

Investment Corporation of Bangladesh and its Subsidiaries
Consolidated Statement of Financial Position (Balance Sheet)
as at 31 December 2020

Amount in Taka	
(Unaudited)	(Audited)
December 31, 2020	June 30, 2020

Property and Assets

Cash and Bank Balances	12,789,056,142	11,249,625,720
Investments:	139,099,271,594	145,571,800,375
Government	442,300,000	442,300,000
Others	138,656,971,594	145,129,500,375
Loans and Advances:	32,879,438,852	33,137,015,849
Margin Loan – Secured	10,606,575,789	10,799,690,540
Unit & Mutual Fund Advance Account – Secured	391,514,148	431,160,457
Consumer Credit Scheme	1,083,929	1,231,628
Bridging Loan	-	-
Debenture Loan	21,225,208	21,225,208
Lease Receivables	870,550,797	867,031,623
Advance against Equity	432,875,225	432,875,225
Purchase of Debenture	4,567,655,369	4,418,340,164
Purchase of Bond	12,744,362,417	12,972,950,787
Other Loans and Advances	3,243,595,971	3,192,510,217
Property and Equipment (at cost less depreciation)	799,336,434	837,117,749
Other Assets	17,104,863,850	10,361,209,188
Total Assets	202,671,966,873	201,156,768,881

Liabilities and Capital

Liabilities

Borrowings:	11,758,574,776	12,000,822,846
Government Loan	7,238,792,832	7,240,822,846
Borrowings From Different Banks	4,519,781,944	4,760,000,000
Deposits	103,968,712,069	106,921,107,548
ICB Subordinated Bond	15,900,000,000	15,900,000,000
Other Liabilities and Provisions	27,225,872,311	22,741,103,225
Carried forward	158,853,159,157	157,563,033,619

Investment Corporation of Bangladesh and its Subsidiaries
Consolidated Statement of Financial Position (Balance Sheet) (Contd.)
as at 31 December 2020

	Amount in Taka	
	(Unaudited)	(Audited)
	December 31, 2020	June 30, 2020
Brought forward	158,853,159,157	157,563,033,619
Capital / Shareholders' Equity	43,818,740,108	43,593,669,559
Paid-up Capital	8,058,155,274	7,674,433,594
Share Premium	7,356,102,539	7,739,824,219
General Reserve	7,731,844,936	7,550,000,827
Revaluation Reserve for Investment	-	-
Reserve for Future Diminution of Securities	7,993,143,210	7,850,050,656
Other Reserves	8,280,167,876	8,553,428,919
Retained Earnings	4,399,326,274	4,225,931,346
Non-controlling interest	67,608	65,703
Total Liabilities and Shareholders' Equity	202,671,966,873	201,156,768,880
Off-Balance Sheet Items:		
Contingent Liabilities:		
Guarantee to DSE & CSE on behalf of ISTCL	300,000,000	300,000,000
	300,000,000	300,000,000
Total Off-Balance Sheet Items	300,000,000	300,000,000
Net Asset Value per Share	54.38	54.10

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts

Sd/-
Company Secretary

Dhaka, January 28, 2021

Investment Corporation of Bangladesh and its Subsidiaries
Consolidated Statement of Comprehensive Income (Profit and Loss Account)
For the half year ended 31 December 2020
(UNAUDITED)

	for the half year ended 31		for the 2nd quarter ended 31	
	December		December	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Taka	Taka	Taka	Taka
Operating Income				
Interest Income	1,258,106,368	1,571,717,361	579,139,668	790,328,311
Less: Interest paid on Deposits, Borrowings, etc.	5,172,770,509	5,767,658,949	2,556,961,681	2,921,827,792
Net Interest Income	(3,914,664,142)	(4,195,941,588)	(1,977,822,013)	(2,131,499,481)
Dividend	2,270,583,005	2,298,709,580	1,631,669,952	1,665,693,809
Capital Gain	3,120,692,562	867,618,342	1,241,527,111	578,026,780
Fees, Commissions & Service Charges	730,239,216	679,578,565	371,444,861	355,281,974
Other Operating Income	9,698,395	5,551,264	8,661,987	1,829,228
Total Operating Income (a)	2,216,549,037	(344,483,837)	1,275,481,898	469,332,310
Operating Expenses				
Salary and Allowances	522,841,477	430,511,002	288,299,907	206,302,973
Rent, Taxes, Insurance, Electricity, etc.	69,388,294	71,009,467	33,731,163	36,114,166
Legal Expenses	1,134,652	1,622,373	632,230	761,121
Postage, Stamps, Telegram & Telephone	2,076,835	2,648,245	1,212,443	1,517,471
Auditors' Fees	339,250	173,125	207,500	75,562
Stationary, Printing, Advertisement, etc.	11,508,977	13,464,167	8,586,005	10,052,843
Directors' Fees & Allowances	2,094,000	2,563,600	1,211,600	1,608,400
Repair, Maintenance & Depreciation-Premises & Equipment	48,050,199	48,896,019	24,123,363	24,760,679
Brokerage	74,508,066	49,617,551	35,951,787	25,210,744
Other Operating Expenses	67,168,870	66,180,923	36,921,987	36,446,296
Total Operating Expenses (b)	799,110,619	686,686,472	430,877,984	342,850,255
Operating Profit (a-b)	1,417,438,418	(1,031,170,309)	844,603,914	126,482,055
Add: Non-operating Income	1,016,664	1,516,164	899,382	758,082
Profit before Provision ©	1,418,455,082	(1,029,654,145)	845,503,296	127,240,137
Provision against Loans and Advances	85,000,000	359,448,897	70,000,000	204,412,714
Provision Against Other Assets	200,000,000	-	200,000,000	-
Provision against Investments	110,000,000	2,500,000	80,000,000	2,400,000
Provision for VAT Against Fees & Commissions	45,825,762	-	22,945,345	-
Total Provision (d)	440,825,762	361,948,897	372,945,345	206,812,714
Profit before Tax (c-d)	977,629,320	(1,391,603,042)	472,557,951	(79,572,577)
Less: Provision for Taxation	356,659,000	109,843,418	155,517,515	78,818,124
Net Profit After Tax	620,970,320	(1,501,446,460)	317,040,436	(158,390,701)
Less: Minority Interest	2,154	1,533	1,404	715
Net Profit Available for Appropriation	620,968,166	(1,501,447,993)	317,039,032	(158,391,416)
Earnings Per Share (EPS)	0.77	(1.86)	0.39	(0.20)

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts
Dhaka, January 28, 2021

Sd/-
Company Secretary

Investment Corporation of Bangladesh and its Subsidiaries

Consolidated Cash Flow Statement (Unaudited)

For the half year ended 31 December 2020

	Amount in Taka	
	December 31, 2020	December 31, 2019
Cash flow from operating activities:		
Interest Received	1,082,752,527	1,341,665,204
Interest Paid	(6,847,451,280)	(5,364,597,368)
Received from capital gain on sale of listed companies shares	3,120,692,562	867,618,342
Dividend Received	1,743,789,017	1,468,185,691
Fees & Commissions Received	609,439,875	679,578,565
Cash Paid to Employees	(486,349,658)	(475,959,973)
Cash Paid to Suppliers	(218,605,923)	(73,897,805)
Cash Received from Other operating activities	10,715,059	7,067,428
Cash Paid for Other operating activities	(143,770,936)	(118,362,074)
Cash Flow before changes in Operating Assets & Liabilities	(1,128,788,756)	(1,668,701,990)
Changes in Operating Assets & Liabilities		
(Increase)/Decrease in Loans & Advances	257,576,997	(616,401,238)
(Increase)/Decrease in Investment in other Institutions	-	-
(Increase)/Decrease in other Assets	(6,035,804,845)	(791,292,052)
Increase/(Decrease) in Deposit Received from Banks	(242,248,070)	1,472,851,123
Increase/(Decrease) in Deposit received from Other Depositors	(2,952,395,479)	(273,047,071)
Increase/(Decrease) in other Liabilities	5,063,246,387	(742,210,335)
	(3,909,625,010)	(950,099,573)
Net Cash from Operating Activities	(5,038,413,766)	(2,618,801,563)
Cash Flow from Investment Activities:		
Cash inflow from Sale of Securities	13,920,220,973	6,321,677,816
Cash outflow for Purchase of Securities	(7,380,158,101)	(10,829,596,287)
Cash outflow for Purchase of Fixed Asset	37,781,316	13,053,820
Net Cash Used in Investment Activities	6,577,844,188	(4,494,864,651)
Cash Received from Financing Activities		
Dividend paid/received in Cash	-	(77,302)
Net Cash Used in Financing Activities	-	(77,302)
Net Increase/(Decrease) in Cash and Cash Equivalent	1,539,430,423	(7,113,743,516)
Cash and Cash Equivalent at beginning of the year	11,249,625,720	18,423,646,372
Closing Cash and Cash Equivalent at end of the year	12,789,056,142	11,309,902,856
Net Operating Cash Flow Per Share (NOCFPS)	(6.25)	(3.25)

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts

Sd/-
Company Secretary

Dhaka, January 28, 2021

Investment Corporation of Bangladesh and its Subsidiaries
Consolidated Statement of Changes in Equity (Unaudited)
For the half year ended 31 December 2020

Amount in Taka

Particulars	Paid up share capital	Share Premium	General Reserve	Revaluation Reserve	Reserve for Future Diminution of Securities	Other Reserves	Retained Earnings	Non Controlling Interest	Total
Balance as at 01 July 2020	7,674,433,594	7,739,824,219	7,550,000,827	-	7,850,050,656	8,553,428,919	4,225,931,346	65703	43,593,735,262
Prior year adjustment	-	-	-	-	-	-	-		-
Issue of Bonus Shares@ 5% for FY 2019-20	383,721,680	(383,721,680)				-	-		-
Cash Dividend for FY 2019-20						(383,721,680)			(383,721,680)
Net Profit for the year after tax	-	-	-	-	-	-	620,968,166	2,154	620,970,320
Amount Transferred to Different Reserve	-	-	181,844,109		143,092,554	110,460,637	(435,397,300)		-
Adjustment of Revaluation Reserve	-	-	-	-	-	-	-		-
Amount Transferred to Benevolent Fund							(12,176,129)		(12,176,129)
Adjustment made during the year	-	-	-	-	-	-	191	(248)	(57)
Balance as at 31 December 2020	8,058,155,274	7,356,102,539	7,731,844,936	-	7,993,143,210	8,280,167,876	4,399,326,274	67,608	43,818,807,716

Consolidated Statement of Changes in Equity (Unaudited)
For the half year ended 31 December 2019

Amount in Taka

Particulars	Paid up share capital	Share Premium	General Reserve	Revaluation Reserve	Reserve for Future Diminution of Securities	Other Reserves	Retained Earnings	Non Controlling Interest	Total
Balance as at 01 July 2019	6,976,757,813	8,437,500,000	7,391,558,274	(11,946,273,827)	7,530,051,856	8,468,818,430	4,236,940,884	53,185	31,095,406,615
Prior year adjustment	-	-	-	-	-	-	151,166		151,166
Issue of Bonus Shares@10% for FY 2018-19	697,660,130	(697,660,130)				-	-		-
Net Profit for the year after tax	-	-	-	-	-	-	(1,501,447,993)	1,533.18	(1,501,446,460)
Cash Dividend Paid - FY 2018-19	-	-	-	-	-	-	-		-
Amount Transferred to Different Reserve	-	-	158,442,552		319,998,800	84,610,488	(563,051,841)		-
Adjustment of Revaluation Reserve	-	-	-	(31,171,367,744)	-	-	-		(31,171,367,744)
Amount Transferred to Benevolent Fund							10,000,000		10,000,000
Adjustment made during the year	-	-	-	11,104,665,274	-	-	250,356	(8,340)	11,104,907,290
Balance as at 31 December 2019	7,674,417,943	7,739,839,870	7,550,000,827	(32,012,976,297)	7,850,050,656	8,553,428,919	2,182,842,572	46,378	9,537,650,867

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts

Sd/-
Company Secretary

Dhaka, January 28, 2021

Investment Corporation of Bangladesh
Statements of Financial Position (Balance Sheet)
as at 31 December 2020

	Note	Amount in Taka	
		(Un-audited)	(Audited)
		December 31, 2020	June 30, 2020
<u>Property and Assets</u>			
Cash and Bank Balances	4	10,590,313,228	9,202,545,020
Investments:	5	132,691,453,432	139,530,291,842
Government		442,300,000	442,300,000
Others		132,249,153,432	139,087,991,842
Loans and Advances:	6	28,687,502,506	28,845,171,402
Margin Loan – Secured	6.1	3,169,639,443	3,217,846,093
Unit & Mutual Fund Advance Account – Secured	6.2	391,514,148	431,160,457
Consumer Credit Scheme	6.3	1,083,929	1,231,628
Bridging Loan	6.4	-	-
Debenture Loan	6.5	21,225,208	21,225,208
Lease Receivables	6.6	870,550,797	867,031,623
Advance against Equity	6.7	432,875,225	432,875,225
Purchase of Debenture	6.8	4,567,655,369	4,418,340,164
Purchase of Bond	6.9	12,744,362,417	12,972,950,787
Other Loans and Advances	6.10	6,488,595,971	6,482,510,217
Property and Equipment (at cost less depreciation)	7	146,763,586	156,848,252
(at cost less depreciation)			
Other Assets	8	12,780,824,403	7,621,816,134
Total Assets		184,896,857,155	185,356,672,651
<u>Liabilities and Capital</u>			
Liabilities			
Borrowings:	9	11,529,466,317	11,769,684,373
Government Loan	9.1	7,009,684,373	7,009,684,373
Borrowings From Different Banks	9.2	4,519,781,944	4,760,000,000
Deposits	10	103,968,712,069	106,921,107,548
ICB Subordinated Bond	11	15,900,000,000	15,900,000,000
Other Liabilities and Provisions	12	17,713,562,739	14,982,592,035
Carried forward		149,111,741,125	149,573,383,956

Investment Corporation of Bangladesh
Statements of Financial Position (Balance Sheet) (Contd.)
as at 31 December 2020

	Note	Amount in Taka	
		(Unaudited)	(Audited)
		December 31, 2020	June 30, 2020
Brought forward		149,111,741,125	149,573,383,956
Capital / Shareholders' Equity		35,785,116,030	35,783,288,695
Paid-up Capital	13	8,058,155,274	7,674,433,594
Share Premium		7,356,102,539	7,739,824,219
General Reserve	14.1	6,069,356,152	5,987,511,443
Revaluation Reserve for Investment	14.3	-	-
Reserve for Future Diminution of Securities	14.4	6,763,154,730	6,663,154,730
Other Reserves	14.2, 14.	6,735,035,143	7,098,295,646
Retained Earnings	15	803,312,192	620,069,063
Total Liabilities and Shareholders' Equity		184,896,857,155	185,356,672,651
Off-Balance Sheet Items:			
Contingent Liabilities:			
		300,000,000	300,000,000
Guarantee to DSE & CSE on behalf of ISTCL		300,000,000	300,000,000
Total Off-Balance Sheet Items		300,000,000	300,000,000
Net Asset Value per Share		44.41	44.41

For and on behalf of Investment Corporation of Bangladesh

Sd/-

Chairman

Sd/-

Director

Sd/-

Managing Director

Sd/-

Head of Finance & Accounts

Sd/-

Company Secretary

Dhaka, January 28, 2021

Investment Corporation of Bangladesh
Statement of Comprehensive Income (Profit and Loss Account) (Unaudited)
For the half year ended 31 December 2020

		For the half year ended 31 December		For the 2nd quarter ended 31 December	
	<u>Note</u>	December 31, 2020 Taka	December 31, 2019 Taka	December 31, 2020 Taka	December 31, 2019 Taka
<u>Operating Income</u>					
Interest Income	16	1,273,100,290	1,572,595,651	555,196,797	783,508,852
Interest paid on Deposits, Borrowings, etc.	17	(5,172,770,509)	(5,760,381,814)	(2,556,961,681)	(2,918,857,807)
Net Interest Income		(3,899,670,220)	(4,187,786,163)	(2,001,764,884)	(2,135,348,955)
Dividend	18	2,181,656,566	2,302,848,325	1,542,417,025	1,600,994,632
Capital Gain		2,888,120,308	765,403,241	1,096,342,249	543,590,696
Fees, Commissions & Service Charges	19	305,505,084	308,819,031	152,968,968	168,634,219
Other Operating Income	20	227,347	1,193,858	128,500	56,760
Total Operating Income		1,475,839,086	(809,521,708)	790,091,858	177,927,352
<u>Operating Expenses</u>					
Salary and Allowances	21	361,691,075	275,913,490	211,801,837	134,922,255
Rent, Taxes, Insurance, Electricity, etc.	22	60,355,759	60,523,661	29,523,081	30,474,744
Legal Expenses		1,053,270	1,543,030	600,230	777,778
Postage, Stamps, Telegram & Telephone	23	1,796,996	2,287,690	1,096,528	1,297,202
Auditors' Fees		115,000	115,000	57,500	57,500
Stationary, Printing, Advertisement, etc.	24	9,284,862	10,739,949	6,865,749	8,306,219
Directors' Fees & Allowances		901,600	1,159,200	533,600	800,400
Repair, Maintenance & Depreciation-Premises & Equipment	25	16,147,663	17,032,975	8,194,046	8,730,504
Brokerage	26	46,232,212	31,146,767	20,831,618	18,019,873
Other Operating Expenses	27	48,926,522	44,150,670	25,464,034	23,278,964
Total Operating Expenses		546,504,958	444,612,432	304,968,222	226,665,439
Operating Profit		929,334,128	(1,254,134,140)	485,123,636	(48,738,087)
Non-operating Income	28	782,100	-	782,100	-
Profit before Provision		930,116,228	(1,254,134,140)	485,905,736	(48,738,087)
Provision against Loans and Advances	29	-	331,538,608	-	181,298,192
Provision Against Other Assets		200,000,000	-	200,000,000	-
Provision against Investments		-	-	-	-
Provision for VAT Against fees & Commissions		45,825,762	-	22,945,345	-
Total Provision		245,825,762	331,538,608	222,945,345	181,298,192
Profit before Tax		684,290,466	(1,585,672,748)	262,960,391	(230,036,279)
Provision for Taxation		(288,741,453)	(76,540,324)	(109,563,647)	(54,359,069)
Net Profit Available for Appropriation		395,549,013	(1,662,213,072)	153,396,744	(284,395,348)
Earnings Per Share (EPS)	30	0.49	(2.06)	0.19	(0.35)

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts
Dhaka, January 28, 2021

Sd/-
Company Secretary

Investment Corporation of Bangladesh
Cash Flow Statement
For the half year ended 31 December 2020
(UNAUDITED)

	December 31, 2020 Taka	December 31, 2019 Taka
<u>Cash flow from operating activities:</u>		
Interest Received	1,095,132,307	1,342,385,678
Interest Paid	(6,847,451,280)	(5,357,320,233)
Received from capital gain on sale of listed shares	2,888,120,308	765,403,241
Dividend Received	1,688,731,188	1,484,647,897
Fees & Commissions Received	302,313,422	308,763,089
Cash Paid to Employees	(385,018,223)	(324,796,161)
Cash Paid to Suppliers	(76,469,320)	(70,477,947)
Cash Received from Other operating activities	1,009,447	1,193,858
Cash Paid for Other operating activities	(96,060,334)	(76,456,637)
Cash Flow before changes in Operating Assets & Liabilities	(1,429,692,484)	(1,926,657,215)
<u>Changes in Operating Assets & Liabilities</u>		
Increase/Decrease in Loans & Advances	157,668,896	(836,898,686)
Increase/Decrease in Investment in other Institutions	-	-
Increase/Decrease in other Assets	(4,491,306,570)	297,546,903
Increase/Decrease in Deposit Received from other Banks	(240,218,056)	1,698,317,706
Increase/Decrease in Deposit received from Other Depositors	(2,952,395,479)	(273,047,071)
Increase/Decrease in other Liabilities	3,478,463,185	(104,226,063)
	(4,047,788,024)	781,692,789
Net Cash Flow from Operating Activities (a)	(5,477,480,507)	(1,144,964,426)
<u>Cash Flow from Investment Activities:</u>		
Cash inflow from Sale of Securities	13,129,693,893	4,835,727,840
Cash outflow for Purchase of Securities	(6,274,529,844)	(9,709,388,065)
Cash Increase/Decrease From Sale/Purchase of Fixed Asset	10,084,667	(14,852,413)
Net Cash Employed in Investment Activities (b)	6,865,248,716	(4,888,512,638)
<u>Cash Received from Financing Activities</u>		
Dividend paid in Cash	-	(77,302)
Net Cash Received from Financing Activities ©	-	(77,302)
Net Cash Increase/Decrease (a+b+c)	1,387,768,209	(6,033,554,366)
Opening Cash Balance	9,202,545,020	16,200,671,344
Closing Cash Balance	10,590,313,228	10,167,116,978
Net Operating Cash Flow Per Share (NOCFPS)	(6.80)	(1.42)

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts

Sd/-
Company Secretary

Dhaka, January 28, 2021

Investment Corporation of Bangladesh
Statement of Changes in Equity (Un-audited)
For the half year ended 31 December 2020

Amount in Taka

Particulars	Paid up share capital	Share Premium	General Reserve	Revaluation Reserve	Reserve for Future Diminution of Securities	Other Reserves	Retained Earnings	Total
Balance as at 01 July 2020	7,674,433,594	7,739,824,219	5,987,511,443	-	6,663,154,730	7,098,295,646	620,069,065	35,783,288,697
Prior year adjustment	-	-	-	-	-	-	-	-
Issue of Bonus Shares@ 5% for FY 2019-20	383,721,680	(383,721,680)				-	-	-
Cash Dividend for FY 2019-20						(383,721,680)		(383,721,680)
Net Profit for the year after tax	-	-	-	-	-	-	395,549,013	395,549,013
Amount Transferred to Different Reserve	-	-	81,844,709	-	100,000,000	20,461,177	(202,305,886)	-
Adjustment made during the year	-	-	-	-	-	-	-	-
Amount Transferred to Benevolent Fund	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Balance as at 31 December 2020	8,058,155,274	7,356,102,539	6,069,356,152	-	6,763,154,730	6,735,035,143	803,312,191	35,785,116,030

Investment Corporation of Bangladesh
Statement of Changes in Equity
For the half year ended 31 December 2019

Amount in Taka

Particulars	Paid up share capital	Share Premium	General Reserve	Revaluation Reserve	Reserve for Future Diminution of Securities	Other Reserves	Retained Earnings	Total
Balance as at 01 July 2019	6,976,757,813	8,437,500,000	5,929,068,291	(10,175,254,055)	6,543,154,730	7,063,684,858	433,899,458	25,208,811,095
Prior year adjustment	-	-	-	-	-	-	-	-
Issue of Bonus Shares@10% for FY 2018-19	697,660,130	(697,660,130)				-	-	-
Net Profit for the year after tax	-	-	-	-	-	-	(1,662,213,072)	(1,662,213,072)
Cash Dividend for FY 2018-19	-	-	-	-	-	-	-	-
Amount Transferred to Different Reserve	-	-	58,443,152	-	120,000,000	34,610,788	(213,053,941)	-
Adjustment made during the year	-	-	-	10,175,254,055	-	-	-	10,175,254,055
Adjustment for revaluation reserve of Investment FY-2019-20				(28,998,580,046)				(28,998,580,046)
Amount Transferred to Benevolent Fund	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Balance as at 31 December 2019	7,674,417,943	7,739,839,870	5,987,511,443	(28,998,580,046)	6,663,154,730	7,098,295,646	(1,451,367,554)	4,713,272,032

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts

Sd/-
Company Secretary

Dhaka, January 28, 2021

Investment Corporation of Bangladesh
Notes to the Financial Statements
As at and For the period ended 31 December 2020

CORPORATE PROFILE & SIGNIFICANT ACCOUNTING POLICIES

1 Corporate information

The Investment Corporation of Bangladesh (ICB) was established under Investment Corporation of Bangladesh Ordinance (No:XL) of 1976 (here-in-after referred to as Corporation) with the objectives of accelerating industrialization and economic development of the country through development of the capital market by mobilizing savings, encouraging and improving the investment environment with particular emphasis placed on broadening the base and scope of investments as well as tapping marginal investors. Through the enactment of the Investment Corporation of Bangladesh (Amendment) Act, 2000 (No. 24 of 2000) , reforms in operational strategies and business policies have been implemented by establishing and operating subsidiary companies under ICB. At present the Corporation is being operated under the "Investment Corporation of Bangladesh Act, 2014".

1.2 Principal activities

The principal activities of the Corporation are to provide various kinds of Investment Banking Services to its customers. These activities mainly include providing loans to Operative Investors on margin trading basis, providing advance against ICB Unit Certificates & ICB Mutual Fund Certificates, Lease Financing, Management of existing Unit Fund and Mutual Funds as well as Operating Investors' Accounts, issuing Bank Guarantee, Consumer Credit Scheme.

2 Subsidiary Companies

The Corporation has three subsidiary Companies. A brief description of each of the subsidiary Companies is given below:

2.1 ICB Asset Management Company Limited

ICB Asset Management Company Limited, a subsidiary company of ICB was registered under the Companies Act 1994 as a public company limited by shares on 5 December 2000. The Company can manage the asset of any trust or fund of any type and/or character and hold, acquire, sell or deal in such asset or any trust or fund. It can organize various schemes of different types for trust funds, take part in the management of any mutual fund operation, operate, conduct, accomplish and establish services for industrial trading and commercial activities, invest funds in shares and securities, carry on business, and act as financial and monetary agent and merchandise shares and securities. The registered office of the Company is located at 89, Kakrail, Green City Edge (4th Floor), Dhaka-1000.

2.2 ICB Capital Management Limited

ICB Capital Management Limited, a subsidiary company of ICB was registered under the Companies Act 1994 as a public company limited by shares on 5 December 2000. The Company obtained registration from Bangladesh Securities and Exchange Commission as a Merchant Bank on 16 October 2001. As a part of restructuring program of Investment Corporation of Bangladesh (ICB) under CMDP (Capital Market Development Program) initiated by the Govt. of Bangladesh and the Asian Development Bank, the Company has been created as a subsidiary company of ICB conducting merchant banking activities and plays a more active role in capital market of Bangladesh. The principal functions of the company are issue management, underwriting, portfolio management and corporate advisory services. The registered office of the Company is located at 89, Kakrail, Green City Edge (5th & 6th Floor), Dhaka-1000.

2.3 ICB Securities Trading Company Limited

ICB Securities Trading Company Limited, a subsidiary company of ICB was registered under the Companies Act 1994 as a public company limited by shares on 05 December 2000. The address of the registered office is in Dhaka. The Company is an active member of Dhaka Stock Exchange and Chittagong Stock Exchange. Among many other functions the company primarily provides brokerage service for buying and selling securities listed with stock exchanges and provides brokerage service for buying and selling securities over-the-counter markets by the company itself and by appointing sub-brokers, sub-agents, bond brokers, specialists and odd-lot-dealers. Furthermore, the company also works as a full service Depository Participant in the Central Depository Bangladesh Ltd.(CDBL). The registered office of the Company is located at 89, Kakrail, Green City Edge (7th Floor), Dhaka-1000.

3 Summary of significant accounting policies & basis of preparation

3.1 A summary of the principle accounting policies which have been applied consistently (Unless otherwise stated), is set out below:

a) Statement of compliance & basis of preparation

The financial statements are prepared under historical cost convention in keeping with the Generally Accepted Accounting Principles (GAAP) consistently applied and relevant International Accounting Standards (IASs) so far adopted by The Institute of Chartered Accountants of Bangladesh (ICAB). The Corporation is a listed financial institution as its shares are listed with Country's stock exchanges. The accompanying financial statements are prepared and presented in a manner suitable to a Statutory Development Financial Institution consistently followed by the Corporation as considered appropriate pursuant to clause 29 (1) of the "Investment Corporation of Bangladesh Act, 2014". Proper disclosures have been made in the accompanying financial statements as required by the relevant laws, Generally Accepted Accounting Principles(GAAP), International Accounting Standards(IASs) so far adopted by the ICAB and in accordance with BRPD Circular No.14 dated 25 June 2003 issued by Bangladesh Bank. Returns certified by seven branch managers and duly verified at the Head Office are incorporated in these accompanying financial statements for consolidation purposes.

b) Consolidation of operations of subsidiaries

The financial statements of the Corporation and its subsidiaries have been consolidated in accordance with International Accounting Standard (IAS)-27 "Consolidated and Separate Financial Statements". The consolidation of the financial statements has been made after eliminating all material intra group transactions.

The total profits of the corporation and its subsidiaries are shown in the consolidated Statement of Comprehensive Income (profit and loss account), with the proportion of profit after taxation pertaining to non-controlling shareholders being deducted as "Non-Controlling Interest".

All assets and liabilities of the corporation and of its subsidiaries are shown in the consolidate statement of Financial Position (balance sheet). The interest of non-controlling shareholders of the subsidiaries are shown separately in the consolidated statement of financial position (balance sheet) under the heading "Non-Controlling Interest".

c) Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Corporation be unable to continue as a going concern.

d) Functional and presentation currency

These financial statements are presented in Taka, which is the Corporation's functional currency. Except as indicated, figures have been rounded off to the nearest Taka.

3.2 Reporting period

These financial statements cover period from 01 July 2020 to 31 December 2020.

Amount in Taka (Unaudited) December 31, 2020	Amount in Taka (Audited) June 30, 2020
--	--

4. Cash and Bank Balances:

Cash in hand	70,210	188,448
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Cash at Banks:

Current Accounts	2,247,122	50,473,351
Savings Accounts	2,713,988	11,480,734
Short Term Deposits	2,686,271,748	784,143,981
Fixed Deposits	7,899,010,160	8,356,258,506
	10,590,313,228	9,202,545,020

5. Investments:

5. 1 Investment in Government Securities

Treasury Bond	442,300,000	442,300,000
	442,300,000	442,300,000

5. 2 Capital Investment in ICB Subsidiary Companies

ICB Securities Trading Company Ltd.	12,499,700	12,499,700
ICB Capital Management Ltd.	2,494,884,700	2,494,884,700
ICB Asset Management Company Ltd.	49,999,700	49,999,700
	2,557,384,100	2,557,384,100

5. 3 Capital Investment in Other Institutions

Central Depository Bangladesh Ltd.	18,900,440	18,900,440
Industrial & Infrastructural Dev.Finance Co. Ltd.	59,083,902	59,083,902
Aramit Thai Aluminum Ltd.	5,000,000	5,000,000
Credit Rating Information & Services Ltd.	3,015,110	3,015,110
Credit Rating Agency of Bangladesh Ltd.	1,669,800	1,669,800
The Farmers Bank Ltd.	850,000,000	850,000,000
DRS Bangladesh Ltd	7,500,000	7,500,000
CAPM Venture Capital & Finance Ltd.	105,000,000	105,000,000
	1,050,169,252	1,050,169,252

5. 4 Marketable Securities- at Cost Price

	128,641,600,080	135,480,438,490
--	------------------------	------------------------

Total Investment

	132,691,453,432	139,530,291,842
--	------------------------	------------------------

Amount in Taka (Unaudited) December 31, 2020	Amount in Taka (Audited) June 30, 2020
--	--

6. Loans and Advances:

6. 1 Margin Loan – Secured

Net Balance as on 1 July	2,356,210,079	2,347,158,809
Add: Loan disbursed during the period/year	1,115,526,396	1,661,618,854
Interest accrued during the period/year	80,814,147	128,818,329
	3,552,550,622	4,137,595,992
Less: Recovery during the period/year	1,260,290,508	1,781,338,549
Interest receivable adjusted against Rebate facility	-	47,364
Net Balance	2,292,260,114	2,356,210,079
Add: Credit Balance of Margin Loan	877,379,329	861,636,014
Balance	3,169,639,443	3,217,846,093

6. 2 Unit & Mutual Fund Advance Account-Secured

Balance as on 1 July	431,160,457	397,445,974
Less: Last Year Credit Balance of Unit Lien	-	-
Net Opening Balance	431,160,457	397,445,974
Add: Loan disbursed during the period/year	75,351,750	159,180,418
Interest accrued during the period/year	13,011,788	44,180,738
	519,523,995	600,807,130
Less: Recovery during the period/year	128,009,847	169,646,673
Add: Credit Balance of Unit Lien	-	-
Balance	391,514,148	431,160,457

6. 3 Consumer Credit Scheme

Balance as on 1 July	1,231,628	1,308,136
Add: Loan disbursed during the period/year	-	-
Add: Interest Receivables	-	-
	1,231,628	1,308,136
Less: Recovery during the period/year	147,699	76,508
Balance	1,083,929	1,231,628

Amount in Taka (Unaudited) December 31, 2020	Amount in Taka (Audited) June 30, 2020
--	--

6. 4 **Bridging Loan**

Sectors:

Textile

-	-
-	-

6. 5 **Debenture Loan**

Sectors:

Food & Allied

21,225,208	21,225,208
21,225,208	21,225,208

6. 6 **Lease Receivables**

I Gross Lease Rental Receivables

Balance as on 1 July

Add: Additions during the period/year

637,985,829	807,570,978
49,311,528	-
687,297,357	807,570,978
87,164,948	169,585,149
600,132,409	637,985,829

Less: Realization during the period/year

II Unearned Lease Income

III Advances Against Lease Finance

IV IDCP Receivable

V Delinquent Charge-Receivable

VI Lease Installment Receivable

Balance

(97,275,794)	(109,156,740)
204,585	204,585
3,479,669	3,479,669
30,745,657	30,745,657
333,264,271	303,772,623
870,550,797	867,031,623

6. 7 **Advance against Equity**

Balance as on 1 July

Add: Loan disbursed during the period/year

Interest accrued during the period/year

432,875,225	432,875,225
-	-
-	-
432,875,225	432,875,225
-	-
432,875,225	432,875,225

Less: Recovery during the period/year

Balance

6. 8 **Purchase of Debenture**

Balance as on 1 July

Add: Loan disbursed during the period/year

Interest accrued during the period/year

4,418,340,164	3,751,393,539
-	646,848,077
183,772,041	356,487,962
4,602,112,205	4,754,729,578
34,456,836	336,389,414
4,567,655,369	4,418,340,164

Less: Recovery during the period/year

Balance

6. 9 **Purchase of Bond**

Balance as on 1 July

Add: Loan disbursed during the period/year

Interest accrued during the period/year

12,972,950,787	12,528,925,057
-	711,902,789
503,215,641	1,152,833,693
13,476,166,428	14,393,661,539
731,804,011	1,420,710,752
12,744,362,417	12,972,950,787

Less: Recovery during the period/year

Balance

Amount in Taka (Unaudited) December 31, 2020	Amount in Taka (Audited) June 30, 2020
--	--

6. 10 **Other Loans and Advances**

Staff Loans and Advances

Long Term Loan to Subsidiary (Note 6.10.1)

Short Term Loan to Subsidiary (Note 6.10.2)

3,243,595,971	3,192,510,217
495,000,000	540,000,000
2,750,000,000	2,750,000,000
6,488,595,971	6,482,510,217
28,687,502,506	28,845,171,402

Total Loans & Advances

6. 10.1 **Long Term Loan to Subsidiary**

ICB Securities Trading Co.Ltd.

Balance as on 1 July

Less: Recovery during the period/year

Balance

540,000,000	630,000,000
45,000,000	90,000,000
495,000,000	540,000,000

6. 10.2 **Short Term Loan to Subsidiary**

ICB Capital Management Ltd.

Balance as on 1 July

Add: Loan disbursed during the period/year

Less: Recovery during the period/year

Balance

2,750,000,000	2,430,000,000
-	320,000,000
-	-
2,750,000,000	2,750,000,000

7. **Property and Equipment (at cost less depreciation):**

Land

Land improvement

Building

Building-Under construction

Renovation of Office Building

Furniture and Fixture

Office Equipment

Electrical Equipment

Air Conditioner & Refrigerator

Computer Hardware

Computer Software

Carpet and Curtains

Telephone Installation

Motor Vehicles

Library Books

Others

36,017,635	36,017,635
2,372,335	2,372,335
15,397,027	15,397,027
49,992,663	49,221,887
86,239,780	86,239,780
16,743,613	16,384,698
11,206,882	11,115,078
7,596,770	7,512,225
4,083,280	4,083,280
84,736,365	84,482,595
23,915,679	23,915,679
411,608	411,608
4,415,715	4,359,947
52,442,580	54,746,580
1,368,580	1,368,580
264,832	264,834
397,205,345	397,893,768
250,441,760	241,045,516
146,763,586	156,848,252

Less: Accumulated Depreciation

Net Book value at the end of the year

Amount in Taka (Unaudited)	Amount in Taka (Audited)
December 31, 2020	June 30, 2020

8. Other Assets:

Income Receivables

Interest on Bank Deposits
Interest on Govt. Securities
Dividend Receivable
Fees and Commissions Receivable

3,119,907,645 **2,445,822,623**

1,416,694,533	1,230,655,356
4,124,292	12,195,486
1,681,286,040	1,188,360,662
17,802,781	14,611,119

Others

Installment receivable of Marketable Investments (Debenture)
Current Account with ICB Unit Fund
Advance against Share Applications
Receivable from ICB Islamic Bank
Advance Income Tax-Corporation
Advance Income Tax-Staff
Advance Income Tax (Tax Deducted at Source)
Income Tax Refund
Receivable from Subsidiaries & AMCL Mutual Funds
Deferred Tax
Other Advances, Deposits and Receivables
Share Sale/Purchase (Debit Balance)
Sundry Assets

9,660,916,757 **5,175,993,511**

6,318,322	6,318,322
205,738,306	-
52,858,540	2,858,540
297,747,102	297,747,102
100,513,098	-
-	-
2,568,217,499	2,182,473,679
643,861,639	643,861,639
716,363,253	629,156,847
7,620,259	7,620,259
208,615,512	141,273,213
4,852,987,322	1,264,611,880
75,905	72,030

12,780,824,403 **7,621,816,134**

9. Borrowings:

9. 1 Government Loan

Government Loans
Loan from PKKB Shahayata Tahbil

-	-
7,009,684,373	7,009,684,373

7,009,684,373 **7,009,684,373**

9. 2 Borrowings from Different Banks

Call Loan
Demand Loan/Short Term Loan

1,519,781,944	1,760,000,000
3,000,000,000	3,000,000,000

4,519,781,944 **4,760,000,000**

Total Borrowings

11,529,466,317 **11,769,684,373**

10. Deposits:

10. 1 Term Deposits

103,947,236,344 **106,899,631,823**

10. 2 Lease Deposits

21,475,725 **21,475,725**

103,968,712,069 **106,921,107,548**

Amount in Taka (Unaudited)	Amount in Taka (Audited)
December 31, 2020	June 30, 2020

11. ICB Subordinated Bond

15,900,000,000	15,900,000,000
15,900,000,000	15,900,000,000

12. Other Liabilities and Provisions:

Interest Payable on Long & Short Term Debts	
Credit Balance of Margin Loan, Share Application Money etc	
Accrued Expenses	
Benevolent Fund	
Co-underwriters	
Dividend Payable	
Provision against Loans and Advances	
Interest Suspense	
Interest Suspense -Non listed Preference share	
Provision for Income Tax	
Provision against VAT	
Provision for Gratuity	
Provision against Other Asset	
Provision against FDR	
Provision against Investment	
Provision against Off balance sheet Items	
Others	

12.1

3,830,236,714	5,504,917,485
894,723,736	861,636,014
91,243,805	78,959,575
10,000,000	60,000,000
17,631,860	17,631,860
956,873,407	573,151,727
2,838,084,168	2,841,534,610
520,237,954	317,106,232
173,145,529	163,907,912
1,347,426,562	1,058,685,109
736,749,740	690,923,979
1,272,540	1,104,040
267,975,324	267,975,324
450,000,000	250,000,000
1,422,043,901	1,422,043,901
3,000,000	3,000,000
4,152,917,498	870,014,266
17,713,562,739	14,982,592,035

13. Share Capital:

Authorized Capital

1,000,000,000 ordinary shares of Tk 10 each

10,000,000,000

10,000,000,000

Issued, Subscribed & Paid up Capital

5,000,000 ordinary shares of Tk 10 each fully paid up in cash

50,000,000

50,000,000

371,875,000 ordinary shares of Taka 10 each issued as bonus shares

3,718,750,000

3,718,750,000

255,937,500 ordinary shares of Taka 10 each issued as right shares

2,559,375,000

2,559,375,000

31,640,625 ordinary shares of Taka 10 each issued as bonus shares for FY 2016-17

316,406,250

316,406,250

33,222,656 ordinary shares of Taka 10 each issued as bonus shares for FY 2017-18

332,226,563

332,226,563

69,767,578 ordinary shares of Taka 10 each issued as bonus shares for FY 2018-19

697,675,781

697,675,781

38,372,168 ordinary shares of Taka 10 each issued as bonus shares for FY 2019-20

383,721,680

-

8,058,155,274

7,674,433,594

Amount in Taka (Unaudited)	Amount in Taka (Audited)
December 31, 2020	June 30, 2020

14. Reserves:

14.1 General Reserve

Balance as on 1 July
Add: Addition during the year
Add: Transfer from Special Purpose Reserve during the year
Balance

5,987,511,443	5,929,068,291
81,844,709	58,443,152
-	-
6,069,356,152	5,987,511,443

14.2 Reserve for Building

Balance as on 1 July
Add: Addition during the year
Balance

2,903,400,000	2,883,400,000
-	20,000,000
2,903,400,000	2,903,400,000

14.3 Revaluation Reserve for investment

Balance as on 1 July
Add: Reversal Entry for Last Year Adjustment
Add: Market Price Adjustment at the end of the period
Balance

-	-
-	-
-	-
-	-

14.4 Reserve for Future Diminution of Overpriced Securities

Balance as on 1 July
Add: Addition during the year

Balance

6,663,154,730	6,543,154,730
100,000,000	120,000,000
	-
6,763,154,730	6,663,154,730

14.5 Loan Redemption Reserve

Balance as on 1 July
Add: Addition during the year
Balance

1,044,108,806	1,029,498,018
20,461,177	14,610,788
1,064,569,983	1,044,108,806

14.6 Dividend Equalization Reserve

Balance as on 1 July
Add: Addition during the year
Less: Cash Dividend @5% for FY 2019-20
Balance
Total Balance

3,150,786,840	3,150,786,840
-	-
(383,721,680)	
2,767,065,160	3,150,786,840
19,567,546,026	19,748,961,820

Amount in Taka (Unaudited)	Amount in Taka (Audited)
December 31, 2020	June 30, 2020

15. Retained Profit Available for Appropriation - ICB:

Retained Profit as on 1 July
Add: Prior year error adjustment
Restated opening balance
Add Transfer from Share Premium
Add: Net profit for the year

620,069,065	433,899,459
-	-
-	433,899,459
395,549,013	697,675,781
409,223,545	
1,015,618,078	1,540,798,785

Less: Appropriations

Dividend Paid:

(FY 2018-19 @ 10% Stock)

Transfer:

General Reserve
Reserve for Building
Reserve for Future Diminution of Overpriced Securities
Loan Redemption Reserve
Dividend Equalization Reserve
Benevolent Fund

-	697,675,781
81,844,709	58,443,152
-	20,000,000
100,000,000	120,000,000
20,461,177	14,610,788
-	-
10,000,000	10,000,000
212,305,886	920,729,722
803,312,192	620,069,063

Retained Profit transferred to Balance Sheet

	For the half year ended 31 December		For the 2nd quarter ended 31 December	
	December 31, 2020 Taka	December 31, 2019 Taka	December 31, 2020 Taka	December 31, 2019 Taka
16. Interest Income:				
Gross Interest				
Bridging Loan	-	6,538,826	-	-
Margin Loan (Note-6.1)	66,586,098	57,099,495	42,316,696	25,498,159
	66,586,098	63,638,321	42,316,696	25,498,159
Less: Interest Suspense				
Bridging Loan	-	-	-	-
Margin Loan	-	-	-	-
	-	-	-	-
Less: Rebate against current year's accrued Interest				
Margin Loan	-	-	-	-
	-	-	-	-
Bridging Loan	-	6,538,826	-	-
Margin Loan	66,586,098	57,099,495	42,316,696	25,498,159
	66,586,098	63,638,321	42,316,696	25,498,159
	66,586,098	63,638,321	42,316,696	25,498,159
Unit & Mutual Fund Advance Account	21,966,638	21,521,472	10,516,150	10,831,554
Bank Deposits & Current Account with ICB	449,911,311	544,551,585	236,519,474	278,332,645
Interest on Consumer Credit Scheme	22,391	20,066	9,094	2,552
Interest income from Lease Receivables	37,692,014	26,691,825	12,029,798	14,207,860
Interest income on Late Payment of Lease R	2,625,333	-	-	-
Interest on Advances against Lease Finance	-	-	-	-
Interest on Govt. Securities	7,893,805	-	4,124,292	-
Staff Loan	48,559,000	59,824,000	17,366,543	30,111,325
Advance against equity	-	-	-	-
Interest Income on Loan to Subsidiary Comp	150,552,500	148,802,500	75,152,500	77,222,500
Purchase of Bond	334,003,916	574,583,894	155,323,859	281,983,541
Purchase of Debenture	153,287,283	132,961,988	1,838,391	65,318,716
Total:	1,273,100,290	1,572,595,651	555,196,797	783,508,852
17. Interest paid on Deposits, Borrowings, etc.:				
Government Loan	-	45,000	-	23,000
Interest on ICB Subordinated Bond	719,409,842	669,106,855	358,719,431	353,786,308
Term Deposits	4,197,307,123	4,856,973,917	2,073,469,647	2,425,419,638
Short Term Loans	112,744,441	87,481,042	53,118,052	67,974,861
Interest on Loan from PKKBST	143,309,103	146,775,000	71,654,552	71,654,000
Total:	5,172,770,509	5,760,381,814	2,556,961,681	2,918,857,807
18. Dividend Income:				
Dividend on Ordinary Shares	2,037,600,673	1,906,712,780	1,503,117,396	1,574,590,786
Dividend from ICB Subsidiaries	39,374,940	98,999,880	-	-
Dividend on BD Fund	36,134,878	216,809,268	-	-
Dividend on Preference Shares	68,546,075	80,326,397	39,299,629	26,403,846
Total:	2,181,656,566	2,302,848,325	1,542,417,025	1,600,994,632

For the half year ended 31**For the 2nd quarter ended 31****December****December**

December 31, 2020

December 31, 2019

December 31, 2020

December 31, 2019

Taka

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Taka

Taka

19. Fees, Commissions and Service Charges:

Project Examination Fee	-	72,000	-	-
Management Fee	181,093,863	188,254,385	90,171,358	88,433,569
Trustee Fee	22,890,474	27,894,276	4,709,252	19,245,267
Arranger Fees	-	11,250,000	-	11,250,000
Bankers to the Issue Fee	-	67,752	-	-
Brokerage & Commissions	6,521,863	3,001,770	3,514,724	715,687
AMCL Unit Sales Commissions	226,689	461,212	(2,626)	461,212
Membership Charge from ISTCL	23,830,428	12,723,326	12,396,984	6,276,155
Bank Guarantee Fee from ISTCL	4,500,000	4,500,000	2,250,000	2,250,000
Custodian fees	50,902,533	31,466,899	27,198,407	14,666,184
Service Charges from PKKBST	7,079,658	26,297,611	4,271,293	22,984,245
CDBL Annual Accounts Maintenance Fees	8,459,576	2,829,800	8,459,576	2,351,900
Total:	305,505,084	308,819,031	152,968,968	168,634,219

20. Other Operating Income:

Others	88,946	23,830	79,641	5,250
Sale of Tender Forms/Schedule/FA	31,000	293,160	18,000	10,000
Legal Expenses	7,760	835,358	-	-
Reimbursement of Staff Expenses	99,641	41,510	30,859	41,510
	227,347	1,193,858	128,500	56,760

21. Salary and Allowances:

Basic Pay	107,464,485	96,081,478	53,635,469	47,910,892
House Rent Allowances	55,364,165	49,978,153	27,626,842	25,006,766
Medical Allowances	5,013,697	4,548,162	2,495,690	2,313,615
Conveyance & Transport	321,382	333,089	157,142	176,243
Festival Bonus	19,441,315	17,296,840	3,531,590	94,340
Incentive Bonus	36,050,000	-	36,050,000	-
Provident Fund & Superannuation Fund	80,408,240	38,746,765	58,868,951	19,315,951
Car Maintenance Allowance	15,696,857	19,722,067	7,598,148	11,342,626
Other Staff Expenses	41,930,934	49,206,936	21,838,004	28,761,822
Total:	361,691,075	275,913,490	211,801,837	134,922,255

	For the half year ended 31 December		For the 2nd quarter ended 31 December	
	December 31, 2020 Taka	December 31, 2019 Taka	December 31, 2020 Taka	December 31, 2019 Taka
22 <u>Rent, Taxes, Insurance, Electricity, etc.</u>				
Office Rent	56,350,514	56,249,155	28,239,882	28,312,480
Rates & Taxes	-	-	-	-
Electricity, Water, Gas & Sewerage	3,264,226	3,448,629	1,126,168	2,005,233
Insurance	741,019	825,877	157,031	157,031
Total	60,355,759	60,523,661	29,523,081	30,474,744
23 <u>Postage, Stamps, Telegram & Telephone</u>				
Postage, Telegram & Telex	107,198	319,685	27,091	226,981
Stamp Duty	127,410	505,410	75,030	315,930
Telephone & Internet	1,562,388	1,462,595	994,407	754,291
Total	1,796,996	2,287,690	1,096,528	1,297,202
24 <u>Stationary, Printing, Advertisement, etc.</u>				
Printing Stationary-General	5,248,049	4,618,724	3,927,785	3,819,763
Printing Stationary-Computer	1,155,983	1,891,000	597,612	1,057,433
Advertisement & Publicity	2,559,341	3,718,797	2,142,341	3,126,349
Books & Periodicals	321,489	511,428	198,011	302,674
Total	9,284,862	10,739,949	6,865,749	8,306,219
25. <u>Repair, Maintenance & Depreciation-Premises & Equipment:</u>				
Maintenance:	4,447,421	5,585,800	2,428,157	3,009,895
Premises	1,148,739	1,569,193	741,401	1,177,869
Computer	705,224	812,414	486,876	568,194
Motor Vehicles	1,540,131	2,040,819	702,763	747,601
Photocopier	158,320	125,295	84,400	54,400
Other Equipment	895,006	1,038,079	412,717	461,831
Depreciation:	11,700,242	11,447,175	5,765,889	5,720,609
Office Building	147,800	147,000	73,900	73,500
Renovation of Office Building	2,819,050	3,501,177	1,409,525	1,750,606
Furniture & Fixture	586,728	594,008	294,486	295,109
Carpet & Curtains	20,200	19,400	10,100	9,700
Computer Hardware	3,869,993	2,854,543	1,848,940	1,426,166
Office & Other Equipment	303,743	244,881	152,166	122,358
Electrical Equipment	410,993	464,853	206,707	232,453
Air Conditioner & Refrigerator	127,200	100,200	63,600	50,100
Telephone Installation	27,535	21,113	12,965	10,617
Motor Vehicles	3,387,000	3,500,000	1,693,500	1,750,000
Total:	16,147,663	17,032,975	8,194,046	8,730,504
26 <u>Brokerage</u>				
Stock Exchange Charges	46,232,212	31,146,767	20,831,618	18,019,873
Total	46,232,212	31,146,767	20,831,618	18,019,873

For the half year ended 31

For the 2nd quarter ended 31

December

December

December 31, 2020
Taka

December 31, 2019
Taka

December 31, 2020
Taka

December 31, 2019
Taka

27. Other Operating Expenses:

Traveling & Conveyance	2,642,341	3,826,812	1,531,668	1,953,043
Transportation	7,095,336	5,746,859	3,586,690	2,328,470
Petrol, Oil & Lubricants	1,609,232	2,220,795	720,144	1,122,731
Entertainment	6,051,998	4,648,957	4,012,576	2,774,908
Subscription & Donations	260,000	340,000	210,000	320,000
Bank Charges	49,878	47,005	35,745	36,843
Cookeries	159,120	151,438	95,904	83,622
CSR	400,000	500,000	400,000	500,000
Consultancy & Professional Fees	562,508	1,299,500	162,508	762,500
Honorarium	1,969,200	1,532,270	1,961,700	855,695
Business Development	625,400	2,645,188	39,325	2,208,188
Bond Issue Expenses	-	-	-	-
Sundries	27,501,509	21,191,846	12,707,775	10,332,964
Total:	48,926,522	44,150,670	25,464,034	23,278,964

27. 1 Sundries:

Tax Token Road Permit & Toll	240,629	148,183	-	54,157
Miscellaneous	292,401	370,377	162,377	173,146
Washing Charges	89,652	89,923	58,020	47,126
Expenses for Annual General Meeting	275,000	2,609,262	275,000	2,609,262
Excise Duty	1,587,300	1,452,133	1,369,300	1,064,633
Internship Expenses	45,975	-	29,550	-
Recruitment Expenses	-	-	-	-
CDBL Charge	10,506,058	1,431,292	7,475,355	1,331,556
Security Service	4,116,292	5,309,999	2,348,860	3,483,027
Newsletter	62,410	62,410	-	62,410
Computer Software	-	-	-	-
Trustee Fee	9,197,459	7,997,500.00	5,000	5,000
National Day Celebration	216,867	807,285	187,846	722,065
Medical Retainers Fee	160,000	233,550	85,000	100,650
Seminar/Workshop on Ethics	-	186,932	-	186,932
Year Closing Expense	536,000	493,000	536,000	493,000
National Integrity Expense	175,466	-	175,466	-
Total:	27,501,509	21,191,846	12,707,775	10,332,964

28. Non-Operating Income:

Building Rent	-	-	-	-
Loan Loss Written Back	-	-	-	-
Profit on Sale of Fixed Assets	782,100	-	782,100	-
Total:	782,100	-	782,100	-

29. Provision against Loans and Advances:

Charged for the year:

Provision against Loans and Advances	-	331,538,608	-	181,298,192
Provision against Other Assets	200,000,000	-	200,000,000	-
Provision against Investments	-	-	-	-
Provision for VAT against Fees & Commissions	45,825,762	-	22,945,345	-
Total:	245,825,762	331,538,608	222,945,345	181,298,192

	For the 6 Months ended 31 December		For the 2nd quarter ended 31 December	
	December 31, 2020 Taka	December 31, 2019 Taka	December 31, 2020 Taka	December 31, 2019 Taka
30. Earnings Per Share				
Earnings attributable to ordinary shareholders (A)	395,549,013	(1,662,213,072)	153,396,744	(284,395,348)
Number of ordinary shares outstanding during the year (B)	805,815,527	805,815,527	805,815,527	805,815,527
Basic Earning per share (A/B)	0.49	(2.06)	0.19	(0.35)

Note: The reason for change in EPS (Earning Per Share) is mainly for the increase in capital gain and decrease in interest expense.

31. Net Asset Value(NAV) Per Share	December 31,2020 Taka	June 30, 2020 Taka
Net Asset (total assets less total liabilities) (A)	35,785,116,030	35,783,288,695
Total Number of Ordinary Shares Outstanding (B)	805,815,527	805,815,527
Net Asset Value(NAV) Per Share (A/B)	44.41	44.41

32. Net Operating Cash Flow Per Share(NOCFPS)	December 31,2020 Taka	December 31, 2019 Taka
Net Cash Flows from Operating Activities (A)	(5,477,480,507)	(1,144,964,426)
Total Number of Ordinary Shares Outstanding (B)	805,815,527	805,815,527
Net Operating Cash Flow Per Share(NOCFPS) (A/B)	(6.80)	(1.42)

Note: The reason for change in Net Operating Cash Flow Per Share(NOCFPS) is mainly for payment against TDR (Term Deposit Receipt) and Interest in the current period.

33. Related party/(ies) transactions:

Name of the Party	Relationship	Nature of Transaction	Balance as on 31.12.2020
Government	Shareholder	Borrowings	7,009,684,373
Sonali Bank Ltd.	Director	Term Deposit	15,000,000,000
Sonali Bank Ltd.	Director	Call Loan	1,500,000,000
Sonali Bank Ltd.	Director	Bond	2,000,000,000
Shadaran Bima Corporation	Director	Term Deposit	31,134,577,500
Agrani Bank Ltd.	Director	Term Deposit	10,700,000,000
Agrani Bank Ltd.	Director	Bond	7,000,000,000
Bangladesh Development Bank Ltd.	Director	Term Deposit	2,889,060,000
Janata Bank Ltd.	Director	Term Deposit	4,800,000,000

34 Reconciliation of Net Profit with Cash Flows from Operating Activities for the period ended 31 December 2020.

	Solo	Consolidated
Net Profit	395,549,013	620,968,166
Add: Non Cash items		
Depreciation	11,700,242	40,817,417
Provision against Loans, Advances and others	-	85,000,000
Provision against Other Assets	200,000,000	200,000,000
Provision against Investments	-	110,000,000
Provision against VAT	45,825,762	45,825,762
Current Tax	288,741,453	356,659,000
Deferred Tax	-	-
Pension Fund Subsidy	-	-
Less: Sale of fixed asset	(782,100)	(1,016,664)
Sub Total (A)	941,034,370	1,458,253,681
Increase/Decrease of Interest Receivable	(177,967,983)	(175,353,841)
Increase/Decrease of Interest Payable	(1,674,680,771)	(1,674,680,771)
Increase/Decrease of Dividend Receivable	(492,925,378)	(526,793,988)
Increase/Decrease of Gratuity Payable	(168,500)	(71,866,170)
Increase/Decrease of Accrued Expenses and others payable	(24,984,222)	(138,347,668)
Sub Total (B)	(2,370,726,854)	(2,587,042,437)
Adjustment to Reconcile Net Profit to Net Cash provided by Operating Activities (A+B)	(1,429,692,484)	(1,128,788,756)
Changes in Operating Assets & Liabilities		
Increase/Decrease in Loans & Advances	157,668,896	257,576,997
Increase/Decrease in Investment in other Institutions	-	-
Increase/Decrease in other Assets	(4,491,306,570)	(6,035,804,845)
Increase/Decrease in Deposit Received from Banks	(240,218,056)	(242,248,070)
Increase/Decrease in Deposit received from Other Depositors	(2,952,395,479)	(2,952,395,479)
Increase/Decrease in Long Term Debt	-	-
Increase/Decrease in other Liabilities	3,478,463,185	5,063,246,387
Sub Total (C)	(4,047,788,024)	(3,909,625,010)
Net Cash Flows from Operating Activities (A+B+C)	(5,477,480,507)	(5,038,413,766)

For and on behalf of Investment Corporation of Bangladesh

Sd/-
Chairman

Sd/-
Director

Sd/-
Managing Director

Sd/-
Head of Finance & Accounts

Sd/-
Company Secretary

Dhaka, January 28, 2021

Selected Explanatory Notes to the Financial Statements:

Reporting:

This Half Yearly (1 July 2020 to 31 December 2020) Financial Report has been prepared based on International Accounting Standard (IAS) - 34 “Interim Financial Reporting”. These interim financial statements should be read in conjunction with the audited financial statements for the year ended 30th June 2020 as they provide an update to previously reported information.

Accounting policies and method of computation:

Accounting policies and methods of computations followed in preparing these financial statements are consistent with those used in the annual financial statements prepared and audited for the year ended 30th June, 2020.

Consolidation of operations of subsidiaries:

The consolidation of the financial statements has been made after eliminating all material intra group transactions. The total profit of the Corporation and its subsidiaries are shown in the consolidated profit and loss account, with the proportion of profit after taxation pertaining to minority share holders being deducted as ‘non- controlling interest’.

Earning Per Share (EPS):

Earning per share has been calculated based on number of share outstanding for the period ended 31 December, 20 and profit for the same period. The number of the shares outstanding for the period was 80,58,15,527 . Earning per share for the preceding 6 months of FY 2019-20 has also been calculated based on 80,58,15,527 shares.

Subsequent Events:

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of these financial statements to make proper evaluation and decision.

For and on behalf of Investment Corporation of Bangladesh

Sd/-

Chairman

Sd/-

Director

Sd/-

Managing Director

Sd/-

Head of Finance & Accounts

Sd/-

Company Secretary

Dhaka, January 28, 2021

INVESTMENT CORPORATION OF BANGLADESH

Valuation and Provision/Reserve for Investment in Securities

	Consolidated		Solo	
	31 December 2020	30 June 2020	31 December 2020	30 June 2020
Investment in Securities- at fair value	110,801,625,777	97,647,506,106	103,918,339,330	91,379,939,020
Investment in Securities- at cost price	137,606,802,342	145,129,500,375	128,641,600,080	135,480,438,490
Required Provision for Investment in Securities	(26,805,176,566)	(47,481,994,269)	(24,723,260,751)	(44,100,499,470)
Additional Required Provision				
Private Placement	(295,000,000)	(295,000,000)	(295,000,000)	(295,000,000)
Unreconciled Shares	(7,008,094)	(7,008,094)	(7,008,094)	(7,008,094)
Delisted/Shares against Underwriting/MF/Others	(88,941,000)	(88,941,000)	(88,941,000)	(88,941,000)
Required Provision for Other Securities (B)	(390,949,094)	(390,949,094)	(390,949,094)	(390,949,094)
Total Required Provision (A+B)	(27,196,125,660)	(47,872,943,363)	(25,114,209,845)	(44,491,448,564)
Reserve for Future Diminution of Overpriced	7,993,143,210	7,850,050,656	6,763,154,730	6,663,154,730
Provision for Investment in Securities	1,638,659,950	1,528,659,950	1,422,043,901	1,422,043,901
Total	9,631,803,160	9,378,710,606	8,185,198,631	8,085,198,631
Excess/(Short) Provision	(17,564,322,500)	(38,494,232,758)	(16,929,011,214)	(36,406,249,934)

It is expected that if the market condition is improved this shortfall will be eliminated. Besides, the Bangladesh Securities & Exchange commission (Vide Letter No-বিএসইসি/এসআরএমআইডি/৯৪-২৭/১৩৮ তারিখ ১৫/১০/২০২০) approved the time limit for providing the shortfall provision against unrealized loss up to 31 December, 2021 or corresponding Financial Year.