit/ (loss) before taxes (C-D)		(392,550,415)	(183,394,305)
Less: Provision for taxation	35.01	2,266,393	3,875,963
Current tax		2,266,393	3,875,963
Deferred tax		-	-
Net profit/(loss) after taxation		(394,816,808)	(187,270,268)
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Retained earnings carried forward	19.00	(394,816,808)	(187,270,268)
Earnings per share (EPS)	40.00	(0.59)	(0.28)

The accompanying notes form an integral part of this financial statement.

 Chairman
 Director
 Director
 Managing Director

As per our report of even date.

Dated, Dhaka
March 24, 2022


M. J. ABEDIN & CO
Chartered Accountants
DVC: 2203280527A S996098



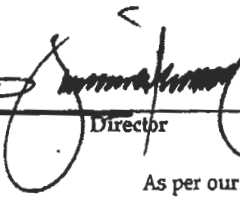



ICB ISLAMIC BANK LIMITED
Cash Flow Statement
for the Year ended 31 December 2021


	Notes	Amount in Taka	
		31-Dec-21	31-Dec-20
A. Cash flows from operating activities			
Investment income receipts in cash		340,210,124	318,430,869
Profit paid on deposits		(397,960,361)	(473,267,881)
Dividend receipts		856,772	1,427,953
Fees and commission receipts in cash		5,918,580	3,207,069
Recoveries of Investments previously written off		35,163,517	237,218,278
Cash payments to employees		(178,702,621)	(190,290,179)
Cash payments to suppliers		(2,946,274)	(4,102,385)
Income taxes paid		(655,429)	(1,685,186)
Receipts from other operating activities	36.00	73,378,485	34,553,490
Payments for other operating activities	37.00	(200,717,181)	(216,105,604)
Cash generated from operating activities before changes in operating assets and liabilities		(325,454,389)	(290,613,577)
Increase / (decrease) in operating assets and liabilities			
Statutory deposits		-	-
(Purchase)/Maturity of trading securities (Treasury bills)		-	-
Investments to other banks		-	-
Investments to customers		130,121,077	(107,158,273)
Placement from banks & other financial institutions		(5,400,000)	(36,000,000)
Other assets	38.00	(8,088,534)	14,042,968
Deposits from other banks / borrowings		(1,888,781)	-
Deposits received from customers		502,166,141	487,141,065
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities	39.00	3,924,003	(112,041,687)
		620,833,905	245,984,073
Net cash used in operating activities		295,379,516	(44,629,503)
B. Cash flows from investing activities			
Debentures		-	-
Proceeds from sale of securities		-	-
Payments for purchases of securities		-	-
Purchase of property, plant and equipment		(6,961,226)	(6,907,043)
Payment against lease obligation		-	-
Proceeds from sale of property, plant and equipment		583,330	2,724,407
Net cash used in investing activities		(6,377,896)	(4,182,636)
C. Cash flows from financing activities			
Increase in paid-up capital		-	-
Dividend paid		-	-
Net Cash from financing activities		-	-
D. Net increase / (decrease) in cash and cash equivalents (A+ B + C)		289,001,621	(48,812,139)
E. Effects of exchange rate changes on cash and cash equivalents		2,844,675	1,071,887
F. Cash and cash equivalents at beginning of the period		1,264,236,877	1,311,977,129
G. Cash and cash equivalents at end of the period (D+E+F)		1,556,083,173	1,264,236,877

ICB ISLAMIC BANK LIMITED
Cash Flow Statement
for the Year ended 31 December 2021

Notes	Amount in Taka		
	31-Dec-21	31-Dec-20	
Cash and cash equivalents at end of the period			
Cash in hand (including foreign currencies)	242,535,652	207,108,582	
Balance with Bangladesh Bank and its agent bank (s)(including foreign currencies)	680,455,022	601,674,718	
Balance with other banks and financial institutions	32,692,499	54,253,578	
Placement with banks & other financial institutions	600,400,000	401,200,000	
Reverse repo	-	-	
Prize bonds	-	-	
	<u>1,556,083,173</u>	<u>1,264,236,877</u>	
Net Operating Cash Flows per share (Taka)	39.01	0.44	(0.07)

 Chairman
  Director
  Director
  Managing Director
 As per our report of even date.

Dated, Dhaka
 March 24, 2022


M. J. ABEDIN & CO
 Chartered Accountants
 DVC: 2203280527AS096098



ICB ISLAMIC BANK LIMITED
Statement of Changes in Equity
for the Year ended 31 December 2021

Particulars	Amount in Taka							
	Paid-up capital	Statutory reserve	Share premium	General/ Other reserves	Assets revaluation reserve	Revaluation surplus on Investment	Retained earnings	Total
Balance as at 1 January 2021	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(18,841,428,662)	(11,659,252,881)
Prior year adjustment	-	-	-	-	-	-	-	-
Restated balance	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(18,841,428,662)	(11,659,252,881)
Surplus / (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus / (deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	(394,816,808)	(394,816,808)
Dividends (Bonus shares)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Appropriation made during the period	-	-	-	-	-	-	-	-
Balance as at 31 December 2021	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,236,245,469)	(12,054,069,688)
Balance as at 31 December 2020	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(18,841,428,662)	(11,659,252,881)

A. L. K. S.
Chairman

J. M. M.
Director

[Signature]
Managing Director



ICB ISLAMIC BANK LIMITED
Liquidity Statement
(Maturity analysis of assets and liabilities)
as at 31 December 2021

Amount in Taka

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	922,990,674	-	-	-	-	922,990,674
Balance with other banks and financial institutions	32,692,499	-	-	-	-	32,692,499
Placement with banks & other financial institutions	150,400,000	450,000,000	-	-	-	600,400,000
Investments in shares and securities	-	100,000,000	-	-	10,569,450	110,569,450
Investments	253,033,327	421,755,545	2,530,533,268	4,217,555,447	1,012,213,307	8,435,110,894
Fixed assets including premises	-	-	8,627,837	23,007,564	255,959,153	287,594,554
Other assets	44,339,850	59,858,798	90,896,693	93,113,686	155,189,477	443,398,504
Non - banking assets	-	50,000,000	300,000,000	400,276,130	-	750,276,130
Total assets (A)	1,403,476,350	1,081,614,343	2,930,057,798	4,733,952,827	1,433,931,388	11,583,032,705
Liabilities:						
Placement from banks & other financial institutions	-	1,100,000	1,100,000	8,800,000	4,777,469,861	4,788,469,861
Deposits and other accounts	387,767,476	775,534,952	2,585,116,507	4,653,209,713	4,523,953,888	12,925,582,536
Other liabilities	122,317,408	73,390,445	48,926,963	5,678,415,181	-	5,923,049,996
Total liabilities (B)	510,084,884	850,025,397	2,635,143,470	10,340,424,894	9,301,423,749	23,637,102,393
Net liquidity gap (A - B)	893,391,467	231,588,946	294,914,328	(5,606,472,067)	(7,867,492,361)	(12,054,069,688)

K. K. M.
Chairman

[Signature]
Director

[Signature]
Director

[Signature]
Managing Director



ICB Islamic Bank Limited
Notes to financial statements
as at and for the year ended 31 December 2021

1. The Bank and its activities

1.1 Corporate information

ICB Islamic Bank Limited (the Bank) is the new legal name of former "The Oriental Bank Limited" which was incorporated on 30 April 1987 as a Public Limited Company titled "Al-Baraka Bank Bangladesh Limited" under the Companies Act, 1913. Certificate for commencement of business was issued to the Bank on 30 April 1987. Bangladesh Bank (country's central bank) authorised the Bank to carry on the banking business in Bangladesh with effect from 04 May 1987 and to undertake and carry out all kinds of banking, financial and business activities, transactions and operations in strict compliance with the principles of Islamic Law (Shariah) relating to business activities in particular avoiding usury in credit and sales transactions and any practice which accounts to usury and actual banking operations commenced on 20 May 1987. Registrar of Joint Stock Companies & Firms approved the revised name (The Oriental Bank Limited) on 31 December 2002 and Bangladesh Bank's approval was accorded on 13 April 2003.

Bangladesh Bank took control of the management of the Bank on 19th June 2006 and appointed Chairman and Managing Director to carry out the functions of day to day affairs of the Bank. Steps were taken by the Government of Bangladesh and Bangladesh Bank to protect the interest of depositors. Measures were taken to restructure and recapitalise the Bank to keep the Bank functioning so that interest of all stakeholders of the Bank could be protected. The Government imposed a moratorium on the business of the Bank and Bangladesh Bank issued "The Oriental Bank Limited (Reconstruction) Scheme 2007" (The "Scheme").

Switzerland-based ICB Financial Group Holdings AG has become the new majority owner of former Oriental Bank, a Bangladeshi Shariah-compliant bank as on 28 February 2008. Emphasis has been placed on improving the technology and infrastructure of the Bank, as well as retaining employees, with a view to provide an improved range of competitive products to customers.

1.2 Nature of business and principal activities

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Shariah, the provisions of the Banking Companies Act 1991 and Bangladesh Bank's directives.

The Bank renders commercial banking services to all types of customers. The range of services offered by the Bank includes accepting deposits, making investments, discounting bills, conducting domestic and international money transfers, carrying out foreign exchange transactions in addition to international money transfers, and offering other customer services such as locker service, collections and issuing letters of credit, guarantees and acceptances. Core business of the Bank includes deposit mobilisation and investing activities comprising short-term, long-term, import and export financing. Financing activities are extended to different sectors of the economy that could be grouped into several sectors including Rural and Agriculture, Garments and Textiles, Jute, Cement and Bricks, Tannery, Steel and Engineering, Food and Beverage, Chemical and Pharmaceuticals, Printing and Packaging, Glass and Ceramics and Miscellaneous.

At a glance, the principal activities of the Bank are to:

- a) facilitate and handle all kinds of commercial banking services to its customers authorised by Bangladesh Bank;
- b) handle the export and import trade; and
- c) take part in international banking, etc.

2. Internal audit, internal control and risk management

The Banking Companies Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Bangladesh Bank Department of Off-site Supervision (DOS) has issued Circular No.-02 dated 15 February 2012 on Risk Management Guidelines for Banks and instructed all scheduled banks operating in Bangladesh to follow this Guidelines for managing various risks which have been complied by the Bank.

Risk Management is the key element for sound corporate governance of the Bank. With a recent addition in regulatory mandates and increasingly active participation of shareholders, the Bank has become increasingly concerned to identify areas of risks in the business, whether it is financial, operational, ICT or reputation risk. The Bank identifies, measures, monitors and manages all risks of the Bank. Sophisticated risk management framework is going to be implemented to carry out efficient risk management exercises of the Bank including documenting and assessing risks, defining controls, managing assessments and audit, identifying issues, implementing recommendations and corrective plans. In accordance with Bangladesh Bank Guidance, the Bank has established a risk framework that consists of six core factors, i.e. (i) Credit/Investment Risk (ii) Asset and Liability/Balance Sheet Risk (iii) Foreign Exchange Risk (iv) Internal Control and Compliance Risk (v) Money Laundering Risk and (vi) Information and Communication Technology Risk.

In addition, the Bank is also following relevant Bangladesh Bank guidelines on risk based capital adequacy, stress testing and managing the banking risks in other core risk areas.

The Bank has established an independent Risk Management Unit (RMU). The RMU conducts stress testing for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

The Bank has also identified the following four key infrastructure components for effective risk management programs:

- a) Proactive Board of Directors and Senior Management's Supervision;
- b) Adequate Policies and Procedures;
- c) Proper Risk-Measurement, Monitoring and Management Information Systems; and
- d) Comprehensive Internal Controls.

2.1 Investment/Credit risk

Investment/Credit risk is simply defined as the failure of a bank borrower or counterparty to meet its obligations in accordance with agreed terms. Financial institutions have been facing difficulties over the years for a multitude of reasons. The major causes of serious banking problems continue to be directly related to lax Investment/Credit standards for borrowers and counterparties, poor portfolio risk management, or a lack of attention to changes in economic or other circumstances that can lead to deterioration in the Investment standing of a bank's counterparties. The goal of Investment/Credit risk management is to maximise a bank's risk-adjusted rate of return by maintaining Investment/Credit risk exposure within acceptable levels. The effective management of Investment/Credit risk is a critical component of a comprehensive approach to risk management and essential to the long-term success of any banking organization. The Basel Committee is encouraging Banks to promote sound practices for managing Investment/Credit risk. The sound Investment/Credit risk management practices include the following areas:

- i. Establishing an appropriate Investment/Credit risk environment;
- ii. Operating under a sound Investment/Credit-granting process;
- iii. Maintaining an appropriate Investment administration, measurement and monitoring process; and
- iv. Ensuring adequate controls over Investment risk.

ICB Islamic Bank Limited is keenly aware of the need to identify, measure, monitor and control Investment/Credit risk as well as to hold adequate capital against these risks for adequate compensation of risks incurred since exposure to Investment/Credit risk continues to be the leading source of problems in Banks world-wide. In this line Bank is following the system as per Guidelines of Bangladesh Bank. Bank has also adopted a policy to review the whole system, from time to time to cope with the multifarious situations.

To comply with the Directive of Bangladesh Bank (DOBB), the Bank has also taken steps for strengthening the function of Investment/Credit Administration i.e. Disbursement, Custodial Duties, Compliance, Investment/credit Monitoring and Recovery to maintain Investment/Credit Risk at the minimum level. In order to achieve this goal, Investment Administration and Supervision Department (IASD) is exerting all out efforts for completion of Security Documentation before disbursement, ensuring adequate Insurance Coverage to cover unforeseen risks, monitoring and follow up after disbursement of Investment/Credit to maintain the investment standard.

Recovery and Monitoring Department is engaged in monitoring the total Investment/Credit Classification position of the Bank vigilantly, managing all Classified and Special Mention Accounts to regularise for maximisation of recovery and ensuring appropriate investment loss provision timely.

2.2 Asset liability risk management

Asset Liability Management (ALM) is one of the key areas of risk management which mainly focuses on liquidity and profit rate risk of the bank. Decisions taken in the ALCO meetings were duly recorded and action plans were implemented by the branches/departments to optimize Bank's financial performances. As a part of regulatory requirement, the Board of Directors also reviewed the ALM manual and its components regularly.

2.3 Foreign exchange risk management

Foreign exchange risk is defined as the potential change in earnings due to unfavourable movement in exchange rates. Generally, the bank is less exposed to foreign exchange risk as all the transactions are carried out on behalf of the customers against L/C commitments and other remittance requirements. The bank has undertaken policy guidelines to minimize the foreign exchange risk for exposure in currency movement. Treasury department has separate front office. Its back office desks are responsible for currency transactions, deal verification and limit monitoring and settlement of transactions separately. The bank continuously revalued all foreign exchange positions at market rate as per the guidelines of Bangladesh Bank. All Nostro Accounts are timely reconciled and all outstanding entries are reviewed on a regular basis.

2.4 Anti-Money laundering risk management

The financial aspects of crime have become more complex due to rapid advancement in technology and the globalize character of the financial services industry. Money-Launderers often use their front companies which co-mingle the proceeds of illicit activity with legitimate funds in order to hide the ill-gotten gains. Therefore, prevention of laundering the proceeds of crime has become a major priority from all jurisdictions from which financial activities are carried out. The policy of the bank includes establishing adequate procedures of customer due diligence, reporting, record keeping, internal control, risk management and communication in order to forestall and prevent operations related to money laundering or financing of terrorism. Central Compliance Unit (CCU) of the Bank is performing supervisory and monitorial activities for the bank's internal procedures on anti-money laundering and anti-terrorism financing. It also ensures that bank complies with the anti-money laundering and anti-terrorism financing legislation, including the Know Your Customer rules.

2.5 Internal control and compliance risk management

Adequate Internal Controls contribute significantly to the improvement of the performance of the banks through enforcing efficient managerial guards. Such control culture is duly reflected in the Policy Guidelines and Structural Changes of the Bank. Now the bank is considering sophisticated organisational structure to exercise strong control culture within the organisation by implementing policy guidelines of internal controls appropriately and strengthening internal controls system.

Internal Control and Compliance Division (ICCD) of the Bank comprises three units, namely (i) Compliance Unit, (ii) Monitoring Unit and (iii) Audit and Inspection Unit. The Division reviews and monitors Bank's Internal Control and Compliance Risk to help the Bank perform better through the use of its resources. The units of the Division are performing their functional activities in accordance with the Bank's own policies as well as guidance notes issued by Bangladesh Bank from time to time for mitigating the Internal Control and Compliance Risks of the Bank.

During the year 2015, Inspection teams of ICCD of the Bank and Bangladesh Bank carried out inspections on different Branches of the Bank and submitted reports thereof. Necessary remedial measures/corrective steps have been taken on the suggestions/observations made in the said reports. The summary of key points of the reports were also placed and discussed in the meeting of the Audit Committee of the Board of Directors. Appropriate actions have also been taken as per the decisions of the said Committee for protecting the Bank's assets.

Compliance: The bank has complied with the regulatory requirements including, the directives of Bangladesh Bank (primary regulator), National Board of Revenue, Securities and Exchange Commission, Registrar of Joint Stock Companies and Finance Ministry etc. having significant impact on the Bank's business.

Compliance is not a one-time event rather it is a continuous process. For this purpose, the bank's Internal Controls have been designed in such a manner so that the compliance with all the relevant regulatory requirements is carried out in each activity of the bank.

Now the Board of Directors and Senior Management of the bank has developed a high ethical and moral standard to ensure strong compliance culture in the bank. In this context, the bank gives priority on the following issues:-

- i. To encourage employees to comply with all the policies, procedures and regulations;
- ii. To maintain continuous liaison with the regulators at all level to obtain regular information on regulatory changes; and
- iii. To establish an effective communication process to distribute smoothly the relevant regulations among the officials of the concerned divisions and branches.

2.6 Information and communication technology risk management

The bank has adequately addressed ICT Risk Management. It is an in-depth exercise and continual process. The ICT Risk Management exercise mainly includes minimising financial loss to the institution in all events such as natural disaster, technological failure, human error etc.

In line with Central Bank directives, the Bank has redrawn its own Information and Communication Technology (ICT) Policies for operations and Services. Under these policy guidelines, a security policy must be worked out and implemented in the server system through Active Directory Services (ADS). It has also been trying to implement through Password Policy, Kerberos Policy, Audit Policy, Group Policy, User Rights, and Permission Policy etc. to abide by and adhere to what is laid down in the policy. It tries to centralize the administrative control to access the Network, Mailing System and access to Internet under this policy.

2.7 Internal audit

Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Bank are consistently followed. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls and accounting.

The Audit Committee of the Bank meets periodically with the internal audit team to review their audit plans, assess the manner in which these auditors are performing their responsibilities and to discuss their reports on, internal controls and financial reporting issues. To ensure complete independence, the internal auditors have full and free access to the members of the Audit Committee to discuss any matter of substance.

A robust Risk Based Internal Audit (RBIA) has been implemented. Risk assessment by Internal Control focuses on compliance with the Bank's policies together with regulatory requirements, social, ethical and environmental risks for risk minimisation and to determine the future growth of the Bank.

Internal audit activities

- i. To review and approve "Internal Audit Charter";
- ii. To guide and approve "Internal Audit Plan";
- iii. To guide and review "Internal Audit Process and Procedure";
- iv. To guide bank management body for ensuring compliance on audit recommendation(s) and scope of development;
- v. To review compliance status of audit recommendation;
- vi. To review annual assessment of the performance of audit and inspection activity; and
- vii. To recommend audit findings to be placed to the Board of Directors.

2.8 Fraud and Forgeries

Bank fraud is the use of potentially illegal means to obtain money, assets, or other property owned or held by a financial institution, or to obtain money from depositors by fraudulently posing as a bank or other financial institution.

To mitigate the fraud the Bank has taken following initiatives:

- a) To review the corrective measures taken by the management with regard to reports relating to fraud-forgery, deficiencies in internal control and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis;
- b) Significantly improving the compliance culture and introducing stricter controls to eliminate fraud exposures; and
- c) To the best of our knowledge and belief, no transactions have been undertaken by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

3. Summary of significant accounting policies and basis of preparation of financial statements

3.1 Reporting framework and compliance thereof:

The Bank is being operated in strict compliance with the rules of Islamic Shari'ah. The financial statements have been prepared in accordance with the guidelines of Islamic Banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009. The Financial Reporting Act (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as banks hence International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991, as amended, the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 1987 and Standards issued by the accounting and auditing organization for Islamic Financial Institutions (AAOIFI). In case any requirement of the Banking Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Banking Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IFRS 9, financial assets generally fall either under at amortized cost, or at fair value through profit and loss account, fair value through other comprehensive income where any change in the fair value at the year-end is taken to profit and loss account or other comprehensive income respectively.

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

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

IFRS: As per requirement of IFRS 9, an entity shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis both of the following criteria:

- a) the entity's business model for managing the financial assets and
- b) the contractual cash flow characteristics of the financial asset.

Bangladesh Bank: HFT securities are revalued on the basis of marked to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and 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 amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) **Provision on investments**

IFRS: As per IFRS 9 an entity shall recognize a loss allowance for expected credit losses on a financial asset through amortised cost or fair value through other comprehensive income to which impairment requirements apply.

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012) and BRPD circular No. 05 (29 May 2013) a general provision @ 0.25% to 5% under different categories of unclassified investments (good and special mentioned accounts) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures except bills for collection and forward guarantees (BRPD circular no. 7 dated 21 June 2018). Such provision policies are not specifically in line with those prescribed by IFRS 9.

iv) **Recognition of profit in suspense**

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once an investment is classified, profit on such investments is not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

IFRS: There are no specific guidelines about profit in suspense in IAS/IFRS.

v) **Other comprehensive income**

IFRS: As per IAS 1 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 through BRPD Circular no.14 dated 25 June 2003 which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

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

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 cannot be made in the financial statements.

vii) **Financial guarantees**

IFRS: Financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value minus the cost that are directly attributable to issue of the financial guarantee. After initial recognition, an issuer of such a guarantee shall subsequently measure it at higher of:

- i. the amount of the loss allowance and
- ii. the amount initially recognised less, when appropriate, the cumulative amount of the income recognised.

Bangladesh Bank: As per BRPD 14, dated 23 September 2012 financial guarantees such as letter of credit, letter of guarantees will be treated as off-balance sheet items. No liability is recognised for the guarantees except the cash margin.

viii) **Cash and cash equivalent**

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

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

ix) **Non-banking asset**

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

Bangladesh Bank: As per BRPD 14, dated 25 June 2003 there must exist a face item named Non-banking asset.

x) **Cash flow statement**

Cash flow statement has been prepared in accordance with IAS-7, "Statement of Cash Flows" and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated June 25, 2003. The cash flow statement shows the structure of changes in cash and cash equivalents during the financial year. It is segregated into operating activities, investing activities and financial activities.

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

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

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

xii) **Presentation of intangible asset**

IFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: Intangible assets are included in Fixed Assets including premises, furnitures and fixtures according to BRPD 14/2003.

xiii) **Off-balance sheet items**

IFRS: There is no concept of off-balance sheet items in any 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 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) **Investments net of provision**

IFRS: Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on investments is presented separately as a liability and can not be netted off against investments.

xv) **Leases**

The International Accounting Standards Board (IASB) issued IFRS 16, Leases, which replaces IAS 17 and sets out the principle for the recognition, measurement, presentation and disclosure of leases. The standard has become effective for all annual reporting periods beginning on or after 1 January, 2019. The Bank has adopted IFRS 16 from the year 2021.

3.2 Consolidation

Separate set of records for consolidation of the statement of affairs and income and expense statement of the branches was maintained at the Head Office of the bank based on which these financial statements have been prepared. All significant inter-branch transactions are eliminated on consolidation.

3.3 Going concern assumption

The Bank has an accumulated loss of Tk. 19,236.25 million for the year ended 31 December 2021; Negative equity of Tk. 12,054.07 million as at 31 December 2021 and capital adequacy ratio of (137.41%) as against minimum of 12.50%; Profit paying deposits aggregates to BDT 8,762.74 million as against the profit earning investment of BDT 1,619.75 million as at 31 December 2021; Overall 80.80% of investment of the bank is classified. Six legal cases have been initiated by the erstwhile promoters against Bangladesh Bank in connection with forfeiture of their shares, the present majority shareholders of ICIBBL are awaiting the outcome of these cases which are still pending in the Appellate Division of the Supreme Court for hearing. The management is optimistic about the cases that the final ruling of the court will be in favour of Bangladesh Bank which will pave the path for injecting fresh capital.

The Bank had presented its financial statements for the year ended 31st December 2021 on a going concern basis.

The initiatives taken by the Bank are cost optimisation, profit maximisation through increasing loans and advances, launching new products, etc. The Bank is considering various options and plans to address the issue of working capital deficiency.

Bangladesh Bank had allowed us to pay the frozen deposits within 4th November 2021. We had applied to Bangladesh Bank on 1st November 2021 for next five years moratorium. We are waiting for the response of Bangladesh Bank for the moratorium of frozen deposits.

3.4 Accruals and deferrals

Deferrals and accruals have been made as per the guidance of IASB Framework: IAS 1: Presentation of Financial Statements. In order to meet their objectives, financial statements except for Statement of Cash Flows and related information are prepared on an accrual basis of accounting. Under this basis, the effects of transactions and other events are recognised when they occur (and not when cash or its equivalent is received or paid) and they are recorded in accounts and reported in the financial statements of the periods to which they relate.

3.5 Revenue recognition

The revenues during the year are recognised on an accrual basis, which comply with the conditions of revenue recognition as provided in IFRS 15 : Revenue from Contracts with Customer, except interest on classified loans which are recognized as interest income on realization basis as per Bangladesh Bank guidelines.

3.5.1 Profit and expenses

Profit income and expenses for all profit-bearing financial instruments except for those classified as held-for-trading or designated at fair value are recognised in the income statement using the effective Profit rates of the financial assets or financial liabilities to which they relate. The effective Profit rate is the rate that exactly discounts estimated future cash receipts or payments earned or paid on a financial asset or financial liability through its expected life or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Group estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the ICB Islamic Bank that are an integral part of the effective Profit rate, including transaction costs and all other premiums or discounts. Profit on impaired financial assets is calculated by applying the original effective Profit rate of the financial asset to the carrying amount as reduced by any allowance for impairment.

3.5.2 Non-profit Income

3.5.2.1 Fees and commissions

Fees and commissions are accounted for as follows:

- i. Income earned on the execution of an activity is recognised as revenue when the activity is completed;
- ii. Income earned from providing services over a period of time is recognised over the service period during which the related service is provided or credit risk is undertaken; and
- iii. Income which forms an integral part of the effective profit rate of a financial instrument is recognised and recorded as profit income.

3.5.2.2 Dividend income

Dividend income is recognised when the right to receive the payment is established.

3.5.2.3 Income from Investment in Bangladesh Government Islamic Investment Bond (BGIIB)

Profit from Investment in Bangladesh Government Islamic Investment Bond (BGIIB) is accounted for on an accrual basis.

3.5.2.4 Letters of credit, letters of guarantee and others

Commission charged to customers on letters of credit and letters of guarantee is credited to income at the time of effecting the transactions.

3.5.2.5 Profit paid and other expenses

In terms of the provision of IAS 1: Presentation of Financial Statements, profit paid and other expenses are recognised on an accrual basis.

3.6 Foreign currency translation

3.6.1 Foreign currency transactions (IAS 21)

- Transactions in foreign currencies are translated into Taka at the foreign exchange rates prevailing on the balance sheet date.
- Monetary assets and liabilities in foreign currencies are expressed in Taka at the rates of exchange prevailing on the balance sheet date.
- Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

The assets and liabilities in foreign currencies are translated to Taka at exchange rates prevailing at the balance sheet date. The results of foreign entities are translated at the average rate of TT clean and TT and OD for the year ended 31 December 2020.

Exchange rates with major foreign currencies on 31 December 2021 were as follows:

Currency name	Exchange rate (Taka)
US Dollar	85.80
Euro	115.39
GBP	109.94

3.6.2 Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date.

3.6.3 Translation gains and losses (IAS 21)

As per provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, foreign currency transactions are translated into Taka at rates prevailing on the dates of such transactions and exchange gains or losses arising out of the said transactions are recognised as income or expense for the year in which the exchange account is dealt with.

3.7 Assets and their basis of valuation

3.7.1 Cash and cash equivalents

As per provision of IAS 7: Statement of Cash Flows, for the purpose of the Statement of Cash Flows of the Bank, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including: cash and balances with central bank, treasury bills, and other eligible bills, amounts due from other banks and dealing securities other than those which are not available to finance the ICB- Islamic Bank's day to day operations.

3.7.2 Investments

Investments are stated at gross amount. Provision and Profit suspense against investments are shown separately as liability. Profit income is accounted for on an accrual basis until the investments are defined as classified accounts as per Bangladesh Bank guidelines.

As per BRPD circular no. 14 dated 23 September 2012, Profit on classified Investments (other than bad/loss investments) is required to be credited to profit suspense account instead of income account. Such profit kept in suspense account should be reversed to income account only when respective investment accounts become regular and classified in each.

3.7.2.1 Provision for Investment

Provision against classified loans and advances is made on the basis of periodical review by the management and instruction contained in BCD Circular No. 12 dated 04 September 1995, BRPD circular No. 16 dated 06 December 1998, BRPD circular No. 09 dated 14 May 2001, BRPD circular No. 02 dated 15 February 2005, BRPD circular No. 05 dated 27 April 2005 and BRPD circular No. 32, dated 27 October 2010, BRPD Circular No 14 dated 23 September 2012, BRPD Circular No. 05 dated 29 May 2013 and BRPD Circular No. 03 dated 21 April 2019. The provisioning rates as per Bangladesh Bank circulars are as follows:

Business Unit	Unclassified		Classified			
	Standard	SMA	SS	DF	BL	
Short term Agri. Credit	2.5%	-	5%	5%	100%	
Consumer	Housing Finance	1%	1%	20%	50%	100%
	Loan for Professionals	2%	2%	20%	50%	100%
	Other than Housing Financing & Professionals	5%	5%	20%	50%	100%
Housing Finance	0.25%	0.25%	20%	50%	100%	
Loan for Professionals	2%	2%	20%	50%	100%	
Other than Housing Financing & Professionals	1%	1%	20%	50%	100%	
Off balance sheet exposure - 1% (except for bills for collection)						

3.7.2.2 Security against Investments:

- i. Project investment-land and building, FDR and other movable assets have been taken as a security in the form of mortgage.
- ii. Working capital and trading investment-Goods are taken as security in the form of pledge and also goods are taken as security in the form of hypothecation along with land and building, FDR and other movable assets as a mortgage.
- iii. House building investment-Lands and buildings are taken as security in the form of mortgage.

3.7.2.3 Bills purchased and discounted

Bills purchased and discounted do not include Government Treasury bills and have been classified into two sub-heads viz.

- i. Payable in Bangladesh and
- ii. Payable outside Bangladesh.

The bills purchased and discounted have been analysed in the form/terms as per the maturity grouping.

3.8 Investment in shares and securities

The Bank determines the classification of its investments at initial recognition and classifies its financial assets as follows:

3.8.1 Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term if so designated by management.

3.8.2 Investment and receivables

Investment and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Bank provides money, goods or services directly to a debtor with no intention of trading the receivables.

3.8.3 Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity. If the Group sells other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

3.8.4 Available-for-sale investment

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in profit rates, exchange rates or equity prices.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity and available-for-sale are recognized on trade-date (the date on which the ICB Islamic Bank commits to purchase or sell the asset). Investment is recognized when cash is advanced to the borrowers. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Investment and receivables and held-to-maturity investments are carried at amortized cost using the effective Profit method. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity, until the financial asset is derecognized or impaired at which time the cumulative gain or loss previously recognized in equity is recognized in profit or loss. However, Profit calculated using the effective Profit method is recognized in the income statement. Dividends from available-for sale equity instruments are recognized in the income statement when the entity's right to receive payment is established. The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), ICB Islamic Bank establishes fair value by using the book value of last audited balance sheet.

3.8.5 Valuation Method

Investments have been shown under two broad categories viz Government Securities and Other Investments.

Investments have been considered as follows:

Particulars	Valuation Method
Government Securities:	
Government Treasury Bills	Market Value
Other Investments:	
Shares of CDBL	Cost Price
Bangladesh Commerce Bank Limited	Cost Price

3.9 Offsetting financial instruments

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

3.10 Acceptance receivables and payables

Acceptance receivables and payables are stated at the value of the Letter of Credit or realised value of the Letter of Credit accepted by accepting banks. The acceptance receivables are presented net of allowance for possible losses.

3.11 Foreclosed properties

Foreclosed properties are recorded at the lower of its fair value (less costs to sell) and the carrying amount of the investment (net of impairment allowance) at the date of foreclosure. No depreciation is provided in respect of foreclosed properties. Any subsequent write down of foreclosed properties to fair value (less cost to sell) is recorded as a fair value change and included in the income statement. Any subsequent increase of the fair value (less cost to sell), to the extent this does not exceed the cumulative fair value change, is recognised in the income statement.

3.12 Software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on straight-line basis over the expected useful lives of three to five years. Costs associated with developing or maintaining computer software programmers are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Bank and that will probably generate economic benefits exceeding costs beyond one year are recognised as Core Banking Software.

3.13 Property and equipment

All property and equipment are stated at historical cost/ revaluation less any impairment losses and depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Bank and the cost of the items can be measured reliably. All other repairs and maintenance are charged to the Profit and Loss Account during the financial period in which they are incurred.

Depreciation on fixed assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	<u>Name of the assets</u>	<u>Depreciation rate</u>
i.	Furniture and fixtures	10%
ii.	ATM	20%
iii.	Software	20%
iv.	Office equipments	20%
v.	Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Property and Equipment is subject to an impairment review if there are events or changes in circumstances which indicate that the carrying amount may not be recoverable. Up to 31 December 2007 bank charged depreciation on fixed assets using the reducing balance method which changed in 2008 and adjustment are incorporated with current year depreciation.

3.14. Non banking assets

This represents assets acquired by the Bank upon the agreement with the client and Honourable Court's order against investment. Bank has taken the ownership of the non-banking assets on the basis of power of attorney of Bishal Centre on 8 March 2005 and Kushal Centre on 13 June 2000 against settlement of Investments. Bank is now trying to transfer the ownership related document in its name by obtaining mutation. First acquisition amount against two properties i.e. Bishal Centre BDT 220,000,000; Kushol Centre BDT 75,000,000 and total amounting BDT 295,000,000. Subsequently M/s Huda Vasi Chowdhury & Co. revaluated the Properties on 31 December 2009 Bishal Centre at BDT 607,776,130 and Kushol Centre at BDT 142,500,000.

3.15 Taxation

Tax expenses represent the sum of the tax currently payable and deferred tax.

3.15.1 Current tax

Income tax on the profit or loss for the year comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognized directly in shareholder's equity in which case it is recognized in shareholder's equity.

As per requirement of IAS 12: Income Taxes, the Bank has a policy to measure current tax liability at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Tax rate is 37.5% as prescribed in Finance Act 2020 on taxable profits of the banks and financial institutions. The Bank was not required to provide income tax as it has previous assessed loss which will offset the taxable income. But as per requirement of Income Tax Ordinance 1984, minimum tax @ 0.60% of gross receipts has been provided for in the financial statements.

3.15.2 Deferred Tax

As per provision of IAS 12: Income Taxes, deferred tax assets and deferred tax liabilities shall be measured and reflect the tax consequence of the entity at the balance sheet date.

Deferred tax is recognised, using the liability method on temporary differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences; unused tax loss and unused tax credit can be utilised. The tax rate 37.5 prevailing at the balance sheet date is used to determine deferred tax.

The Bank did not recognise any deferred tax during the year as there would have arisen deferred tax income if deferred tax was recognised due to huge loss of the Bank at balance sheet the date which is adjustable against future profits.

3.16 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (BDT). All values are rounded to the nearest Taka.

3.17 Critical accounting estimates and judgments in applying accounting policies

As per provision of IAS 1 : Presentation of Financial Statements, the preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.17.1 Valuation of financial instruments

The Bank's accounting policy for valuation of financial instruments is included in Note 3.1. As required by IAS 19: Employee Benefit, provident fund and gratuity benefits are given to eligible staff of the Bank in accordance with the locally registered rules and the entity shall disclose the amount recognized as an expense for defined contribution plan.

3.18 Liabilities and provision

3.18.1 Retirement benefits of employees

3.18.1.1 Provident fund

Provident fund benefits are given to the staff of the Bank in accordance with the registered Provident fund rules. The commissioner of Income Tax, Large Tax-Payers Unit, Dhaka has approved the Provident Fund as a recognised 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 fund is operated by a Board of Trustees consisting of 06 (six) 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 to the fund. Contributions made by the bank are charged as an expense. Profit earned from the investments is credited to the members' account on half yearly basis.

3.18.1.2 Gratuity

As per service rules of the Bank, every permanent employee is entitled to 50% of basic salary for 5 to 10 years, 75% of basic salary for 10 to 15 years and 100% of basic salary for more than 15 years for every completed year of services with the Bank. Sufficient provision has created for gratuity in the financial statements as at 31 December 2020.

3.18.2 Provisions and accrued expenses

Provisions and accrued expenses are recognised 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.

3.19 Deposits and other accounts

As per requirement of paragraph 39 of IFRS 7: Financial Instruments: Disclosures, deposits and other accounts including bills payable of the Bank have been analysed in terms of the maturity grouping showing separately other deposits and inter-bank deposits.

3.20 Contingent liabilities, commitments and other off-balance sheet items

As required by BRPD 14/2003, contingent Liabilities, commitments and other off-balance sheet items are presented in details in the financial statements.

3.21 Nostro reconciliation position:

The Bank maintains 04 Nostro accounts with various banks outside the country. Reconciliation of Nostro accounts has been completed up to 31 December 2021.

3.22 Statement of cash flows

IAS 1: Presentation of Financial Statements, requires that a statement of cash flows is to be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with a basis to assess the ability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows. Statement of Cash Flow has been prepared in accordance with BRPD Circular No. 14 dated 25 June 2003.

3.23 Comparative Information

As per requirement of IAS 1: Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

Comparative information is rearranged wherever necessary to conform with the current presentation.

3.24 Earnings Per Share (EPS)

Earnings per share has been calculated in accordance with IAS 33: Earnings Per Share (EPS) which has been shown on the face of profit and loss account and the computation of EPS has been stated in Note 40.

3.24.1 Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.24.2 Weighted average number of ordinary shares outstanding during the year

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

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
4.00	Cash in hand		
(a)	Cash in hand		
	i) In local currency	231,451,579	195,538,630
	ii) In foreign currency (<i>note - 4.1</i>)	11,084,073	11,569,952
	Sub-total (a)	242,535,652	207,108,582
(b)	Cash with Bangladesh Bank and its agents (Sonali Bank) (<i>note - 4.2</i>)		
	Balance with Bangladesh Bank (<i>note - 4.2</i>)	634,880,231	564,582,678
	Balance with Sonali Bank (as agent of Bangladesh Bank)	45,574,791	37,092,039
	Sub-total (b)	680,455,022	601,674,718
	Grand Total (a+b)	922,990,674	808,783,300
4.1	In foreign currency		
	<u>Foreign Currency</u>	<u>Amount in F.C</u>	<u>Exchange Rate</u>
	US Dollar	35,100	85.80
	Great Britain Pound	69,520	115.39
	Euro	525	96.65
	Total	11,084,073	11,569,952
4.2	Cash with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	(i) In local currency	614,415,607	555,347,203
	(ii) In foreign currency	20,464,624	9,235,475
	Sub-total (a)	634,880,231	564,582,678
	Balance with Sonali Bank		
	In local currency (b)	45,574,791	37,092,039
	Grand Total (a+b)	680,455,022	601,674,718
4.3	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)		
	Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and MPD circular nos. 04 and 05 dated December. The Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 5.5% has been calculated and maintained with Bangladesh Bank in current account and Statutory Liquidity Ratio of the bank is 5.5% and bank maintained above the requirement as follows:		
(a)	Cash Reserve Requirement		
	Required reserve	387,026,000	393,530,000
	Actual reserve maintained	610,801,000	554,684,000
	Surplus / (deficit)	223,775,000	161,154,000
(b)	Statutory Liquidity Ratio		
	Required reserve	532,160,000	541,103,000
	Actual reserve maintained	611,786,000	655,283,000
	Surplus / (deficit)	79,626,000	114,180,000
4.4	Held for Statutory Liquidity Ratio		
	Cash in hand (<i>note -4.a</i>)	242,535,652	207,108,582
	Cash with Bangladesh Bank (after maintaining CRR) and its agents (Sonali Bank)	194,479,887	194,479,887
	Government securities (<i>note-7. a</i>)	-	-
	Government bonds (<i>note-7.c. iii</i>)	100,000,000	250,000,000
		537,015,539	651,588,470

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
7.00	Investments in shares and securities		
	Holding Share	Cost	
a) Government		-	-
Sub-total (a)		-	-
b) Investment in subsidiary companies		-	-
sub-total (b)		-	-
C) Others:			
i) Bangladesh Commerce Bank Ltd. (Un-quoted)	90,000	9,000,000	9,000,000
ii) CDBL (Un-quoted)	156,945	1,569,450	1,569,450
Bonus Share	414,236		
Total CDBL	571,181		
iii) Islamic Bond		100,000,000	100,000,000
Total Others		110,569,450	110,569,450
Total (a+b+c)		110,569,450	260,569,450

Net asset value per share of Bangladesh Commerce Bank Ltd was Tk. (2.00) as on 31 December 2021 for which we have maintained sufficient provision (note no. 14)

(i) Investment classified as per Bangladesh Bank Circular:

Held for trading (HFT)	-	-
Held to maturity (HTM)	-	-
Other securities	110,569,450	260,569,450
	110,569,450	260,569,450

(ii) Investment classified as per nature:

a) Government securities:		
28 days treasury bills	-	-
30 days treasury bills	-	-
91 days treasury bills	-	-
182 days treasury bills	-	-
364 days treasury bills	-	-
Reverse repo with Bangladesh Bank	-	-
2 years treasury bills	-	-
5 years treasury bills	-	-
Government bonds:		
Prize bonds	-	-
Government bonds	-	-
	-	-
b) Other investments:		
Shares and Bonds	110,569,450	260,569,450
	110,569,450	260,569,450

7.1 Maturity grouping of investments

On demand	-	-
Up to 1 month	-	-
Over 1 month but not more than 3 months	100,000,000	100,000,000
Over 3 months but not more than 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	10,569,450	10,569,450
	110,569,450	110,569,450

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
7.2	Investment in shares		
	Quoted	-	-
	Unquoted:		
	Bangladesh Commerce Bank Ltd. (90,000 Shares)	9,000,000	9,000,000
	Central Depository Bangladesh Limited. (571,181 Shares)	1,569,450	1,569,450
		10,569,450	10,569,450
		10,569,450	10,569,450
7.2.1	Investment in shares of Bangladesh Commerce Bank Limited (BCBL) refers to conversion of balance receivable into share capital of BCBL which is a non-listed Public Limited Company.		
7.2.2	During the year 2006 a sum of Taka 1 (one) million was invested for 1 (one) million shares of Central Depository Bangladesh Limited(CDBL). Per share face value was Tk.1/- now per share face value is Tk.10/-		
8.00	Investments		
	General Investments etc. (note-8.2.i)	8,432,178,428	8,562,302,505
	Bills purchased and discounted (note-8.2.ii)	2,932,465	2,929,465
		8,435,110,894	8,565,231,970
8.1	Maturity-wise classification		
	(i) Repayable on demand	253,053,327	256,956,959
	With a residual maturity of		
	(ii) Not more than 3 months	421,755,545	428,261,599
	(iii) Over 3 months but not more than 1 year	2,530,533,268	1,713,046,394
	(vi) Over 1 year but not more than 5 years	4,217,555,447	5,139,139,182
	(v) More than 5 years	1,012,213,307	1,027,827,836
		8,435,110,894	8,565,231,970
8.2	Mode-wise Investment		
	(i) General Investments etc.		
	Inside Bangladesh		
	Murabaha-Com.-Advance Agt. Imported Merchandise (AIM)	106,423,649	106,341,699
	Murabaha (Pledge)	145,854,458	105,043,822
	Murabaha Under Secured Guarantee (MUSG)	89,828,058	95,044,124
	Bai-Muajjal(Hypothecation)	3,886,186,018	4,016,789,139
	Bai-Muajjal - PC	12,188,432	12,176,432
	Bai-Muajjal - TR	659,070,269	658,565,666
	Payments Against Documents (Cash)	83,334,353	83,271,153
	Bai-Muajjal (ICBIBLCFS)	29,939,747	30,130,476
	Bai Muajjal - Forced Investment (Against B/B - L/C)	70,652,515	70,600,865
	Staff Loan - Provident Fund	-	-
	Hire Purchase	2,847,346,287	2,879,584,108
	HP House Building - Staff	-	-
	HP House Building - General	501,354,642	504,755,021
		8,432,178,428	8,562,302,505
	Outside Bangladesh	-	-
		8,432,178,428	8,562,302,505
	(ii) Bills purchased and discounted (note-8.9)		
	Payable Inside Bangladesh		
	Inland bills purchased	2,932,465	2,929,465
	Payable Outside Bangladesh		
	Foreign bills purchased and discounted	-	-
		2,932,465	2,929,465
		8,435,110,894	8,565,231,970
8.2.1	Geographical location-wise classification of Investments		
	(i) Inside Bangladesh		
	a. In Urban Areas	8,435,110,894	8,565,231,970
	a. In Rural Areas	-	-
		8,435,110,894	8,565,231,970
	(ii) Outside Bangladesh	-	-
		8,435,110,894	8,565,231,970

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
8.2.2	Division-wise classification of Investments		
	<u>Name of the Division</u>		
	Dhaka Division	7,110,922,966	7,187,620,171
	Chittagong Division	755,517,783	768,191,438
	Khulna Division	393,187,079	429,229,632
	Rajshahi Division	70,556,420	76,861,368
	Barisal Division	5,024,837	4,095,234
	Sylhet Division	99,901,809	99,234,128
	Rangpur Division	-	-
		8,435,110,894	8,565,231,970
8.3	Group-wise classification of Investments		
	a) Investments to Directors	-	-
	b) Investments to Chief Executive and other senior executives	-	-
	c) Investments to customer groups:		
	ii) Export financing	3,138,286	3,132,286
	iii) House building loan	501,354,642	504,755,021
	iv) Consumers credit scheme	157,560,705	157,505,360
	v) Small and medium enterprises	5,897,975,162	6,033,970,944
	vii) Staff loan	2,279,932	2,975,586
	viii) Other Investments	1,183,526,891	1,188,431,926
		7,745,835,617	7,890,771,124
	d) Industrial Investments		
	i) Agricultural industries	-	-
	ii) Textile industries	-	-
	iii) Food and allied industries	-	-
	v) Leather, chemical, cosmetics, etc.	-	-
	vi) Tobacco industries	-	-
	viii) Service Industries	538,939,587	519,644,102
	ix) Transport and communication industries	-	-
	x) Other industries	150,335,690	154,816,745
		689,275,277	674,460,847
		8,435,110,894	8,565,231,970
8.4	Classification of status-wise Investments		
	Unclassified	Percentage	
	Standard including staff loan	18.12%	1,528,718,571
	Special mention account (SMA)	1.08%	91,027,171
		19.20%	1,619,745,742
	Classified		
	Sub-standard	0.15%	12,713,810
	Doubtful	0.00%	-
	Bad / Loss	80.65%	6,802,651,342
		80.80%	6,815,365,151
		100%	8,435,110,894
			8,565,231,970
8.5	Particulars of Investments		
	i) Investments considered good in respect of which the Bank is fully secured	1,528,718,571	1,601,165,932
	ii) Investments considered good against which the Bank holds no security other than the debtors' personal guarantee	177,478,215	115,128,705
	iii) Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
	iv) Investments adversely classified; provision not maintained there against	-	-
		1,706,196,786	1,716,294,637

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
v)	Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	-	-
vi)	Investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies, as members	-	-
vii)	Maximum total amount of advances / investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	-	-
viii)	Maximum total amount of advances / investments, including temporary advances / investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members		
ix)	Due from banking companies	-	-
x)	Classified Investments		
	a) Classified Investments on which interest has not been charged (<i>note-8.4</i>)	6,815,365,151	6,712,665,493
	b) Provision on classified Investments (<i>note-13.1</i>)	3,616,316,907	3,657,494,299
	c) Provision required against Investments classified as bad debt	3,572,257,142	3,560,022,958
	d) Interest credited to Interest Suspense Account (<i>note-13.2</i>)	1,134,716,889	1,160,759,880
xi)	Cumulative amount of written off Investments		
	Opening Balance	5,851,155,406	5,851,155,406
	Amount written off/Waved during the year	-	-
		5,851,155,406	5,851,155,406
	Amount realised against Investments previously written off	35,307,193	237,218,278
	The amount of written off / classified Investments for which law suits have been filed	3,627,049,734	3,627,049,734
	Written-off include, Written-off Tk. 3,685,282,078 on which we have the right to law suits and Waved Tk. 2,165,873,328 on which we have no right to law suits.		
xii)	Verification of Financial Statements through Document Verification System (DVS):		
	As per BRPD circulars letter no 4/2021, it has been ensured that latest available audited financials are preserved in the credit file of all our clients. In addition to that as per BRPD circular letter no 35/2021, we are trying to take the authorization to access in DVS by the Institute of Chartered Accountants of Bangladesh (ICAB). We will implement verification of financials through DVS for all our clients after taking the authorization to access in DVS.		
8.6	Sector-wise Investments including bills purchased and discounted		
	Public sector	-	-
	Co-operative sector	-	-
	Private sector	8,435,110,894	8,565,231,970
		8,435,110,894	8,565,231,970
8.7	Details of large Investments		
	Number of clients with outstanding amount and classified Investments exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 6,647 million as at 31 December 2016 (Tk. 6,647 million in 2015).		
	Number of clients	Nil	Nil
	Amount of outstanding advances / investments	Nil	Nil
	Amount of classified advances / investments	Nil	Nil
	Measures taken for recovery	Nil	Nil

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
8.8	Particulars of required provision for Investments		
		Base	Rate
	Status	for provision	(%)
	General Provision		
	Investments (Excluding SMA)	1,528,718,571	*Various
	Special mention account (SMA)	59,363,285	*Various
		20,076,836	62,667,533
	Specific provision		
	Sub-standard	3,806,176	20
	Doubtful	-	50
	Bad / Loss	3,572,257,142	100
		3,573,018,377	3,566,528,683
	Required provision for Investments	3,593,095,213	3,629,196,216
	Total provision maintained (note - 13.1)	3,631,316,907	3,672,494,299
	Excess / (short) provision as at 31 December 2021	38,221,694	43,298,082
8.9	Bills purchased and discounted		
	Payable in Bangladesh	2,932,465	2,929,465
	Payable outside Bangladesh	-	-
		2,932,465	2,929,465
8.9.1	Maturity grouping of bills purchased and discounted		
	Payable within one month	586,493	585,893
	Over one month but less than three months	1,466,233	1,464,733
	Over three months but less than six months	879,740	878,840
	Six months or more	-	-
		2,932,465	2,929,465
9.00	Fixed assets including premises		
	Furniture and fixtures	12,855,616	14,487,096
	ATM	542,275	801,579
	Software	565,855	859,543
	Office equipments	5,668,815	6,345,141
	Vehicles	3,463,981	2,455,640
	Right to Use Assets (ROU)	264,498,012	-
	Net book value at the end of the year (Annexure-B)	287,594,554	24,948,999
10.00	Other assets		
	Stationery and stamps	2,397,963	2,099,871
	Prepaid expenses	11,047,444	15,060,279
	Income receivable	124,441,254	84,546,643
	Advance Payment of Income Tax	161,953,261	161,297,832
	Advance deposits	812,585	812,585
	Advance agt. Rent	21,821,088	17,281,815
	Possession Rights of Premises	1,229,530	1,329,970
	Branch adjustments account (note-10.1)	(2,148,699)	(2,071,241)
	Suspense account (note -10.2)	48,656,312	41,766,807
	Sundry assets (note -10.3)	3,210,374,010	3,209,821,613
		3,580,584,749	3,531,946,175
	Less: Provision (Note 10.4)	3,249,927,695	3,249,927,695
		330,657,053	282,018,479
	Deferred tax assets	112,741,451	112,741,451
		443,398,504	394,759,930

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
10.1 Branch adjustments account			
General Accounts Debit		36,000	(1,948,699)
General Accounts Credit		(2,184,699)	(122,542)
		(2,148,699)	(2,071,241)

Un-reconciled entries of Inter Branch Transactions In Bangladesh

	Number of Unresponded		Unresponded entries	
	Dr	Cr	Dr	Cr
Up to 3 months	4	9	36,000	236,000
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years		1		1,948,699
	4	10	36,000	2,184,699

Branch adjustment account represents outstanding Inter-branch and Head Office transactions (Net) originated but yet to be responded at the balance sheet date .

10.2 Suspense account		
Sundry Debtors	9,828,706	8,226,222
Protested Bill	34,927,999	32,297,085
Advance against TA/DA	17,100	89,400
Advance Payment of Profit	259,706	722,940
Advance Against Commemorative	23,160	23,160
Security Money a/c	3,599,640	408,000
	48,656,312	41,766,807

10.3 Sundry assets		
Adjustable Blocked Account	1,896,587,714	1,896,587,714
Adjustable Blocked Account 2006	1,306,859,839	1,306,859,839
OC Outstanding For Coll.	-	-
Non Resident Uk	3,301,487	3,301,487
Receivable A/c-Western Union	2,624,970	2,072,573
Receivable A/c- RIA	1,000,000	1,000,000
	3,210,374,010	3,209,821,613

10.4 Provision for other assets		
Balance as on 1 January	3,249,927,695	3,249,927,695
Less: Adjustment during the year	-	-
Balance as on 31 December	3,249,927,695	3,249,927,695

Item-wise breakup of the above provision for other assets is as under:

Adjustable Blocked Account	1,896,587,714	1,896,587,714
Adjustable Blocked Account 2006	1,306,859,839	1,306,859,839
Non-Resident UK	3,301,487	3,301,487
Protested bill	34,927,999	32,297,085
Suspense A/c- Sundry Debtor	6,073,642	8,226,222
Total Provision	3,247,750,681	3,247,272,347
Excess Provision	2,177,014	2,655,348
	3,249,927,695	3,249,927,695

11.00 Non-banking Assets		
Balance as on 1 January	750,276,130	959,131,486
Revaluation reserve	-	-
Add: Cost capitalized during the year	-	-
Add: Acquisition during the year	-	-
Less: Sales during the year	-	(208,855,356)
	750,276,130	750,276,130

Opening balance include revaluation reserve BDT. 552,885,232

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
12.00	Placement from banks & other financial institutions		
	In Bangladesh (note-12.1)	4,788,469,861	4,793,869,861
	Outside Bangladesh (note-12.2)	-	-
		4,788,469,861	4,793,869,861
12.1	In Bangladesh		
	<u>Name of the Bank/Financial Instituti</u>	<u>Maturity At</u>	<u>Nature</u>
	Bangladesh Bank	Under Scheme	Frozen
	(Islami investment bond's fund)		
	Rediscount from Bangladesh Bank	Under Scheme	Frozen
	Call Borrowing	Under Scheme	Frozen
		1,657,720,555	1,657,720,555
		2,600,300,000	2,605,300,000
		530,449,306	530,849,306
		4,788,469,861	4,793,869,861
12.2	Outside Bangladesh	-	-
12.3	Security against borrowings from other banks, financial institutions and agents		
	Secured (Bill of Exchange and DP note)	4,788,469,861	4,793,869,861
	Unsecured	-	-
		4,788,469,861	4,793,869,861
12.4	Maturity grouping of borrowings from other banks, financial institutions and agents		
	Payable on demand	-	-
	Up to 1 month	-	-
	Over 1 month but within 3 months	1,100,000	1,100,000
	Over 3 months but within 1 year	1,100,000	1,100,000
	Over 1 year but within 5 years	8,800,000	8,800,000
	Over 5 years	4,777,469,861	4,782,869,861
		4,788,469,861	4,793,869,861
13.00	Deposits and other accounts		
	Deposits from banks (note -13.1.a)	1,899,633,917	1,901,522,699
	Deposits from customers (note-13.1.b)	11,025,948,619	10,532,595,553
		12,925,582,536	12,434,118,251
	(Customer deposits includes Frozen deposits Tk. 2,263,204,647)		
13.1	(a) Deposits from Banks		
	Al-wadeeah current and other deposits accounts	-	-
	Bills payable	-	-
	Mudaraba savings deposits	162,028,729	162,125,894
	Mudaraba Term Deposits (MTD)	1,737,605,189	1,739,396,805
		1,899,633,917	1,901,522,699
	(b) Deposits from customers		
	i) Al-wadeeah current and other deposits accounts		
	Al-wadeeah current and other deposits accounts	468,184,197	442,644,943
	Foreign currency deposits	2,586,666	2,591,315
	Sundry deposits (note - 12.3)	165,931,490	143,306,244
		636,702,353	588,542,502
	ii) Bills payable		
	Pay orders issued	166,996,482	147,969,646
	Demand draft	-	-
	Foreign demand draft	-	-
	Banker Cheque Issued	-	-
		166,996,482	147,969,646

	Amount in Taka	
	as at	
	31-Dec-21	31-Dec-20
iii) Mudaraba savings deposits	1,375,720,426	1,329,459,590
iv) Mudaraba Term Deposits (MTD)		
Mudaraba Term deposits	8,039,854,506	7,152,194,090
Mudaraba Short Term deposits	391,706,753	934,230,702
Scheme deposits	414,968,099	380,199,022
	8,846,529,358	8,466,623,814
	11,025,948,619	10,532,595,553
	12,925,582,536	12,434,118,251
13.2 Deposits and other accounts		
Al-wadeeah current and other deposits accounts		
Deposits from banks (note -13.1.a)	-	-
Deposits from customers (note-13.1.b.i)	636,702,353	588,542,502
	636,702,353	588,542,502
Bills payable		
Deposits from banks (note -13.1.a)	-	-
Deposits from customers (note-13.1.b.ii)	166,996,482	147,969,646
	166,996,482	147,969,646
Mudaraba savings deposits		
Deposits from banks (note -13.1.a)	162,028,729	162,125,894
Deposits from customers (note-13.1.b.iii)	1,375,720,426	1,329,459,590
	1,537,749,154	1,491,585,484
Mudaraba Term Deposits (MTD)		
Deposits from banks (note -13.1.a)	1,737,605,189	1,739,396,805
Deposits from customers (note-13.1.b.iv)	8,846,529,358	8,466,623,814
	10,584,134,547	10,206,020,619
	12,925,582,536	12,434,118,251
13.3 Sundry deposits		
Security Deposit Receipt	-	-
FC Fund Purchased	-	-
Non Resident Taka	-	-
Non Resident US\$	476,631	471,090
Profit payable on deposits	103,390,067	112,203,141
Others	62,064,792	30,632,013
	165,931,490	143,306,244
13.4 Maturity analysis of deposits		
Up to 1 month	387,767,476	373,023,548
Over 1 month but within 3 months	775,534,952	746,047,095
Over 3 months but within 1 year	2,585,116,507	3,357,211,928
Over 1 year but within 5 years	4,653,209,713	4,476,282,570
Over 5 years but within 10 years	2,972,883,983	2,859,847,198
Over 10 years	1,551,069,904	621,705,913
	12,925,582,536	12,434,118,251

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
14.00	Other liabilities		
	Liability for Expenses	108,538,776	111,957,701
	Adjustable Block a/c	558,768,359	558,768,359
	Sundry Creditors	32,748,671	24,999,250
	L/C Cover other currencies	(956,323)	(640,463)
	Provision for Investment (note-14.1)	3,631,316,907	3,672,494,299
	Special General Provision for COVID-19	11,263,335	10,167,080
	Profit Suspense Account (note-14.2)	1,134,716,889	1,160,759,880
	Provision for Incentives and Sundry Assets	4,942,728	4,942,728
	Provision for diminution in value of investments	9,000,000	9,000,000
	Provision for Placement with other banks and NBFIs	36,834,041	36,834,041
	TDS on Profit paid	6,811,962	8,428,025
	TDS on Office Rent	394,509	152,567
	TDS on other sources	1,220,719	397,306
	Excise Duty on Deposits	12,105,388	11,731,079
	Excise Duty on Investment Account	5,176,150	5,261,700
	VAT deducted at source	3,351,072	3,330,226
	Cash security Others	281,500	256,500
	Outstation Cheque Clearing	-	-
	Other payables	59,485,236	29,990,683
	Provision for tax	38,238,386	38,143,486
	Provision on off-balance sheet items (note-14.4)	4,313,679	4,313,679
	Lease Liability	264,498,012	-
	Provision on Nostro Accounts (note-14.5)	-	-
		5,923,049,996	5,691,288,125
14.1	Provision for Investments		
	Movement in specific provision on classified Investments:		
	Provision held as on 1 January	3,657,494,299	3,735,272,026
	Less: Fully provided debts written off/Waved during the year	(81,137)	(16,606)
	Add: Recoveries of amounts previously written off		
	Less: Provision transfer to Special General Provision for COVID-19	(1,096,255)	(10,167,080)
	Less: Provision transfer to Diminution value of Investments		(5,760,000)
	Less: Provision transfer to Placement with other Banks and NBFIs		(1,834,041)
	Add: Excess provision transferred from General provision		-
	Add: Net charge to profit and loss account (note-36)	(40,000,000)	(60,000,000)
	Provision held as on 31 December	3,616,316,907	3,657,494,299
	Movement in general provision on unclassified Investments		
	Provision held as on 1 January	15,000,000	15,000,000
	Add: General provision made during the year (note-36)	-	-
	Less: General provision transfer to specific Provision provision during the year (note-36)	-	-
	Provision held as on 31 December	15,000,000	15,000,000
		3,631,316,907	3,672,494,299
14.2	Profit suspense account		
	Balance as on 1 January	1,160,759,880	1,205,330,276
	Add: Amount transferred during the year	85,939,347	108,398,499
	Less: Amount recovered during the year	(111,982,338)	(152,968,895)
	Less: Amount written-off/waved during the year	-	-
	Balance as on 31 December	1,134,716,890	1,160,759,880
14.4	Provision on off-balance sheet items		
	Provision held as on 1 January	4,313,679	4,313,679
	Add: Provision made/(released) during the year (note-36)	-	-
	Provision held as on 31 December	4,313,679	4,313,679

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
14.5	Status of unresponded entire of Nostro Accounts (Our Books) as at 31 December 2021 are given below:		
	<u>In Foreign Currency</u>		
		<u>Number of Unresponded</u>	<u>Unresponded entries</u>
		<u>Dr</u>	<u>Cr</u>
	Up to 3 months	-	-
	Over 3 months but within 6 months	-	-
	Over 6 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
		-	-

As per Circular No.FEOD(FEMO/01/2005-677 dated 13 September, 2005 there is no debit entries more than three month. So provision is not required for existing unresponded entries.

15.00 Share capital

15.1 Authorized Capital

1,500,000,000 ordinary shares of Taka 10 each 15,000,000,000 15,000,000,000

15.2 Issued, Subscribed and Fully paid up Capital

365,674,300 ordinary shares of Taka 10 each issued for cash	3,656,743,000	3,656,743,000
36,910,600 ordinary shares of Taka 10 each issued as right for cash	369,106,000	369,106,000
262,117,400 ordinary shares of Taka 10 each issued against depositors	2,621,174,000	2,621,174,000
	<u>6,647,023,000</u>	<u>6,647,023,000</u>

15.3 Raising of Share Capital

Given below the history of raising of share capital of ICB Islamic Bank Limited

Accounting year	Declaration	No of share	Value in capital	Cumulative
1987	Sponsors shareholders	12,750,000	127,500,000	127,500,000
1988	Sponsors shareholders	375,000	3,750,000	3,750,000
1990	Initial Public Offer (IPO)	1,875,000	18,750,000	18,750,000
1993	1st Right Issue	10,955,300	109,553,000	109,553,000
2003	2nd Right Issue	25,955,300	259,553,000	259,553,000
2008	Shares issued in the name of ICB Holding Group A.G at per Bangladesh Bank 'The Oriental Bank Reconstruction Scheme'07'	350,674,300	3,506,743,000	3,506,743,000
2008	Shares issued in the name of depositors as per Bangladesh Bank guideline 'The Oriental Bank Reconstruction Scheme'07'	262,117,400	2,621,174,000	2,621,174,000
Total		664,702,300	6,647,023,000	6,647,023,000

15.4 Slab wise list as at 31 December 2021

	<u>Number of shares</u>	<u>(%) of share holding</u>		
Sponsors (Foreign Investors)	350,674,300	52.76	3,506,743,000	3,506,743,000
Govt. of Bangladesh	1,101,400	0.17	11,014,000	11,014,000
Institutions	148,510,989	22.34	1,485,109,890	1,485,094,660
General public	164,415,611	24.73	1,644,156,110	1,644,171,340
	<u>664,702,300</u>	<u>100.00</u>	<u>6,647,023,000</u>	<u>6,647,023,000</u>

Amount in Taka	
as at	
31-Dec-21	31-Dec-20

15.5 A range wise distribution schedule of the above shares is given below :

Shareholding range	Number of share holders	Number of Shares	(%) of share holding
01 - 500	5,165	1,402,023	0.21
501 - 5,000	6,371	13,746,804	2.07
5,001 - 10,000	1,275	10,142,940	1.53
10,001 - 20,000	766	11,624,167	1.75
20,001 - 30,000	294	7,531,192	1.13
30,001 - 40,000	157	5,535,688	0.83
40,001 - 50,000	137	6,532,749	0.98
50,001 - 100,000	224	17,269,362	2.60
100,001 - 1,000,000	228	56,502,448	8.50
1,000,001 and over	48	534,414,927	80.40
	14,665	664,702,300	100

15.6 Name of the Directors as at 31 December 2021

Sl	Name of the Directors	Status	Remarks
1	Mr. Mohd. Nasir Bin Ali	Chairman	Nominated directors by ICB Financial Group Holdings AG holding 350,674,300 shares i.e. 52.76%
2	Ms. Hashimah Binti Ismail	Director	
3	Ms. Lee Ooi Kim	Director	
4	Mr. Md. Fariduddin Ahmed	Independent Director	
5	Mr. Aklif Bin Amir	Independent Director	

15.7 Capital adequacy ratio (BASEL III)

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars nos. 01,14,10 and 05 dated January 08, 1996, November 16, 1996, November 25, 2002 and May 14, 2007 respectively, required capital of the Bank at the close of business on 31 December 2021 was Taka 400 crores as against available Tier-1 capital of Taka (1,262.82) crores and Tier-2 capital of Taka 1.5 crores making a total capital of Taka (1,261.32) crores thereby showing a surplus / (deficit) capital / equity of Taka (1,662.82) crores at that date. Details are shown below:

	(In Crore)	(In Crore)
Tier-1 Capital		
Paid up capital (note-15.2)	664.70	664.70
Statutory reserve (note-16)	7.88	7.88
General Reserve (note-17)	0.11	0.11
Deferred Tax Assets (Regulatory Adjustment)	(11.27)	(11.27)
Surplus in profit and loss account / Retained earnings (note-18)	(1,923.62)	(1,884.14)
	(1,262.20)	(1,222.72)
Regulatory Adjustments		
Shortfall in provisions required against classified assets	-	-
Total Eligible Tier-1 Capital	(1,262.20)	(1,222.72)
Tier-2 Capital		
General provision maintained against unclassified investments (note-14)	1.50	1.50
	1.50	1.50
A) Total Regulatory Capital	(1,260.71)	(1,221.22)
B) Total risk weighted assets	917.46	917.09
C) Required capital based on 10% of RWA i.e Taka 90.34 Crores or 400 Crores which is higher	400.00	400.00
D) Surplus / (deficit) (A-C)	(1,660.71)	(1,621.22)
Capital to Risk Weighted Assets Ratio	-137.41%	-133.16%

		Amount in Taka			
		as at			
		31-Dec-21		31-Dec-20	
15.8	Capital Requirement				
		2021		2020	
		Required	Held	Required	Held
	Tier 1	6.00%	-137.58%	6.00%	-133.33%
	Minimum Total Capital	10.00%	-137.41%	10.00%	-133.16%
	Capital Conservation Buffer	2.50%	-	2.50%	-
	Total	12.50%	-137.41%	12.50%	-133.16%

15.9 Minimum Capital Requirement Under Basel III

Minimum Capital Requirement (MCR) under Risk Based Capital Adequacy

Ite	Sl.	Particulars	BDT in Crore
1	A.	Eligible Capital :	
2	1	Tier-1 Capital	(1,262.21)
3	2	Tier-2 Capital	1.50
5	4	Total Eligible Capital :	(1,260.71)
6	B.	Total Risk Weighted Assets (RWA):	917.46
7	C.	Capital to Risk Weighted Assets Ratio (CRAR) (A4/B)*100	(137.41)
8	D.	Tier-1 Capital to RWA (A ₁ / B)*100	137.58
9	E.	Tier-2 Capital to RWA (A ₂ / B)*100	0.16
10	F.	Minimum Capital Requirement (MCR)	400.00

16.00 Statutory reserve

Balance on 1 January	78,810,975	78,810,975
Addition during the year (20% of pre-tax profit)	-	-
Balance at 31 December	78,810,975	78,810,975

17.00 Other reserve

General reserve	1,065,676	1,065,676
Share premium	-	-
Investment loss offsetting reserve	-	-
Asset revaluation reserve (note-17.1)	455,276,130	455,276,130
Dividend equalization account	-	-
	456,341,806	456,341,806

17.1 Asset revaluation reserve

Balance on 1 January	455,276,130	552,885,232
Addition/(adjustment) during the year	-	(97,609,102)
Balance at 31 December	455,276,130	455,276,130

Immovable Property was revalued as on 31 December 2009 by Hoda Vasi Chowdhury & Co. Chartered Accountants.

18.00 Retained earnings / movement of profit and loss account

Balance on 1 January	(18,841,428,662)	(18,654,158,394)
Prior year adjustments	-	-
Profit/(Loss) during the period	(394,816,808)	(187,270,268)
	(19,236,245,469)	(18,841,428,662)
Less: Transfer to statutory reserve	-	-
Balance at 31 December	(19,236,245,469)	(18,841,428,662)

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
18.1	Net Asset Value (NAV) Per Share		
	Total Assets	11,583,032,705	11,260,023,357
	Total Liabilities	23,637,102,393	22,919,276,237
	Net Assets	(12,054,069,688)	(11,659,252,879)
	Ordinary Share outstanding	664,702,300	664,702,300
	Ner Asset Value (NAV) Per Share	(18.13)	(17.54)
19.00	Contingent liabilities		
19.1	Letters of guarantee		
	Letters of guarantee (Local)	126,956,700	127,766,288
	Letters of guarantee (Foreign)	-	-
	Foreign counter guarantees	-	-
		126,956,700	127,766,288
	Less: Margin	7,098,056	4,713,270
		119,858,644	123,053,018
	Money for which the Bank is contingently liable in respect of guarantees given favoring:		
	Directors or officers	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	Others	126,956,700	127,766,288
		126,956,700	127,766,288
	Less: Margin	7,098,056	4,713,270
		119,858,644	123,053,018
19.2	Irrevocable Letters of Credit		
	Letters of credit (Inland)	4,120,800	-
	Letters of credit (General)	132,330,245	18,824,614
	Back to back L/C	1,142,000	1,142,000
		137,593,045	19,966,614
19.3	Bills for collection		
	Inward local bills for collection	7,690,094	2,692,839
	Inward foreign bills for collection	40,498,274	40,498,274
		48,188,367	43,191,112
20.00	Investment Income		
	(i) Income from general investment		
	Murabaha-Com.-Advance Agt. Imported Mer. (AIM)	-	2,396,581
	Murabaha (Pledge)	509,008	-
	Murabaha Under Secured Guarantee (MUSG)	7,844,444	7,671,840
	Bai-Muajjal(Hypothecation)	120,134,927	112,374,796
	Bai-Muajjal - PC	-	-
	Bai-Muajjal - TR	291,527	2,314,446
	Bai-Muajjal - LBDP	-	-
	Bai-Muajjal (ICBIBLCFS)	533,980	1,218,726
	Bai Muajjal - Forced Investment (Against B/B - L/C)	-	902,704
	Staff Loan- Providend Fund	-	-
	Hire Purchase	82,646,181	147,454,142
	HP House Building - Staff	-	-
	HP House Building - General	38,792,236	41,679,467
	Local Bills Discounted	-	-
	Foreign Bills Purchased & Discounted	-	-
	Payments agt. Doc - WES (PAD -WES)	-	-
	Payments agt. Doc - Cash (PAD - Cash)	417,666	-
	Others	-	-
		251,169,969	316,012,701
	Add: Transferred from/ (to) Profit Suspense		
	Sub Total (i)	251,169,969	316,012,701

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
(ii)	Profit on deposits with other islamic banks		
	In Bangladesh		
	Profit on balance with other banks and financial institutions	39,884,320	49,602,550
	Outside Bangladesh		
	Profit received from foreign banks	1,069,245	442,862
	Sub Total (ii)	40,953,565	50,045,412
	Grand Total (i+ii)	292,123,534	366,058,113
21.00	Profit paid on deposits		
(a)	Profit paid on deposits:		
	Savings bank / Mudaraba savings deposits	27,083,141	34,167,283
	Short term deposits	7,710,224	20,153,982
	Term deposits / Mudaraba term deposits	338,769,555	361,756,973
	Deposits under scheme	45,539,823	43,781,381
	Repurchase agreement (repo)	-	-
	Others (note-21.1)	-	-
(b)	Profit paid on local bank accounts	-	-
(c)	Profit paid on foreign bank accounts	-	-
		419,102,743	459,859,618
21.01	Others		
	Profit paid to Islamic Bank Bond Fund	-	-
	Profit paid on Rediscount	-	-
	Discount paid to Bank	-	-
	Remittance Charge	-	-
	Profit paid Insta Profit	-	-
	Non Call Money-Treasury line	-	-
	Profit paid on F.C	-	-
		-	-
22.00	Income from investments in shares and securities		
(i)	Inside Bangladesh		
	Islamic Investment Bond	3,823,141	3,528,909
	Income from treasury bills / Reverse repo / bonds	-	-
	Dividend on shares	856,772	1,427,953
	Sub Total (i)	4,679,912	4,956,861
(ii)	Outside Bangladesh	-	-
	Grand Total (i+ii)	4,679,912	4,956,861
23.00	Commission, exchange and brokerage		
	Commission on L/Cs	1,391,871	165,670
	Commission on L/Gs	2,234,077	1,029,927
	Commission on export bills	-	-
	Commission on bills purchased	-	-
	Commission on accepted bills	-	-
	Commission on OBC, IBC, etc.	-	-
	Commission on PO, DD, TT, TC, etc.	461,713	273,533
	Commission for services rendered to issue of shares	-	-
	Other commission	617,820	666,051
		4,705,481	2,135,182
	Exchange gain including gain from FC dealings	2,844,675	1,071,887
	Brokerage	-	-
		7,550,156	3,207,069

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
24.00	Other operating income		
	Rent recovered	2,886,348	7,247,585
	Service and other charges	19,531,481	18,314,531
	Postage / telex / SWIFT/ fax recoveries	517,100	198,600
	Profit on sale of fixed assets	583,330	2,724,407
	Miscellaneous earnings	49,860,226	243,286,645
		<u>73,378,485</u>	<u>271,771,768</u>
25.00	Salaries and allowances		
	Basic pay	79,004,571	81,371,068
	Allowances	69,274,964	80,767,524
	Bonus	10,189,879	10,991,979
	Bank's contribution to provident fund	5,741,331	6,115,028
	Gratuity	-	-
		<u>164,210,744</u>	<u>179,245,599</u>
26.00	Rent, taxes, insurance and electricity		
	Rent	69,029,632	80,386,589
	Utility and taxes	27,489,740	24,010,943
	Insurance	9,738,081	10,576,474
	Power and electricity	11,452,055	10,895,172
		<u>117,709,508</u>	<u>125,869,178</u>
27.00	Legal & Professional expenses		
	Legal expenses	15,000	1,043,000
	Court fees and Expenses	2,452,160	4,831,132
		<u>2,467,160</u>	<u>5,874,132</u>
28.00	Postage, stamp and telecommunication		
	Postage	592,073	867,898
	Telegram, telex, fax and e-mail	4,273,951	3,811,034
	Telephone - office	1,534,353	1,886,344
	Telephone - residence	-	-
		<u>6,400,377</u>	<u>6,565,277</u>
29.00	Stationery, printing and advertisements		
	Office and security stationery	1,777,039	2,528,337
	Computer consumable stationery	1,169,235	1,574,048
	Publicity and advertisement	435,019	717,875
		<u>3,381,293</u>	<u>4,820,260</u>
30.00	Chief Executive's salary and fees		
	Basic pay	8,880,677	9,126,000
	Allowances	3,222,968	3,312,000
	Bonus	1,500,164	1,521,000
	Pension & Gratuity	-	-
	Bank's contribution to provident fund	888,068	912,600
		<u>14,491,877</u>	<u>14,871,600</u>
31.00	Directors' fees		
	i) Directors Fees for attending Board/Executive Committee/Other Committee Meeting	368,000	72,000
	ii) TA/DA/Hotel Fare for Local & Foreign Directors	2,057,675	10,160
	iii) Others	-	-
		<u>2,425,675</u>	<u>82,160</u>
	Each Director is paid Tk.8,000/- per meeting per attendance.		
32.00	Shariah Supervisory Committee's Fees & Expenses		
	i) Shariah Supervisory Board member's Fees for attending meeting	72,000	36,000
	ii) Others	-	-
		<u>72,000</u>	<u>36,000</u>

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
33.00	Depreciation and repair of Bank's assets		
	Depreciation - (Annexure-B)		
	Fixed assets	8,813,683	14,760,695
	Repairs		
	Immovable property	-	-
	Furniture and fixtures	618,300	60,300
	Office equipments	3,639,608	2,719,108
	Software Maintenance	18,108,572	21,391,000
	Bank's vehicles	508,427	556,100
		22,874,907	24,726,508
	Total Depreciation and Repairs	31,688,590	39,487,203
34.00	Other expenses		
	Car expenses	102,320	290,781
	Liveries and uniforms	-	-
	Medical expenses	143,190	184,691
	Bank charges and commission paid	1,368,292	2,215,365
	Other assets written off	-	-
	Loss on sale of fixed assets	-	30,635
	Fuel - Generator & Vehicle.	2,070,113	2,586,625
	Swift Expenses	4,503,862	-
	Recruitment Expenses	-	-
	ATM Card Expenditure	-	-
	Subscription and Membership Fees	316,000	435,000
	Donations	9,200	4,100
	Travelling expenses	689,016	424,077
	Local conveyance, labour, etc.	697,029	880,017
	Entertainment	269,034	909,808
	Business development	22,347,417	22,547,699
	Training and internship	219,331	254,927
	EGM/ AGM Expenses	600,000	325,000
	Consulting and other charges	706,000	706,000
	Penalty on Liquid Assets	3,257,914	3,656,654
	Security Services	5,454,834	9,709,202
	Office maintenance	3,715,114	6,271,246
	Miscellaneous expenses	1,363,869	745,262
		47,832,535	52,177,089
35.00	Provision for Investments & off balance sheet items		
	Provision for bad and doubtful Investments	40,000,000	60,000,000
	Provision for unclassified Investments	-	-
	Provision for contingency	-	-
	Other provisions	-	-
	Provision for off-balance sheet items	-	-
		40,000,000	60,000,000
	Taxation		
35.01	Current Tax		
	The bank was not required to provide for income tax as it has previously assessed losses which will offset the taxable income. But as per requirement of Income Tax Ordinance 1984, minimum tax @ 0.60% of gross receipts has been provided for in the accounts.		
	Gross receipt:		
	Investment Income	292,123,534	366,058,113
	Income from investments in shares and securities	4,679,912	4,956,861
	Commission, Exchange and Brokerage	7,550,156	3,207,069
	Other operating income	73,378,485	271,771,768
	Total Receipt	377,732,087	645,993,811
	Minimum Tax @ 0.60%	2,266,393	3,875,963
		2,266,393	3,875,963

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
36.00	Receipts from other operating activities		
	Rent recovered	2,886,348	7,247,585
	Service and other charges	19,531,481	18,314,531
	Postage / Telex / Fax / SWIFT charge recoveries	517,100	198,600
	Gain from sale of treasury bond / shares	-	-
	Profit on sale of fixed assets	583,330	2,724,407
	Deferred tax income	-	-
	Miscellaneous earnings	49,860,226	6,068,367
		73,378,485	34,553,490
37.00	Payments for other operating activities		
	Rent, rates and taxes	117,709,508	125,869,178
	Legal expenses	2,467,160	5,874,132
	Postage and communication charges, etc.	6,400,377	6,565,277
	Directors' fees	2,425,675	82,160
	Shariah Supervisory Committee's fees & expenses	72,000	36,000
	Auditors' fees	500,000	350,000
	Donations and subscriptions	325,200	439,100
	Conveyance and travelling expenses, etc.	1,386,045	1,304,094
	Business development expenses	22,347,417	22,547,699
	Training, internship expenses	219,331	254,927
	Publicity and advertisement	435,019	717,875
	Repair of Bank's assets	22,874,907	24,726,508
	Miscellaneous expenses	23,554,542	27,338,655
		200,717,181	216,105,604
38.00	(Increase) / decrease of other assets		
	T & T bonds	-	-
	Security deposits	-	-
	Intangible assets	-	-
	FC Fund purchase	-	-
	DBBL bonds	-	-
	Stationery and stamps	(298,092)	556,759
	Income receivable	-	-
	Advance deposits and advance rent	(425,998)	13,367,467
	Branch adjustment account	77,458	(126,282)
	Suspense account	(6,889,505)	262,618
	Encashment of PSP / BSP	-	-
	Accrued interest on investment	-	-
	Sundry assets	(552,397)	(17,593)
		(8,088,534)	14,042,968
39.00	Increase / (decrease) of other liabilities		
	Sundry Creditors	7,749,421	3,445,089
	Exchange Equalization Account	-	-
	L/C Cover	(315,860)	30,874
	Tax Deducted at Source	(550,708)	(113,898)
	Excise Duty	288,759	2,986,865
	VAT deducted at source	20,846	46,633
	Expenditure and other payables	(43,268,454)	(178,437,249)
	Provisions	40,000,000	60,000,000
		3,924,003	(112,041,687)
39.01	Net Operating Cash Flows per Share (NOCFPS)		
	Net cash used in operating activities	295,379,516	(44,629,503)
	Ordinary Share outstanding	664,702,300	664,702,300
	Net Operating Cash Flows per Share (NOCFPS)	0.44	(0.07)

		Amount in Taka	
		as at	
		31-Dec-21	31-Dec-20
39.02	Reconciliation of net profit with cash flows from operating activities		
	Net profit after taxation	(394,816,808)	(187,270,268)
	Adjustment of non cash and non operating items:		
	Depreciation	8,813,683	14,760,695
	Provision for Tax	2,266,393	3,875,963
	Provision for Investments and Others	40,000,000	60,000,000
		<u>(343,736,732)</u>	<u>(108,633,611)</u>
	Chances in operating assets and liabilities:		
	Changes in Investments to customers	130,121,077	(107,158,273)
	Changes in deposits and other accounts	502,166,141	473,732,802
	Changes in Borrowing	(5,400,000)	(36,000,000)
	Changes in other assets	(76,536,198)	(181,681,203)
	Changes in other liabilities	88,765,228	(84,889,221)
	Net cash flows from operating activities	<u>295,379,516</u>	<u>(44,629,504)</u>
	Net Operating Cash Flows per Share (Taka)	<u>0.44</u>	<u>(0.07)</u>
40.00	Earning per share (EPS)		
	Net profit after tax (Numerator)	<u>(394,816,808)</u>	<u>(187,270,268)</u>
	Weighted average number of ordinary shares outstanding (Denominator)	664,702,300	664,702,300
	Basic earnings per share (EPS)	<u>(0.59)</u>	<u>(0.28)</u>
41.00	Number of employees		
	The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 86,400p.a or above were 497.		
42.00	Disclosure on Audit committee		
(a)	Particulars of audit committee		
	The audit committee of the Board was duly constituted by the Board of Directors of the Bank in accordance with the BRPD Circular no. 12 dated December 23, 2002 of Bangladesh Bank.		
	Pursuant to the BRPD Circular no. 12 dated 23.12.2002 and subsequent BRPD Circular no. 11 dated 27.10.2013, the Board of Directors reconstituted the Audit Committee on 20.10.2020 consisting of the following 3 (three) members of the Board, subsequently Mr. Tee Kim Chan has retired in last Annual General Meeting held on 13 July, 2021.		
		<u>Status with bank</u>	<u>Status with committee</u>
	<u>Name</u>		<u>Educational Qualification</u>
	Mr. Md. Fariduddin Ahmed	Independent Director	Chairman B. Com.
	Mr. Aklif Bin Amir	Independent Director	Member BA (Hons) Accounting & Finance
(b)	Meetings held by the committee during the year by date:		
	<u>Meeting No</u>	<u>Held on</u>	
	67th	March 31, 2021	
	68th	April 28, 2021	
	69th	July 13, 2021	
	70th	October 21, 2021	
	71st	December 14, 2021	

- (c) **The audit committee has discussed the following issues during the period 2021**
- i) The Terms of reference of the Audit Committee as stated in the BRPD Circular No.11 dated 27/10/2013;
 - ii) The committee reviewed the Internal Audit Reports along with Investigation Reports of the different ICBIBL branches/departments conducted by the Internal Audit Team of the Bank from time to time and also the status of compliance thereof.
 - iii) The committee reviewed Internal Audit Chartered, Code of Ethics of Internal Auditor and Risk Management Framework.
 - iv) The committee reviewed Court cases filed against bank.
 - v) The committee reviewed the progress strengthening the Internal Control system & procedures, strict compliance of Anti-Money Laundering Act and also the Internal Audit Team of the Bank.
 - vi) The Committee places its Report to the Board of the Bank for review and monitoring the activities with recommendations on Internal Control system, compliance of rules and regulations of the Regulatory Bodies.
 - vii) The committee reviewed the annual financial statements for the year 2020 including the annual report.
 - viii) The committee also reviewed the Q1, Q2 and Q3 financial statements of the Bank during the year 2021.
- d) **Steps taken for implementation of an effective internal control procedure of the Bank:**
- Through circular the committee placed its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of Good Governance within the organization.

43.00 Related Party Disclosures .

(i) **Particulars of Directors of the Bank as at 31 December 2021**

The ICB Financial Group Holdings AG, who have acquired 350,674,300 shares i.e. 52.76% as per clause 3(c) of "The Oriental Bank Limited (Reconstruction) scheme 2007", nominated following directors:

Sl. no.	<u>Name of the persons</u>	<u>Designation</u>	<u>Present Address</u>
1	Mr. Mohd. Nasir Bin Ali	Chairman	12 Jalan SS7/9, Kelana Jaya, 47301 Petaling Jaya, Selangor, Malaysia
2	Ms. Hashimah Binti Ismail	Director	A-25-02, Changkat View Condominium, 18 Jalan Dutamas Raya, 51200 Kuala Lumpur, Malaysia
3	Ms. Lee Ooi Kim	Director	15, Jalan Dutamas Melor 1, 50480 Kuala Lumpur, Malaysia
4	Mr. Md. Fariduddin Ahmed	Independent Director	House # 511, Senpara Parbata, Kafrul, Dhaka-1213, Bangladesh
5	Mr. Aklif Bin Amir	Independent Director	No.05, Jalan Pria 3, Taman Maluri, 55100 Kuala Lumpur, Malaysia

Directors' Interest in Different entities : Please see Annexure-C

(ii) **Significant contracts where Bank is a party and wherein Directors have interest**

Nature of contract	Branch Name	Name of Director and related by	Remarks
None	Not applicable	None	Not applicable

Nature of contract	Branch Name	Name of Director and related by	Remarks
None	Not applicable	None	Not applicable

(iii) Related party transactions Nil

(iv) Shares issued to Directors and Executives without consideration or exercisable at a discount Nil

(v) **Lending policies to related parties**

Lending to related parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991.

(vi) Loans and advances to Directors and their related concern Nil

(vii) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991. Nil

(viii) Investment in the Securities of Directors and their related concern Nil

(ix) Investment in the Securities of Directors and their related concern Nil

(x) Compensation of Key Management Personnel: Refer to Note no 30

There are no events to report which had an influence on the balance sheet or the profit and loss account for the year ended 31 December 2021.

44.00 Contingent Liabilities

Four claims of BDT. 79.44 Crore against the Money Suits No 68/2003,46/2003,313/2006,2705/2013 were decreed in high court against the bank, however the bank has appealed to the supreme court.

Custom Authorities has a claim against BG of M/s One Entertainment BDT. 63.10 million. The accused are the former employees of ICBIBL who for financial gain have dishonestly, and fraudulently issued 15 Bank Guarantees of Tk 63.1 million. These Bank Guarantees were issued, without authorization or informing the Head Office or keeping any record. The Bank filed a Criminal Revision case No.34 of 2014 arising out of Cr case no-600 of 2012 where the Learned Court allowed the revision in favour of the Bank and sent the file to Anti-Corruption Commission (ACC) for investigation. Our latest follow-up with the assigned officer of ACC on 22 September 2021 reveals that he has not completed his investigation and will need some additional time to complete the investigation.

Bangladesh Bank did not reverse the profit amount BDT.8.72 crore from the Bangladesh Bank Islamic Investment Bonds Fund claim. However the Bank has applied to Bangladesh Bank to reverse the profit as per Oriental re-construction scheme 2007.

Bank has appealed to the commissioner of Appeals against Corporate Tax claim of Tk. 6.31 crore and VAT claim Tk. 6.30 crore.

45.00 Approval of the financial statements

The financial statements were approved by the Board of Directors on March 24, 2022.

46.00 Events after the Balance Sheet Date

As per IAS 10 - "Events after the Reporting Period", events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

(a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

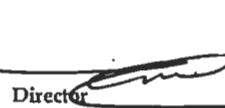
(b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

The details about the events after reporting period are as follows:

On 11th March 2020, COVID-19 has been declared a pandemic by the World Health Organization, the COVID-19 outbreak has brought about additional challenges in the Bank's operating environment and has impacted the Bank's operations in Bangladesh.

The Bank is closely monitoring the impact of the developments on the Bank's businesses. As the situation is fast evolving, the effect of the outbreak is subject to significant levels of uncertainty, with the full range of possible effects unknown.


Chairman


Director


Director


Managing Director

Dated, Dhaka
March 24, 2022



**Balance with other banks-Outside Bangladesh (Nostro Account)
as at 31 December 2021**

Name of the Bank	Account type	2021				2020		
		Currency type	FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate	Equivalent Taka
AB Bank, Mumbai, India	CD	USD	10,254	85.80	879,759	35,717	84.80	3,028,851
Modhumoti Bank Limited(OBU)	CD	USD	1,979	85.80	169,770	1,979	84.80	167,796
Sonali Bank, Kolkata	CD	USD	26,942	85.80	2,311,605	26,942	84.80	2,284,730
Kookmin Bank, Seoul, Korla	CD	USD	110,683	85.80	9,496,564	273,822	84.80	23,220,777
Zhejiang Chouzhou Commercial Bank, China	CD	USD	1,714.57	85.80	147,110.11	8,719.35	84.80	739,423
Trans Capital Bank, Russia	CD	USD	31,971.95	85.80	2,743,193	-	-	-
Total					15,748,000			29,441,577



Schedule of fixed assets
as at 31 December 2021

Particulars	Amount in Taka				Rate	Amount in Taka				Net book value as at 31-Dec-21
	COST					DEPRECIATION				
	Opening balance as on 01-Jan-21	Addition During the Year	Disposals/ Adjustments During the year	Total balance as at 31-Dec-21		Opening balance as on 01-Jan-21	Charge for the year	Disposals/ adjustments during the year	Total balance as at 31-Dec-21	
Furniture and fixtures	136,153,438	1,379,578	332,574	137,200,442	10%	121,666,342	3,011,054	332,571	124,344,825	12,855,616
ATM	21,985,908	15,349	-	22,001,257	20%	21,184,329	274,654	0	21,458,982	542,275
Software	142,770,349	690,350	-	143,460,699	20%	141,910,806	984,038	0	142,894,844	565,855
Office equipments	173,443,020	2,565,242	281,786	175,726,476	20%	167,097,879	3,313,526	353,744	170,057,661	5,668,815
Vehicles	26,571,872	2,238,753	281,718	28,528,907	20%	24,116,232	1,230,411	281,717	25,064,926	3,463,981
Right to Use Assets (ROU)	-	-	-	264,498,012	20%	-	-	-	-	264,498,012
As at 31 December 2021	500,924,586	6,889,272	896,078	771,415,793		475,975,587	8,813,683	968,033	483,821,238	287,594,554
As at 31 December 2020	501,889,202	7,080,612	8,045,228	500,924,586		469,086,552	14,760,695	7,871,661	475,975,587	24,948,999



Annexure-C

Name of Directors and their interest in different entities

The ICB Financial Group Holdings AG acquired 350,674,300 shares i.e. 52.76% as per clause 3(c) of

" The Oriental Bank Limited (Reconstruction) scheme 2007", nominated following directors:

Sl no.	Name of Directors	Status with ICBIBL	Entities where they have interest
1	Mr. Mohd. Nasir Bin Ali	Chairman	None
2	Ms. Hashimah Binti Ismail	Director	None
3	Ms. Lee Ooi Kim	Director	None
4	Mr. Md. Fariduddin Ahmed	Independent Director	None
5	Mr. Aklif Bin Amir	Independent Director	None

HIGHLIGHTS**(Taka in million)**

SI No.	Particulars		2021	2020
1	Paid-up capital		6,647.02	6,647.02
2	Total capital (Tier-I & II)		(12,607.10)	(12,212.20)
3	Capital surplus / (deficit)		(16,607.10)	(16,212.20)
4	Total assets		11,583.03	11,260.02
5	Total deposits		12,925.58	12,434.12
6	Total investments		8,435.11	8,565.23
7	Total contingent liabilities and commitments		319.11	197.30
8	Investments deposit ratio	%	65%	69%
9	Percentage of classified investments against total investments	%	80.80%	78.37%
10	Profit after tax and provision		(394.82)	(187.27)
11	Amount of classified investments during the year		6,815.37	6,712.67
12	Provisions kept against classified investments		3,616.32	3,657.49
13	Provision surplus / (deficit)		38.22	43.30
14	Cost of fund	%	6.32%	7.17%
15	Interest earning assets		9,178.77	9,281.25
16	Non-interest earning assets		2,404.26	1,978.77
17	Return on investment (ROI) in shares and securities	%	4%	2%
18	Return on assets (ROA)		-3.41%	-1.66%
19	Income from investments in shares and securities		4.68	4.96
20	Net Asset value per Share	Taka	(18.13)	17.54
21	Earnings per share	Taka	(0.59)	(0.28)
22	Operationing profit per share	Taka	(0.65)	(0.37)
23	Price earning ratio	Times	N/A	N/A

