



Bank Keshavarzi
Annual Report
2019 – 2020



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



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2019 – 2020



Corporate Outline

Bank Keshavarzi (Agriculture Bank of Iran)

Date of Establishment:

June 11, 1933

Number of Branches (By Year-end 2019-2020):

1,790

Number of Forex Branches:

47

Number of Employees:

15,350 (By March 19, 2020)

18,990 (including private sector employees)

Chairman:

Mr. Davar Mahikar

Managing Director:

Mr. Rouhollah Khodarahmi

Board Members:

Mr. Farhad Fanoodi; Mr. Reza Hosseini; Mr. Abbas Arabmazar

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Board of Directors



Rouhollah Khodarahm
Chairman and Managing Director



Farhad Fanoodi
Board Member



Davar Mahikar
Chairman



Abbas Arabmazar
Board Member



Reza Hosseni
Board Member



Managing Director's Message



On behalf of the employees and management, I am greatly honored to submit Bank Keshavarzi's Annual Report to present an accurate reflection of the overall banking operations and essential activities performed successfully by the bank for the year ended on March 19, 2020.

Within the report year, the accomplishments of the bank were achieved through attempts and sincere cooperation of the staff, provincial directorates and headquarters departments. Thus, I would like to express my heartfelt appreciation and respect to all my hardworking colleagues at branches nationwide, directors and managers. I would also like to thank members of the Board of Directors, advisors and efficient management, who sincerely assisted me in management of the bank.

Bank Keshavarzi, using modern technology and their functional systems, has been determined to support those who are involved with the agriculture sector and appreciates their diligence and endeavors. Having provided a proper atmosphere for initiatives and sale of modern ideas, the bank has also supported establishment of technology-based businesses to improve smart agriculture.

In 2019-2020, Bank Keshavarzi, in spite of unfavorable economic conditions and unfair sanctions, has demonstrated outstanding and the best-ever performance with brilliant achievements, chief among which are: settling the overdraft from Central Bank, 83 percent realization of the bank's strategic objectives, the highest level of financing for the agriculture sector, successful completion of Wheat Guaranteed Purchase Plan earlier than the preceding years, 9.42 percent decrease in non-current claims and full payment of indemnities to those under agricultural insurance coverage.



During the report year, facing some international challenges, the agriculture sector displayed an 8.8 percent increase of value-added and the bank, having paid 71 percent of all resources and granted financial facilities in the sector, paved the way for use of all capacities to realize the agriculture sector objectives. For instance, in 2019-2020, 80 percent of financial resources required for the agricultural machinery and development of agricultural mechanization, especially in rice production, were supplied by the bank while the applicants provided 20 percent and no application was left unfinanced.

The farmers have created food security for the nation and Bank Keshavarzi is proud to be the biggest financial supporter of the farmers with an outstanding 2019-2020 performance which has led to attraction of public trust to the banking system. For such purposes, payment of financial facilities in Bank Keshavarzi has always been growing a 102-percent realization in the plan was achieved and the net balance of paid facilities in the report year, as compared with that of the year before, had a 21-percent growth.

After such a successful year, I am quite certain that we will witness more achievements for Bank Keshavarzi in the upcoming year and we will be successful in realizing the bank's programs, implementing the government's priorities, offering benefits to the people and improving our customers' satisfaction.

Rouhollah Khodarahmi
Managing Director



Bank Keshavarzi, at a Glance



Mission

We strive to provide:

The best income and living standards for all our customers, especially those involved with the agriculture sector.

Vision

We deliver:

Distinctive Services to Everyone Associated with Us.

Values

- Respect
- Accountability
- Trustworthiness
- Friendliness

Strategic Goals

- Increase of national wealth-creating power;
- Sustainable finance of public projects and decrease of the government's budget reliance on oil income;
- Active and effective participation in policy-making and legislation process;
- Reinforcement of administrative-financial discipline, health and transparency;
- Promotion of inter-organizational synergy and intra-organizational cooperation;
- Formation and integration of operational and managerial information systems;
- Target-oriented development of organizational and human capital;



Objectives Achieved

Chief among the objectives achieved in 2019/20 are as follows:

- Increase of productivity;
- Decrease of money cost;
- Reduction of overdraft from CBI;
- Upgrading of capital adequacy ratio;
- Improvement of financial self-reliance;
- Presentation of financial statements based on IFRS;
- Priority for financing the working capital of production units;
- Reinforcement of systematic (remote) supervision on branches performance;

Achievements

Chief among the Bank's achievements and accomplishments are:

- Successful implementation of corporate governance in the bank;
- 100-percent realization of Resources Mobilization and Financial Facilities Plan;
- Improvement of the bank's deposits portfolio with a focus on decrease of resources costs;
- 98-percent of Branches Optimization Plan;
- Creating 100 thousand sustainable jobs for rural population;
- Offering more than 83,000 Marriage Qard-al-Hassnah Loans and 4,700 Flood Damages Compensation Loans;
- Installation and implementation of Agricultural Inputs System aimed at preventing unfair distribution and trading of agricultural inputs;
- An 8.39 percent increase in the Bank's share from Total Deposits with 10 largest Iranian banks;
- 112-percent realization of Surplus Properties Disposal Plan;



Code of Ethics

BK's Code of Ethics represents the guiding values of the organization and applies to everyone who is employed by the bank because the bank aspires to the highest standards of ethical behavior in the conduct of its business. The code is to bring discipline and professionalism to the bank's long-term and sustainable performance and to instill ethically sound behavior and accountability among its employees who all believe that they are judged by their conducts and the bank's reputation is fundamental to the bank's success. The code, based on the bank's core values is as follows:

1. Value Creation for the people and customers, as the main capital of the bank, and gain their satisfaction;
2. Dissemination of the culture of respect, accountability, and solving problems of the people and customers, and changing it to a core value in the bank;
3. Punctuality, dutifulness, appearance trimness, abstaining excessive bureaucracy and unnecessary protocols as well as avoiding the people' and customers' waste of time;
4. Attempt to offer the best and the most up-to-date banking services especially through use of modern technology of electronic banking at standard level.



Anti-Money Laundering and Combating Financing Terrorism

To fulfill the requirements set forth by both the Anti-Money Laundering (AML) Act ratified by the Islamic Council Assembly, the Parliament, in 2008, and the Combating Financing Terrorism (CFT) Act enacted in 2016, together with the regulations and instructions stated by the Central Bank of Iran (CBI), the Anti-Money Laundering and Compliance Department of Bank Keshavarzi has duly taken the necessary measures through a set of steps as follow:

- Receiving, refining, and retaining documents and records of customers.
- Identification of customers (KYC) through reliable national authorities such as civil status registration organization and other similar organizations, and updating their information regularly.
- Preparing policies, instructions, regulations, and circulars in accordance with the latest updates of internal and international laws, and communicating them with the entire provincial directorates and branches across the nation.
- Monitoring natural persons who are having more than one current account and blocking unidentified accounts.
- Identifying and reporting unidentified accounts to FIU.
- Holding training courses on AML / CFT.
- Holding training courses on AML / CFT for affiliated companies of the bank with the aim of preventing the transfer of money laundering risk to the bank.
- Updating and upgrading AML / CFT portal in accordance with CBI and FIU standards.
- Blocking unidentified and anonymous accounts.
- Supervising and conducting enhanced due diligence (EDD) in association with the individuals in the watch list.
- Updating and reviewing customers' data regularly.
- Reviewing the entire forms, which are used by departments of the bank based on rules and regulations.
- Monitoring customers' transactions aimed at preventing deviation from AML / CFT regulations.
- Monitoring customers' transactions aimed at identifying and making suspicious operations report.
- Supervising and resolving any possible issues regarding Mehr Gostar system updates.
- Holding training courses on compliance for AML representatives in provincial directorates.
- Conducting categorization of customers and RFP proposals and continuous

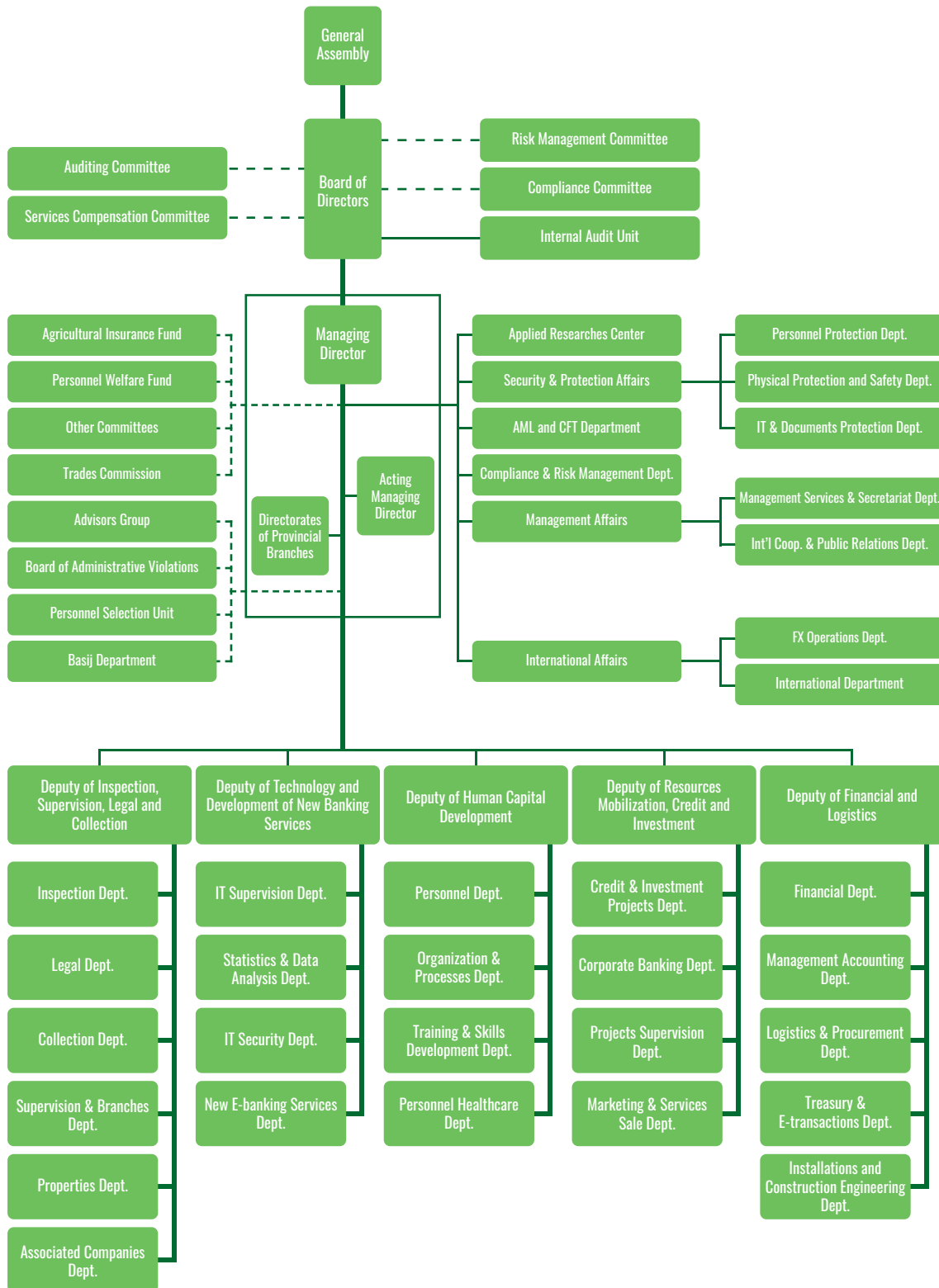


meetings in line with KYC.

- Providing compliance policy of the bank being approved by the board of directors.
- Pursuing the institutionalization of unique ID numbers for customers (both natural and legal entities) which has been operational for over 96%.
- Institutionalizing the importance of compliance in the bank through making different reports and training courses.
- Completing, supervising, and controlling AML and Wolfsburg questionnaires and the like in correspondence banking.¹



Organization Chart





Human Resources

Bank Keshavarzi, aimed at realizing its mission and meeting customers' expectations, has been endeavoring to improve the procedures of human resources management including employment, training, remunerations and human relationships.

Table 1: Breakdown of Employees Stationed at Headquarters and Branches

Year	2019-2020		2018-2019	
	No.	%	No.	%
Headquarters	3,032	19.75	3,091	19.7
Branches	12,318	80.25	12,578	80.3
Total	15,350	100	15,669	100

Some of the human resources strategies, adopted in BK, are as follows:

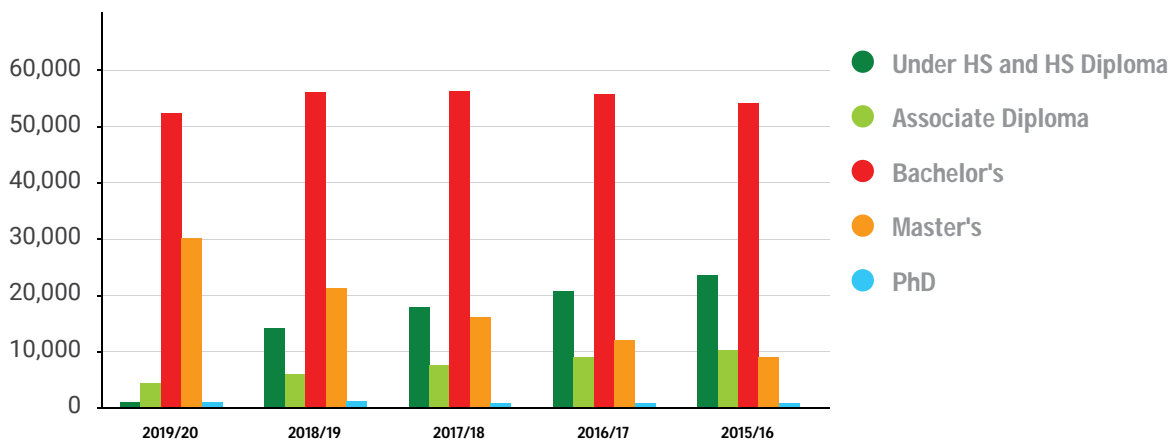
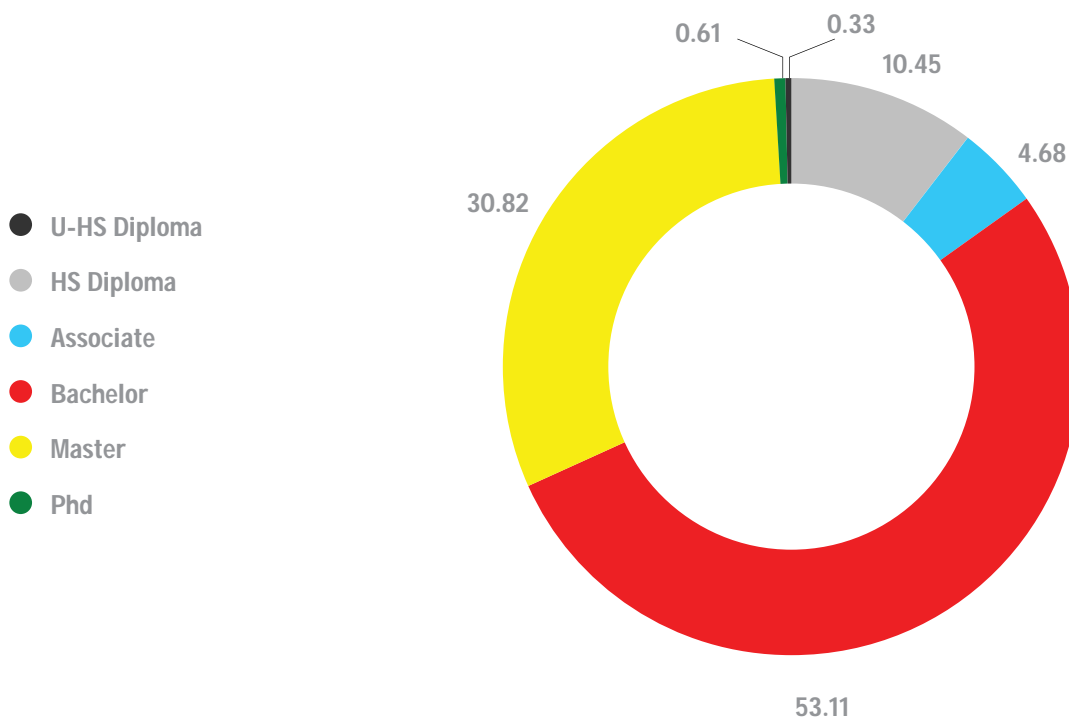
- Employ highly educated man power based on the needs of the bank;
- Identify and develop talented man power capabilities;
- Establish a training system based on jobs specification and employees qualification;
- Regular update of the employees' knowledge and expertise;
- Develop special programs to promote branches employees' skills and knowledge;
- Launch a job rotation system for the branch employees;
- Establish an incentive system based on performance to provide the employees with required motivation;
- Improve physical and mental health of the employees;

The employees' working experiences, in addition to specialized knowledge and sense of devotion, have always been appreciated in BK approaches and programs.



Table 2: Breakdown of Employees' Academic Degrees

Level	2019-2020		2018-2019	
	No.	%	No.	%
Under High School Degrees	50	0.33	63	0.4
High School Diplomas	1,604	10.45	1,873	11.96
Associate Degrees	720	4.68	839	5.35
Bachelor's Degree	8,152	53.11	8,669	55.33
Master's Degree	4,731	30.82	4,143	26.44
PhD Degrees	93	0.61	82	0.52
Total	15,350	100	15,669	100





Training Courses

Increase of total training hours, as compared with those in the year before, displays more attention to training issues of the employees and fulfillment of training justice.

Table 3: Training Performance

Items	2019-2020
Total Training Hours	1,084,761
Total No. of Employees	14,970
No. of Trained Employees	55,091
Training per Capita (Hours)	72
Training per Capita (Courses)	3.7
Training Equity (Percent)	89





Bank Keshavarzi Performance



Operational Performance

Study of the bank's performance in resources mobilization by March 19, 2020 (end of the Persian fiscal year) indicates a 25.1 percent growth in the total deposits as compared with that of the year before. The breakdown of deposits in table 4 displays that such a growth mainly resulted from increase in long-term investment deposits and different types of certificates of deposits, while short-term investment deposits faced a 29 percent decline. Within the report year, making the best use of communication and information technologies, human resources' skills, diversity in banking services and products, hard-working employees with organizational commitment and optimal management, Bank Keshavarzi has been successful in resources mobilization as compared with the bank's performance in the preceding year.

The study of deposits shares out of total deposits by the end of 2019/20 indicates that cheap deposits (including sight, savings and short-term ones) consist 50.5 percent of the total deposits. In 2019/20, long-term deposits and certificates of deposits consisted 49.5 percent of the total deposits.

Table 4: Breakdown of BK Deposits in 2019/20 (Billion IRR)
(Resources Mobilization Status)

Deposit	2019-2020	2018-2019	Changes %	Share out of Total (%)
Sight Deposits	245,213	188,162	30.3	19.55
Savings Deposits (Qard-al-Hassanah)	88,680	87,741	1.1	7.07
Short-term Investment Deposits	281,105	228,636	22.9	22.41
Long-term Investment Deposits	560,653	467,924	19.8	44.7
Investment Deposits from Banks and Credit Institutions	74,265	25,896	186.8	5.92
Other Deposits and Advanced Payments	4,311	4,586	-6	0.35
Total Deposits	1,254,227	1,002,945	25.1	100

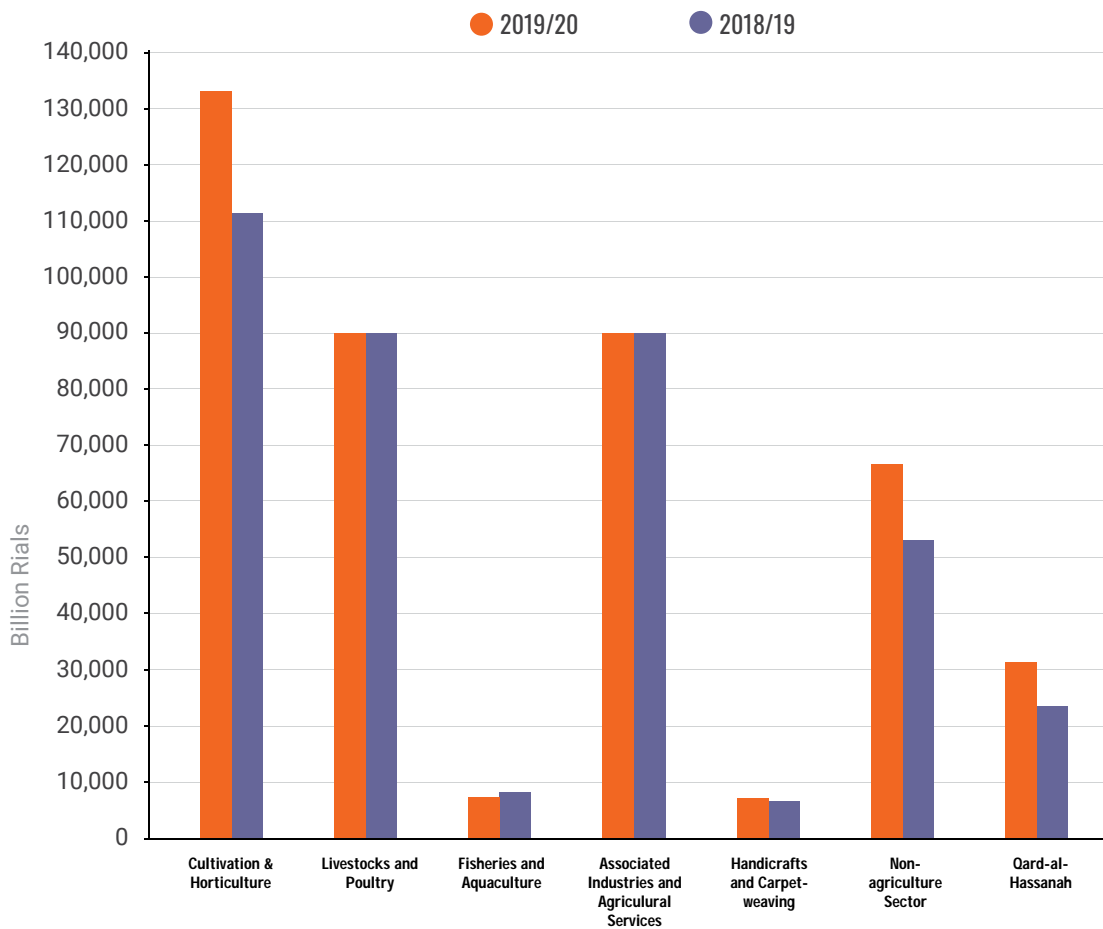
Contribution to Agriculture Sector

Agricultural development and self-sufficiency have always been placed at the top of the government's policies and it is believed that the agriculture should be the main axis of economic activities. Accordingly, Bank Keshavarzi, as the only specialized and agricultural bank of the country, managed to raise required funds to meet the customers' financial and credit needs. In 2019/20, the bank successfully facilitated the growth of GDP and enrichment of the agriculture sector through creating mobility in the sector by granting more credit facilities to individuals and businesses.



Table 5: Comparison of BK Credit Facilities Provided to Agriculture Sub-sectors in 2019/20 and 2018/19

Item	2019-2020	2018-2019	Changes %	Share out of Total (%)
Cultivation	95,721	76,454	25.2	18
Horticulture	37,529	35,016	7.2	7
Livestock and Poultry	105,891	104,424	1.4	20
Fisheries and Aquaculture	7,459	7,639	-2.4	1
Associated Industries and Agricultural Services	179,246	173,496	3.3	34
Handicrafts and Carpet-weaving	6,614	6,204	6.6	1
Non-Agriculture Sector	66,647	53,114	25.5	13
Qard-al-Hassanah (Marriage, Job Creation, ...)	31,477	23,189	35.7	6
Total	530,583	479,536	10.6	100

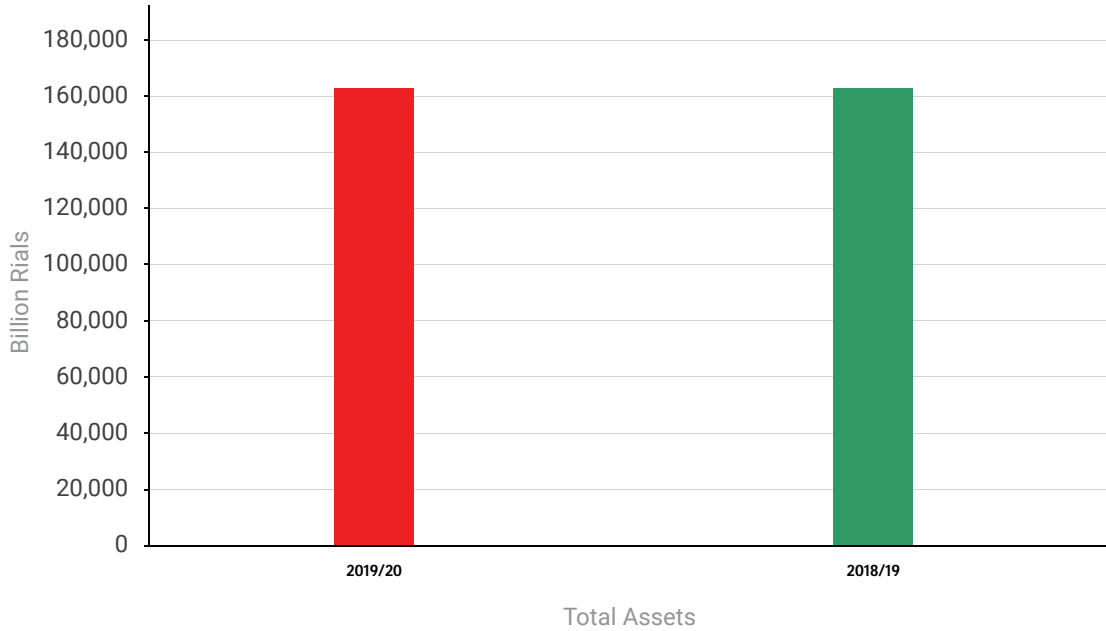




Financial Performance

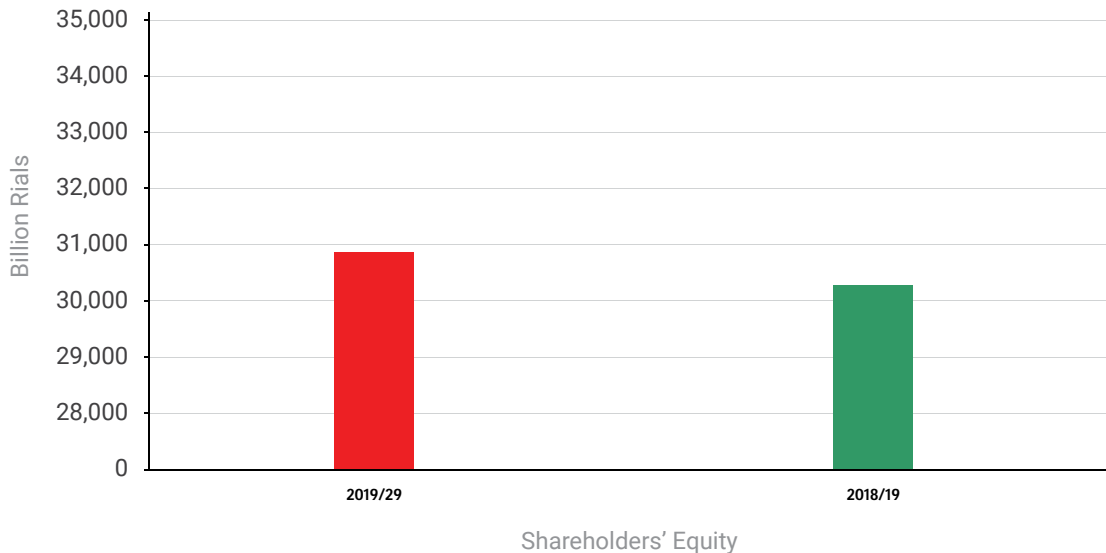
Total Assets¹

By the end of 2019/20, BK's total assets rose from Rls. 1,643,585 billion in 2018/19 to Rls. 1,729,753 billion,² showing a 5.24 percent growth.



Shareholders' Equity

Shareholders' equity of the bank, with a 989.42 percent rise, amounted to Rls. 131,006 billion by the end of 2019/20 from Rls. 12,025 billion in the preceding year.



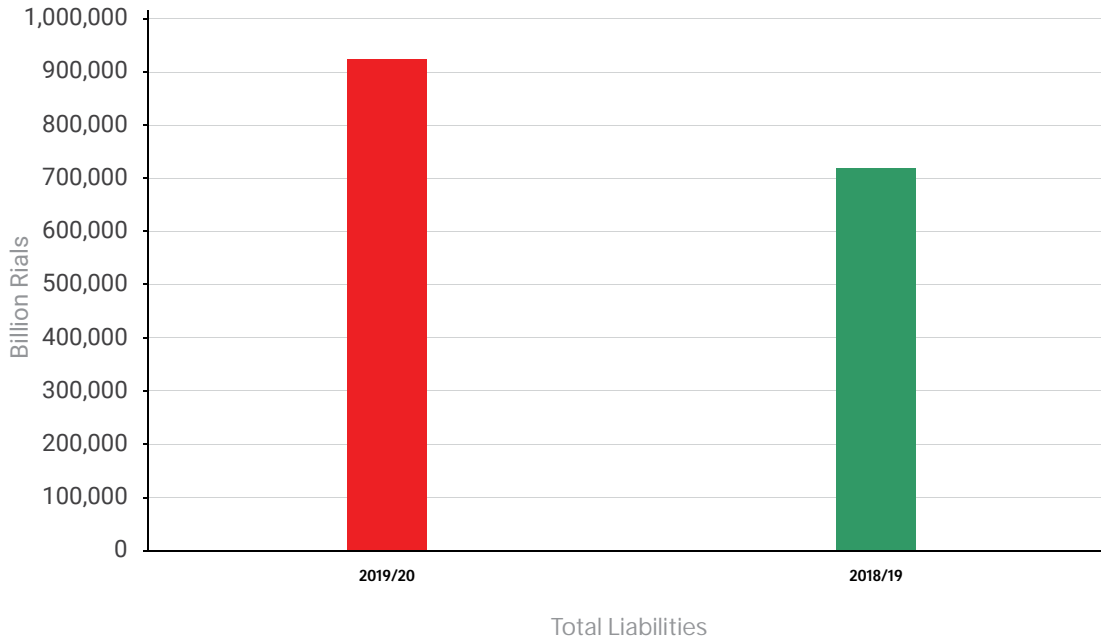
1. All comparative figures in financial statements have been restated to present a true and fair view of the bank's financial status. Thus, there may be cases of mismatch with figures presented in the preceding year annual report (2018/19).

2. Rial amounts can be converted to USD at CBI reference rate (http://cbi.ir/ExRates/rates_en.aspx) on the last day of Iranian fiscal year (March 20, 2018).



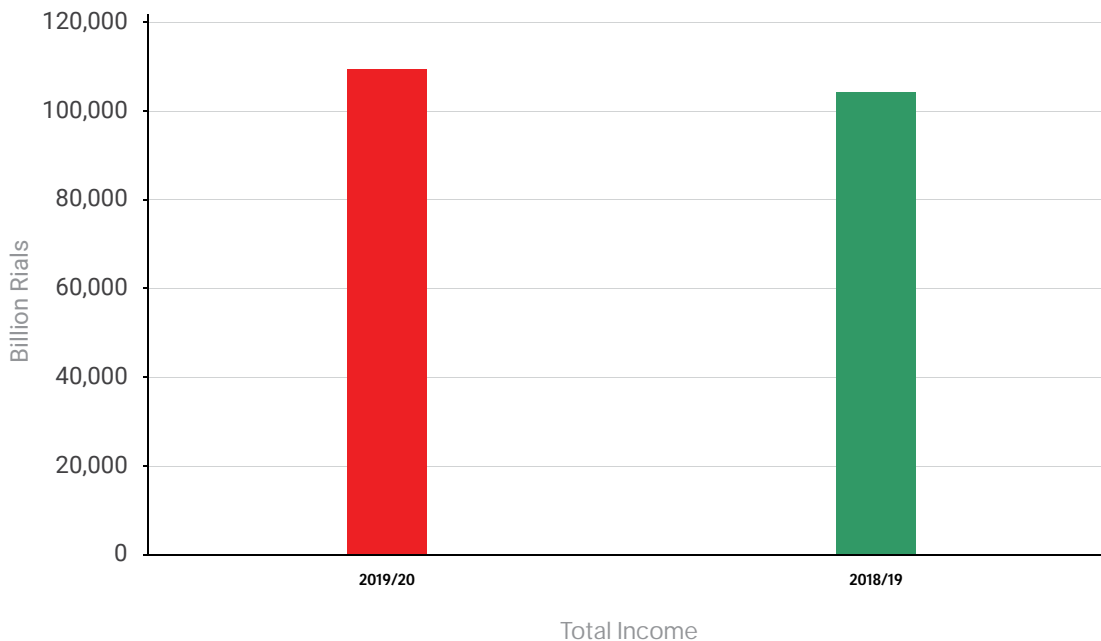
Total Liabilities

BK's liabilities increased by 2.01 percent from Rls. 1,631,560 billion in 2018/19 to Rls. 1,548,747 billion by the end of 2019/20.



Total Income

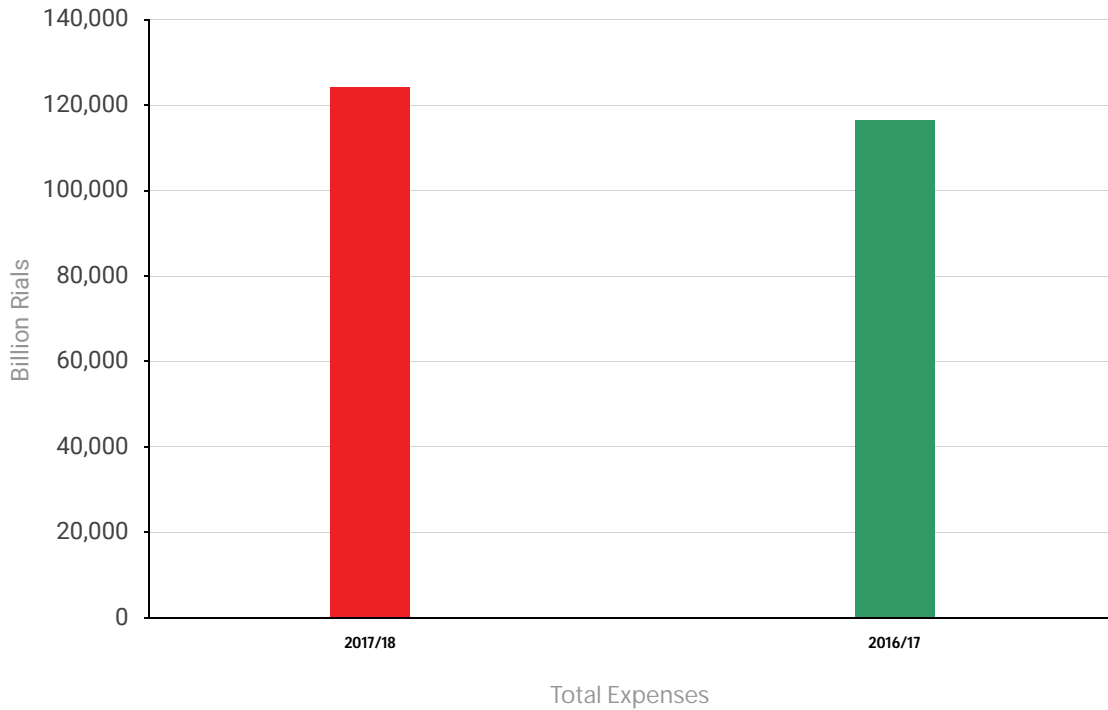
BK's total income grew from Rls. 126,273 billion in 2018/19 to Rls. 187,774 billion in 2019/20, indicating a 48.70 percent growth.





Total Expenses

BK's total expenses rose by 24.28 percent increasing from Rls. 150,814 billion in 2018/19 to Rls. 187,426 billion in 2019/20.



As regards the above-mentioned improvements, the key ratios represent BK's financial health and strength. The Return on Investment ratio (9.80 percent) does display higher efficiency in utilizing resources and assets. Moreover, the 7.57 percent Equity to Assets ratio demonstrates a steady and sound structure in the financial statements of the bank.



E-banking

In recent years, the accelerated growth of information technology and development of communication network have opened a new horizon before financial markets and sectors. The emergence of new channels and methods of processing and data transfer as well as establishing great information bases have promoted the efficiency and productivity, facilitated communication and reduced operational costs in financial institutions, and as a major cause of gaining superiority in the arena of competitive and financial markets has evolved the overview of financial sector. Thus, a strategic focus on electronic banking is not only a choice but also a necessity, which leads to a distinction in the quality of banking services, in addition to reducing operational costs.

Accordingly, BK, by taking the lead, did make a grand revolution in the banking system and has run an integrated core banking (Mehr Gostar), in which the overall operations of depositing (checking, savings, time deposits,...), branch accounts (debits, credits, etc.), securities (partnership bonds, etc.) clearing, money orders, credit facilities, and the like are performed in branches.

Managing the above operations, the system has the ability to manage Customer Information System (CIS), parameters, lodger, liquidity, FOREX markets, documentary credits, ATMs channels, POSs, Pinpads, SMS banking, etc.

The system includes variety of functions and specifications, few of which are: Banking transactions 24/7 through communications channels such as internet, telephone banking, mobile phone banking, etc.); Foreign currency services in all FX branches; Internet banking; Telephone banking and Mobile Phone banking.

Table 6: E-banking Performance in 2019/20

Item	2019-2020	2018-2019	Changes %
No. of Active Internet Payment Gateways	630	599	5.2
No. of Transactions by Internet Payment Gateways	110,721,197	118,646,047	-6.7
No. of Mobile Banking Users	2,344,709	2,019,683	16.1
No. of Transactions by Mobile Banking	75,111,697	66,484,987	13
No. of Internet Banking Users	327,947	274,934	19.3
No. of Transactions by Internet Banking	7,710,977	5,833,633	32.2
No. of Internet Payment of Loans Installments	11,292,354	10,918,405	3.4
No. of Payment Orders	416,283	545,994	-23.8
No. of POSs	392,475	439,630	-10.7
No. of ATMs	2,957	2,988	-1
No. of Transactions by ATMs	299,489,483	318,673,997	-6
Percentage of Active ATMs	95.43	96.50	-1.07
No. of Kiosks and Cashless Machines	310	303	2.3
No. of Issued Banking Cards	6,432,114	4,793,343	34.2
No. of Credit Cards	11	13,255	-99.9



International Banking Performance

In order to diversify banking services and meet the international banking needs of entities and individuals involved in both commercial and agricultural sectors, Bank Keshavarzi has put enormous efforts into developing international banking services. The bank is among the leading Iranian banks, which provides its customers with all different international banking services, import-export letters of credit, payment orders, collections, guarantees, etc., together with offering technical consultancy services to customers in fields of equity financing including diversified ways of investments and countertrade through international banking operations. In order to provide a more detailed picture of the foreign currency services and import/export facilities of the bank the followings could be noted:

- Financing production and entrepreneurship projects;
- Financing reconstruction and renovation projects of the textile industries in collaboration with the Ministry of Mines and Industries and Organization for Investment Economic and Technical Assistance of Iran;
- Financing tourism industry and other investment projects in the service sector;
- Promoting Iranian agricultural and other non-oil exports with especial focus on commodities, agro-industrial technical know-how and engineering services;
- Supporting trade centers in export markets of some neighboring countries;
- Supporting project financing in free trade industrial and special economic zones;
- Financing import of food and medicine as a priority.
- Utilizing credit lines including finance and refinance credit lines as well as employing Bank resources to start and complete development projects of the country.
- Allocation of facility lines to foreign traders of Iranian goods to encourage export from Iran and creation of mutual goods-exchange market through the internal resources like the National Development Fund or Buyer's Credit.

Bank Keshavarzi's nominated branches, providing international banking services, are authorized to exchange CBI negotiable currencies against IRR to cover the needs of Iranian importers who are eligible to import commodities under the regulations laid down by the central bank of Iran. Moreover, Moreover, the International Division



issues letters of guarantee and counter guarantees including performance bonds, advance payment guarantee, retention money guarantee, guarantee for international tender (tender bond).

In line with the mission of the bank to promote the agriculture sector, while helping the economic development of the country in commercial and international fields, Bank Keshavarzi is diligently working on the expansion of a practical and reliable correspondent network. That is, Bank Keshavarzi is currently facilitating the business among international and Iranian economic activists and traders through more than 50 correspondent banks in more than 40 countries in different currencies including but not limited to EUR, JPY, KRW, CNY, RUB, INR, and OMR through financial channels such as SHTA (Switzerland), KOTRA (South Korea), Oman, etc.

Moreover, the bank seeks presence in the international forums in order to upgrade its position. It participates (or holds) regional as well as international meetings, conferences, seminars; enjoys registration both in the recognized international institutions (such as Bankers' Almanac) and regional, commercial as well as specialized organizations and institutions (such as APRACA, ADFIMI, and IFSB).

Operational Figures

Bank Keshavarzi has a total of 1753 branches and has presently expanded its branches, offering International Banking Services, up to 47 ; out of which 15 are located in Tehran, the capital city, and 32 in the other provinces. In order to provide International-banking services in line with KYC and AML rules and regulations, the bank proceeds to update international knowledge of its employees through holding seminars and educational courses, as well as regular periodical observations.

It is worth mentioning that in 2019-2020, the total volume of Import operations amounted to 4,965 million. The total balance of term deposits as at 20/03/2020 is as follows; Lending: USD 564 million, and Borrowing: USD 316 million, while the total amount of customer accounts is calculated to be USD 262m. Within the report year, the Dealing Room made 1831 FX deals

equaling 7,181m. These figures are comprised of below items: (1) 1,708 deals amounting to USD 2,705 million made against IRR and (2) 123 deals amounting to USD 4,476 million whereby foreign currencies were bought and sold against each other.

International Cooperation

Aimed at exchanging technical expertise, keeping abreast of the latest financial and banking developments, elevating the bank's global status, and promoting its prominent presence in international events to display BK's capabilities and potentialities, the bank has been focusing on strengthening of mutual ties with international communities by obtaining official membership in the following associations:



Asia Pacific Rural and Agricultural Credit Association (APRACA)¹



Confederation Internationale Du Credit Agricole (CICA)



Islamic Financial Services Board (IFSB)



Association of National Development Finance Institutions in Member Countries of Islamic Development Bank (ADFIMI)²



Near East and North Africa Regional Agricultural Credit Association (NENARACA)

The bank is also executing some joint international projects in collaboration with international organizations.

1. As a member of Executive Committee
2. As a member of Management Committee



IDB Group

Bank Keshavarzi, owning shares of stock in some international corporations, has established close interaction and cooperation with many international organizations. The bank is the one of the major shareholders of **Islamic Cooperation Bank for Investment (I.C. Bank)**¹, established on April 1, 2007 through joint investment of BK and other shareholders. Having branches in Tehran, Baghdad, Najaf, Karbala, Kazemineh, Soleimanieh, Basra, Erbil, ... IC Bank offers almost all banking services such as savings, checking, short-term and long-term accounts; granting financial facilities through Islamic contracts; Forex services; DCs and L/Gs services; etc.

BK also holds shares in:

- Islamic Development Bank (IDB)
- Islamic Corporation for the Development of the Private Sector (ICD)
- International Islamic Trade Finance Corporation (ITFC)

Corporate Social Responsibility

Among the major components of the bank's social responsibilities and attainments, the following Schemes and programs are presented as illustrations of community mobilization, women's economic empowerment, application of new technology for environmental protection, efficiency in production, improving the economic activities of rural population and poverty-alleviation:

- Schemes to support women-headed households;
- Schemes to create employment opportunities aimed at supporting rural girls empowerment, preventing their emigration from rural areas to cities, and promoting their social positions.;
- Schemes, developed exclusively for Iranian women, providing them with accessibility to required banking services;
- Schemes to create employment for all those individuals and entrepreneurs involved with activities in rural areas;
- Plans to support newly-released prisoners to provide them with new jobs opportunities;
- Children and Youth Bank, aimed at promoting banking and savings attitude among Children and teenagers and familiarizing them with modern banking services and operations;
- Financing green projects to achieve sustainable development and environment protection, including water resources, soil, air, forests, rangelands, and other

- natural resources;
- Humanitarian aids, equaling four Billion Rials, for flood-stricken provinces;
- Participation in construction and renovation of medical centers and sports complexes in earthquake-stricken areas;
- Special facilities for customers with vision impairment at branches;
- Financial contribution to charity organizations;
- Construction of schools in under-developed areas and providing students with educational equipment;

Bank Keshavarzi Main Subsidiaries

The main subsidiary and affiliated companies of bank Keshavarzi are as follows:

Hi-tech Solutions Company¹

Novin Keshavarz Hi-tech Solutions was established in 2008 aimed at offering variety of IT-based services and solutions, in compliance with Islamic Banking principles, to the Iranian banking system. Some of the Hi-tech solutions of the company include:

- Core Banking Solutions
- Customer Relationship Management
- Decision Support System (DSS)
- Online Supervision System
- Loan Process Management System
- Data Center Management
- Network Design and Development

Agricultural Insurance Fund (AIF)²

The Agricultural Insurance Fund was established in 1984 to protect farmers and livestock breeders against natural disasters such as draught, earthquakes, frostbites, flooding, hailstorms, torrential rain, and landslides, and to enhance agricultural products and production yields in order to reach self-sufficiency in one of the vital sectors of economy. AIF provides insurance coverage, as a sustainability tool to help mitigate the effects of negative events with impacts on agricultural production and revenues. It encourages farmers to adopt progressive farming practices, high value in-puts and higher technology in agriculture to help stabilize farm incomes, particularly in disaster years. Some of the agricultural products insured by the fund are as follows:

1. <http://www.htsc.ir>

2. <http://www.sbkiran.ir>



Some Agricultural Products under AIF Insurance Coverage

Activities	Insured Agricultural Products
Annual Crops	Wheat (Irrigated/rain-fed), Barely, Rice, Peas, Lentils, Beans, Sugar Beet, Potatoes, Corn, Sunflower, Soy beans, Onions, Tobacco, Cantaloupe, Melon, Watermelon, Peanuts, Sesame, Strawberries, ...
Perennial Crops	Saffron, Tea, Figs, Pistachio, Almond, Walnuts, Tangerines, Lemons, Apples, Grapes, Oranges, Pears, , Dates, Ornamental Flowers, ...
Livestock	Dairy Cattle, Honey Bees, Silkworms, Camels, Buffalos, ...
Poultry	Broiler and Layer Chickens, Ostriches, Turkeys, ...
Aquaculture	Cold/Warm-water Fish, Shrimps,...
Pastures and Forestry	Lands Improvement Projects, Watersheds Construction, Spruce Trees, ...

Agricultural Lands Development Company (Land Bank)¹

Land Bank was founded in 1992 to conduct a part of deposits directly to agricultural development activities. Establishment and development of land; performing detailed designs for optimum exploitation; preparing executive plans for land rehabilitation and modernization; construction of livestock farms, fishery and shrimp farming complexes; and support of processing and complementary industries are among the main responsibilities of the bank. Since 2006 and subject to an agreement with the Ministry of Agriculture, Land Bank has been involved with locating those agriculturally potential pieces of land, which have then been leased or allocated to the bank for various purposes including development and rehabilitation of land, construction of greenhouses, and construction of livestock farms.

Bank Keshavarzi Brokerage Company²

Bank Keshavarzi Securities Company (BKSC), established as a Private Joint Stock in 1993, is one of the top highest brokerage firms (among top 3) that provides a wide range of financial services in Iran.

As BKSC belongs to Agriculture Bank of Iran, it has been successful in financing different agricultural projects. In 2015/16, the company did the biggest finance for agricultural sector in Iran by issuing USD750 Million of Salam and USD300 Million of Murabaha Sukuk in the capital market. BKSC is a member of TSE (Tehran Stock Exchange), IME (Iran Mercantile Exchange), IRENEX (Iran Energy Exchange) and OTC (Fara bourse) of Iran and have always been among the high ranked traders of futures, petrochemicals and metals in IME.

1. www.land-bank.ir
2. www.agribourse.com



Mehr Exchange Company¹

Mehr Exchange Company officially started its operations in 2004 aimed at preventing money-laundering, valuing customers' rights and balancing the forex market. The company is engaged in foreign currencies exchange, spot transactions, bills of exchange, gold and silver coins, and any kind of foreign exchange operations under CBI monetary and credit policies and regulations.

1. www.mehrexchange.com



Bank Keshavarzi Financial Statements 2019 – 2020



Excerpt of Auditors' Report

Independent Auditors' Report to the Ordinary General Assembly of Shareholders:

Bank Keshavarzi consolidated financial statements, including Balance Sheet as at 19th of March 2020, Income Statement, Comprehensive Income Statement, Statement of Changes in Shareholders' Equity, and Cash Flow Statement for the fiscal year ending on the afore-said date and the Explanatory Notes 1-68, have been audited by State Audit Organization (SAO).

Board of Directors' Responsibility

Subject to the accounting standards, the bank's Board of Directors shall be responsible for preparation of financial statements. The responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of financial statements so that they would be free of any material misstatements, whether due to fraud or errors.

Auditors' Responsibility

SAO's responsibility is to comment and express an independent opinion on the afore-said financial statements in accordance with the auditing standards, which require SAO to observe the code of professional conduct and plan and execute the auditing in a way to be assured of no material misstatements and distortion in the financial statements.

We, the auditors, shall also be responsible to express an independent opinion on the afore-said financial statements based on the performed audit and to report cases of non-compliance with the legal requirements of the Amended Commercial Code, Banking and Monetary laws, Usury-free Banking Operations Law and the Banks' Articles of Association.

We hereby report our opinion as to whether the financial statements provide a true and fair view and whether the financial statements have been properly prepared in accordance with the above-mentioned legal references. In addition, we report if, in our opinion, the bank does not keep proper accounting records, if we are not provided with all information we require to conduct the audit, or in case the information regarding any transaction is not disclosed.

We planned and performed our audit to obtain all the information and explanations, which we consider necessary in order to provide us with sufficient evidences to give reasonable assurance that the financial statements to be audited are free from any significant distortion, material misstatement, irregularity or error. The audit included random checks of evidences and documents supporting the figures in the financial statements. It also encompassed evaluation of accounting policies and conventions used, assessments made by the board of directors and inspection of the overall accounts presented. SAO believes that the performed audit produced a reasonable base of opinion on the financial statements. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.



In our opinion:

- The report does not contain any material misstatement that would render the financials misleading.
- The Financial Statements fairly present in all material respects the financial condition and results of operations, in accordance with the Amended Commercial Code, Banking and Monetary laws, Usury-free Banking Operations Law and the Banks' Articles of Association.
- The financial statements have been properly prepared in accordance with the above-mentioned laws, regulation and standards.
- We have examined the Board of Directors' report, prepared for presentation to the General Assembly. In the course of audit, we have not noticed any material difference between the content of said report and the documents provided by the Board of Directors.
- The report on compliance of BK's operations with approved budget for the year ending March 19, 2020 has been audited and examined by SAO. No significant discrepancy has been detected regarding the compliance of the Board of Directors' Report with the approved budget and the presented financial records.
- We have not found any evidence for non-compliance of the transactions with prevailing business procedures in operations of the Bank.
- Bank Keshavarzi AML program has been found to be in compliance with the national and international AML laws, regulations and standards.

The assistance provided by BK's employees and management during the conduct of our audit is highly appreciated.

August 20, 2020

State Audit Organization



Bank Keshavarzi 2019-2020 Financial Statements¹ for the fiscal year ending on March 19, 2020 include the following:

Consolidated Financial Statements

- Consolidated Balance Sheet
- Consolidated Income (Profit & Loss) Statement
- Consolidated Statement of Changes in Shareholders' Equity
- Consolidated Statement of Cash Flow

Bank Keshavarzi Financial Statements

- Balance Sheet
- Income (Profit & Loss) Statement
- Comprehensive Income (Profit & Loss) Statement
- Statement of Changes in Shareholders' Equity
- Statement of Cash Flow
- Notes to the Financial Statements

Undersigned by Members of the Board of Directors:

- Davar Mahikar
- Rouhollah Khodarahmi
- Reza Hosseini
- Farhad Fanoodi
- Abbas Arab Mazar

1. The Financial statements have been translated from the statutory financial statements prepared in accordance with generally accepted accounting principles applicable to enterprises established in the Islamic Republic of Iran. In the event of any difference in interpreting the financial statements, the Farsi version shall prevail.

Consolidated Balance Sheet

as at March 19, 2020



Annual Report
2019 – 2020

	Note	March 19, 2020 ¹ Mil. IRR ²	March 20, 2019 Mil. IRR (Restated) ³
ASSETS			
Cash	9	252,548,049	528,931,232
Due From Banks and Other Credit Institutions	10	32,284,239	29,916,704
Due From Government	11	268,180,878	175,581,474
Credit Granted and Due from Public Sector	12	96,178	105,153
Credit Granted and Due from Non-public Sector	13	880,211,281	725,583,109
Investment in Stocks and Other Securities	14	9,846,635	11,182,405
Due from Subsidiaries and Associates	15	2,361,092	2,170,864
Other Receivable Accounts	16	40,945,489	39,557,407
Tangible Fixed Assets	17	19,095,445	17,076,405
Intangible Assets	18	693,686	745,697
Reserve Requirement	19	104,477,924	82,218,551
Other Assets	20	28,809,748	30,298,821
Total Assets		1,639,550,644	1,643,367,822
LIABILITIES & SHAREHOLDERS' EQUITY			
LIABILITIES			
Due to Banks and Credit Institutions	21	212,995,230	523,824,631
Customers' Deposits	22	335,820,588	278,670,391
Payable Dividends	23	141,504	74,858
Debt Securities	24	0	76
Income Tax Provision	25	1,601,485	2,357,019
Provisions and Other Liabilities	26	115,805,772	101,236,872
Retirement Fund	27	27,201,249	11,810,613
Total		693,565,828	917,974,460
Customers' Investment Deposits	28	915,178,689	721,938,713
Total Liabilities		1,608,744,517	1,639,913,173
SHAREHOLDERS' EQUITY			
Capital	29	111,020,884	91,020,884
Capital Increase In-process	30	4,720,954	3,665,058
Stocks Premium Reserve	31	0	0
Legal Reserve	32	1,017,296	994,644
Other Reserves	33	982,170	982,414
Revaluation Surplus	34	0	0
Foreign Currency Translation Differences	35	1,067,316	1,061,533
Retained Earnings (Loss)		(92,269,492)	(97,782,161)
Treasury Stocks	36	0	0
Total Main Shareholders' Equity		26,539,128	(57,628)
Non-controlling Shareholders' Equity	36-1	4,266,999	3,512,277
Total Shareholders' Equity		30,806,127	3,454,649
Total Liabilities & Shareholders' Equity		1,639,550,644	1,643,367,822

“The notes to the financial statements are an integral part of the financial statements.”

1. BK's fiscal year (1398 Persian Calendar) corresponds to the period of March 21, 2019 to March 19, 2020.

2. Rial amounts can be converted to USD at CBI reference rate (http://cbi.ir/ExRates/rates_en.aspx) on the last day of Iranian fiscal year (March 19, 2020).

3. All comparative figures in financial statements have been restated to present a true and fair view of the bank's financial position. Thus, there may be cases of mismatch with figures presented in the preceding year annual report (2018/19).



Consolidated Income Statement

For the Fiscal Year Ended on March 19, 2020

	Note	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Income from Financial Facilities Granted, Deposits and Debt Securities	38	176,078,111	114,224,424
Cost of Deposits Interest	44	(107,488,728)	(96,816,213)
Net Income from Financial Facilities and Deposits		68,589,383	17,408,211
Fee Income	45	9,480,038	9,890,087
Fee Expenses	46	(6,914,738)	(7,054,083)
Net Fee Income		2,565,300	2,836,004
Net Profit (Loss) of Investment	39	1,865,397	1,554,451
Net Profit (Loss) of Foreign Exchange and Transactions	47	1,890,835	306,339
Other Operating Income	48	0	0
Total Operating Income		74,910,915	22,105,005
Net Other Income and Expenses	49	6,010,004	4,213,120
Administrative and General Expenses	50	(55,531,574)	(34,037,807)
Doubtful Debts Expenses	51	(7,686,139)	(4,304,674)
Financial Expenses	52	(10,816,954)	(9,397,434)
Depreciation Expenses	53	(990,991)	(864,911)
Profit before Accounting Group's Share from Associates' Profit		(5,895,261)	(22,286,691)
Group's Share from Associates' Profit		1,060,743	717,671
Earnings/Loss before Taxes		6,956,004	(21,569,020)
Income Tax - Current Year		(397,492)	(227,281)
Income Tax – Prior Years		(181,447)	(9,913)
Total Income Tax	25	(578,939)	(237,194)
Net Profit (Loss)		6,377,065	(21,806,214)
Net Profit (Loss) Attributable to:			
Main Shareholders (Owners of the Parent)		5,780,786	(22,691,853)
Non-controlling Shareholders		596,279	885,639
		6,377,065	(21,805,214)
EPS (IRR)	55		
Basic EPS (IRR)	55-1	57	(240)
Diluted EPS (IRR)	55-2	0	0

Consolidated Statement of Comprehensive Income

For the Fiscal Year Ended on March 19, 2020

	Note	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Net Profit (Loss)		6,377,065	(21,806,214)
Assets Revaluation Surplus	34	0	0
Foreign Operations – Foreign Currency Translation Differences	35	5,783	231,385
Comprehensive Profit (Loss) of Fiscal Year		6,382,848	(21,574,829)
Yearly Adjustments	54	(84,810)	(9,226,288)
Recognized Comprehensive Loss as of Reporting Date of Prior Year		6,298,038	(30,801,117)
Less:			
Non-controlling Shareholders' Share from Comprehensive Profit (Loss)		596,279	885,639
Year-end Comprehensive Profit and Loss		5,701,759	(31,686,756)

Consolidated Statement of Changes in Shareholders' Equity

For the Fiscal Year Ended on March 19, 2020
2019-2020

Note	Capital	Capital Increase In-process	Stocks Premium Reserve	Legal Reserve	Other Reserves	Assets Revaluation Surplus	Foreign Operations - FC Translation Differences	Retained Loss	Treasury Stock	Non-controlling Shareholders' Equity	Total Shareholders' Equity
Balance as of March 21, 2019	91,020,884	3,665,058	0	994,644	982,414	0	1,061,533	(97,697,351)	0	3,512,277	3,539,459
Net Profit								6,377,065		(596,279)	5,780,786
Yearly Adjustments								(84,810)			(84,810)
Other Comprehensive Income (Loss) - After Tax											0
Assets Revaluation Surplus											0
Foreign Currency Translation Differences							5,783				5,783
Tax of Other Comprehensive Income											0
Total Other Comprehensive Income											5,783
Total Other Comprehensive Income											5,783
Total Comprehensive Loss								6,292,255		(596,279)	5,701,759
Changes of Non-controlling Shareholders' Equity								(716,487)		1,312,766	596,279
Other Changes in Retained Loss								0			0
Capital Increase											0
Registered Capital Increase	30	20,000,000								32,060	20,032,060
Flowing Capital Increase	30		1,055,896							(25,357)	1,030,539
Treasury Stock											0
Purchase of Treasury Stock	36										0
Disposal of Treasury Stock	36										0
Distribution and Allocation											0
Legal Reserve	32			22,652				(54,184)		31,532	0
Other Reserves	33				(244)			0			(244)
Dividends											0
Approved Dividends								(93,725)			(93,725)
Total Changes in Shareholders' Equity		20,000,000	1,055,896	0	22,652	(244)	0	(864,396)	0	1,351,001	21,564,909
Balance as of March 19, 2020		111,020,884	4,720,954	0	1,017,296	982,170	1,067,316	(92,269,492)	0	4,266,999	30,806,127

To Be Continued





Consolidated Statement of Changes in Shareholders' Equity

For the Fiscal Year Ended on March 19, 2020
2018-2019

Note	Capital	Capital Increase In-process	Stocks Premium Reserve	Legal Reserve	Other Reserves	Assets Revaluation Surplus	Foreign Operations - FC Translation Differences	Retained Loss	Treasury Stock	Non-controlling Shareholders' Equity	Total Shareholders' Equity
Balance as of March 21, 2018	91,020,884	3,397,388	0	948,644	982,414	0	830,148	(67,348,722)	0	3,334,668	33,165,424
Net Profit								(21,806,214)		(885,639)	(22,691,853)
50 Yearly Adjustments								(9,226,288)			(9,226,288)
Other Comprehensive Income (Loss) – After Tax						0					0
34 Assets Revaluation Surplus						0					0
35 Foreign Currency Translation Differences							231,385				231,385
Tax of Other Comprehensive Income						0					0
Total Other Comprehensive Income	0	0	0	0	0	0	231,385	0	0	0	231,385
Total Comprehensive Loss	0	0	0	0	0	0	231,385	(31,032,502)	0	(885,639)	(31,686,756)
Changes of Non-controlling Shareholders' Equity								745,538		1,025,740	1,771,278
Other Changes in Retained Loss								(96,846)			(96,846)
Capital Increase	0	267,670						0		0	0
Registered Capital Increase	0	267,670	0					0		0	267,670
Flowing Capital Increase											
Treasury Stock											
Purchase of Treasury Stock									0	0	0
36 Disposal of Treasury Stock									0	0	0
36 Distribution and Allocation											
32 Legal Reserve				46,000				(83,795)		37,508	(287)
33 Other Reserves											0
Dividends	0										0
Approved Dividends								34,166			34,166
Total Changes in Shareholders' Equity	0	267,670	0	46,000	0	0	0	599,063	0	1,063,248	1,975,981
Balance as of March 20, 2019	91,020,884	3,665,058	0	994,644	982,414	0	1,061,533	(97,782,161)	0	3,512,277	3,454,649

Consolidated Cash Flow Statement

For the Fiscal Year Ended on March 19, 2020



Annual Report
2019 – 2020

	Note	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Operating Activities			
Cash Received for:			
Profit and Penalties of Financial Facilities Granted		173,977,986	110,383,145
Profit of Debt Securities		2,100,125	3,841,279
Fees		9,480,038	9,890,087
Deposits Profit		0	0
Investments Profit		1,865,397	1,554,451
Other Operating Income		7,037,332	4,890,450
Cash Paid for:			
Deposits Interest		(107,488,728)	(96,816,213)
Fees		(6,914,738)	(7,054,083)
Financial Cost		(10,816,954)	(9,397,434)
Other Operating Costs		(40,140,938)	(36,908,461)
Income Tax		(578,939)	(237,194)
Cash Inflow (Outflow) from Operating Activities before Changes in Operating Assets and Liabilities		(28,520,581)	(19,853,973)
Cash Flow from Changes in Operating Assets and Liabilities			
Net Increase (Decrease) in Liabilities:			
Due to Banks and Other Credit Institutions		(337,397,832)	443,020,105
Customers' Deposits		57,150,197	116,494,937
Debt Securities		(76)	0
Operating Portion of Provisions and other Liabilities		34,111,502	20,773,692
Investment Deposits Owners		193,239,976	121,048,430
Net Assets Impairment (Appreciation):			
Due from Banks and Other Credit Institutions		(2,367,535)	(19,005,006)
Principal of Due from Government		(92,599,404)	(26,515,580)
Principal of Financial Facilities Granted and Due from Public Persons		8,975	(65,890)
Principal of Financial Facilities Granted and Due from Non-public Persons		(162,314,311)	(157,560,029)
Investment in Stocks and Other Securities		1,341,553	12,684,854
Due from Subsidiaries and Associates		(190,228)	(374,642)
Other Accounts Receivable		(1,388,082)	332,681
Required Reserve		(22,259,373)	(16,798,768)
Operating Portion of Other Assets		1,489,073	4,703,266
Cash Flow from Changes in Operating Assets and Liabilities		(331,175,565)	498,738,050
Net Cash Inflow (Outflow) before Operating Activities	51	(302,654,984)	478,884,077
Net Cash Inflow (Outflow) from Operating Activities			
Investing Activities			
Payments for Acquisition of Fixed Tangible Assets		(2,972,141)	(1,421,347)
Proceeds from Disposal of Fixed Tangible Assets		33,415	40,351
Payments for Acquisition of Intangible Assets		0	(10,278)
Proceeds from Disposal of Intangible Assets		14,121	0
Payments for Acquisition of Non-operating Properties and Real-estates		0	0
Proceeds from Disposal of Non-operating Properties and Real-estates		0	0
Net Cash Inflow (Outflow) from Investing Activities		(2,934,605)	(1,391,274)
Net Cash Inflow (Outflow) before Financing Activities	52	(305,579,589)	477,492,803
Net Cash Inflow (Outflow) from Financing Activities			
Financing Activities			
Increase of Cash Capital		764,220	0
Treasury Stocks Trading		0	0
Proceeds from Stocks Premium		0	0
Dividends Paid to Minority Shareholders		(27,079)	(80,368)
Financial Facilities Received		26,568,430	14,548,914
Repayment of Financial Facilities Principal		0	0
Net Cash Inflow from Financing Activities		27,305,571	14,468,546
Net (Decrease) in Cash Funds		(278,274,018)	491,961,349
Cash at the Beginning of the Year		528,931,232	36,663,544
Effects of Exchange Rate Changes on Cash		1,890,835	306,339
Cash at the End of the Year		<u>252,548,049</u>	<u>528,931,232</u>
Non-cash Transactions		<u>269,254,959</u>	<u>181,004,470</u>



Balance Sheet

as at March 19, 2020

	Note	March 19, 2020 Mil. IRR ²	(Restated) ¹ March 20, 2019 Mil. IRR
ASSETS			
Cash	9	251,188,111	528,050,458
Due From Banks and Other Credit Institutions	10	32,284,239	29,916,704
Due From Government	11	268,180,878	175,581,474
Credit Granted and Due from Public Sector	12	96,178	105,153
Credit Granted and Due from Non-public Sector	13	894,015,570	739,995,835
Investment in Stocks and Other Securities	14	2,770,921	2,759,305
Due from Subsidiaries and Associates	15	21,417,553	24,522,820
Other Receivable Accounts	16	25,763,059	27,578,241
Tangible Fixed Assets	17	111,120,168	11,922,258
Intangible Assets	18	573,424	648,492
Required Reserve	19	104,477,924	82,218,551
Other Assets	20	17,865,382	20,285,875
Total Assets		1,729,753,407	1,643,585,166
LIABILITIES & SHAREHOLDERS' EQUITY			
LIABILITIES			
Due to Banks and Credit Institutions	21	212,391,069	523,432,950
Customers' Deposits	22	338,204,566	280,489,336
Payable Dividends	23	0	0
Debt Securities	24	0	76
Income Tax Provision	25	1,081,444	1,979,836
Provisions and Other Liabilities	26	104,243,648	91,748,354
Retirement Fund	27	26,804,196	11,453,557
Total		682,724,923	909,104,109
Customers' Investment Deposits	28	916,022,514	722,455,813
Total Liabilities		1,598,747,437	1,631,559,922
SHAREHOLDERS' EQUITY			
Capital	29	111,020,884	91,020,884
Capital Increase In-process	30	4,720,954	3,665,058
Stocks Premium Reserve	31	0	0
Legal Reserve	32	770,317	770,317
Other Reserves	33	0	0
Revaluation Surplus	34	97,576,384	0
Foreign Currency Translation Differences	35	0	0
Retained Earnings/Loss		(83,082,569)	(83,431,015)
Treasury Stocks	36	0	0
Total Shareholders' Equity		131,005,970	12,025,244
Total Liabilities & Shareholders' Equity		1,729,753,407	1,643,585,166

1. All comparative figures in financial statements have been restated to present a true and fair view of the bank's financial position. Thus, there may be cases of mismatch with figures presented in the preceding year annual report (2018/19).

2. Rial amounts can be converted to USD at CBI reference rate (http://cbi.ir/ExRates/rates_en.aspx) on the last day of Iranian fiscal year (March 20, 2019).



Income Statement

For the Fiscal Year Ended on March 19, 2020

	Note	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Income from Financial Facilities Granted, Deposits and Debt Securities	37	176,071,393	113,988,594
Cost of Deposits Interest	39	<u>(107,735,384)</u>	<u>(96,902,246)</u>
Net Income from Financial Facilities and Deposits		68,336,009	17,086,348
Fee Income	41	9,480,038	9,890,807
Fee Cost	42	<u>(6,914,738)</u>	<u>(7,054,083)</u>
Net Fee Income		2,565,300	2,836,724
Net Profit (Loss) of Investment	38	271,577	1,364,068
Net Profit (Loss) of Foreign Exchange and Transactions	43	1,135,032	(41,813)
Other Operating Income	44	<u>0</u>	<u>0</u>
Total Operating Income		72,307,918	21,245,327
Net Other Income and Expenses	45	816,319	1,071,780
Administrative and General Expenses	46	(54,331,816)	(33,204,106)
Doubtful Debts Expenses	47	(7,640,000)	(4,676,155)
Financial Expenses	48	(9,906,865)	(8,172,759)
Depreciation Expenses	49	(897,110)	(804,530)
Earnings/Loss before Taxes		<u>348,446</u>	<u>(24,540,443)</u>
Recent Year Income Tax		0	0
Prior Years Income Tax Changes		0	0
Total Income Tax	25	<u>0</u>	<u>0</u>
Net Profit (Loss)		348,446	(24,540,443)
Earnings (Loss) per Share (IRR)	55		
Basic Earnings (Loss) per Share (IRR)	55-1	<u>3.14</u>	<u>(270)</u>
Diluted Earnings (Loss) per Share (IRR)	55-2	<u>0</u>	<u>0</u>

Statement of Comprehensive Income

For the Fiscal Year Ended on March 19, 2020

	Note	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Net Profit (Loss)		348,446	(24,540,443)
Assets Revaluation Surplus	34	97,576,384	0
Foreign Operations – Foreign Currency Translation Differences	35	<u>0</u>	<u>0</u>
Comprehensive Profit (Loss) of Fiscal Year		97,924,830	(24,540,443)
Yearly Adjustments	50	(170)	(9,197,102)
Recognized Comprehensive Loss as of Reporting Date of Prior Year		<u>97,924,660</u>	<u>(33,737,545)</u>

Statement of Changes in Shareholders' Equity

For the Fiscal Year Ended on March 19, 2020 (million IRR)
2019-2020

Note	Capital	Capital Increase In-process	Stocks Premium Reserve	Legal Reserve	Other Reserves	Assets Revaluation Surplus	Foreign Operations - FC Translation Differences	Retained Loss	Treasury Stock	Total Shareholders' Equity
	91,020,884	3,665,058	0	770,317	0	0	0	(83,430,845)	0	12,025,414
Net Profit								348,446		348,446
50	Yearly Adjustments							(170)		(170)
	Other Comprehensive Income (Loss) – After Tax									0
34	Assets Revaluation Surplus					97,576,384				97,576,384
35	Foreign Currency Translation Differences				0		0			0
	Tax of Other Comprehensive Income									0
	Income Tax									0
	Total Other Comprehensive Income									0
	Total Comprehensive Loss									0
	Capital Increase									0
	Registered Capital Increase	20,000,000	0							20,000,000
	Unregistered Capital Increase		1,055,896	0						1,055,896
	Treasury Stock									0
36	Purchase of Treasury Stock								0	0
36	Disposal of Treasury Stock								0	0
	Distribution and Allocation									0
32	Legal Reserve			0						0
33	Other Reserves				0					0
	Dividends	0								0
23	Approved Dividends									0
	Total Changes in Shareholders' Equity	20,000,000	1,055,896	0	0	0	0	0	0	21,055,896
	Balance as of March 20, 2019	111,020,884	4,720,954	0	770,317	0	97,576,384	(83,082,569)	0	131,005,970

To Be Continued ...

Statement of Changes in Shareholders' Equity

For the Fiscal Year Ended on March 19, 2020 (million IRR)

Note	2018-2019										(Restated)
	Capital	Capital Increase In-process	Stocks Premium Reserve	Legal Reserve	Other Reserves	Assets Revaluation Surplus	Foreign Operations - FC Translation Differences	Retained Loss	Treasury Stock	Total Shareholders' Equity	
	91,020,884	3,397,388	0	770,317	0	0	0	(49,693,470)	0	45,495,119	
Net Profit								(24,540,443)		(24,540,443)	
50	Yearly Adjustments							(9,197,102)		(9,197,102)	
	Other Comprehensive Income (Loss) - After Tax										
34	Assets Revaluation Surplus										
35	Foreign Currency Translation Differences										
	Tax of Other Comprehensive Income										
	Total Other Comprehensive Income	0	0	0	0	0	0	0	0	0	0
	Total Comprehensive Loss	0	0	0	0	0	0	(33,737,545)	0	(33,737,545)	
	Capital Increase										
30	Registered Capital Increase	0						0		0	0
30	Unregistered Capital Increase		267,670					0		267,670	
	Treasury Stock										
36	Purchase of Treasury Stock							0		0	
36	Disposal of Treasury Stock							0		0	
	Distribution and Allocation										
32	Legal Reserve							0		0	
33	Other Reserves							0		0	
	Dividends										
23	Approved Dividends	0						0		0	
	Total Changes in Shareholders' Equity	0	267,670	0	0	0	0	0	0	267,670	
	Balance as of March 20, 2019	91,020,884	3,665,058	0	770,317	0	0	(83,431,015)	0	12,025,244	



Cash Flow Statement

For the Fiscal Year Ended on March 19, 2020

	Note	March 19, 2020 Mil. IRR	(Restated) March 20, 2019 Mil. IRR
Operating Activities			
Cash Received for:			
Profit and Penalties of Financial Facilities Granted		174,159,110	110,316,287
Profit of Debt Securities		1,912,283	3,672,308
Fees		9,480,038	9,890,807
Deposits Profit		0	0
Investments Profit		271,577	269,709
Other Operating Income		795,593	1,044,209
Other Income		0	0
Cash Paid for:			
Deposits Interest		(107,735,383)	(96,902,246)
Fees		(6,914,738)	(7,054,082)
Financial Cost		(9,906,865)	(8,172,758)
Other Operating Costs		(38,981,176)	(34,885,349)
Income Tax		0	0
Cash Inflow (Outflow) from Operating Activities before Changes in Operating Assets and Liabilities		(23,080,439)	(21,821,115)
Cash Flow from Changes in Operating Assets and Liabilities:			
Net Increase (Decrease) in Liabilities:			
Due to Banks and Other Credit Institutions		(322,006,151)	445,375,524
Customers' Deposits		57,715,230	117,584,264
Debt Securities		(76)	0
Operating Portion of Provisions and other Liabilities		16,888,579	20,119,668
Investment Deposits Owners		192,566,701	120,311,283
Net Assets Impairment (Appreciation):			
Due from Banks and Other Credit Institutions		(2,367,535)	(19,005,006)
Principal of Due from Government		(92,599,405)	(26,515,580)
Principal of Financial Facilities Granted and Due from Public Persons		8,975	(65,890)
Principal of Financial Facilities Granted and Due from Non-public Persons		(165,737,385)	(163,877,941)
Investment in Stocks and Other Securities		(11,616)	13,433,233
Due from Subsidiaries and Associates		3,105,267	(363,194)
Other Accounts Receivable		1,815,181	1,914,749
Required Reserve		(22,259,372)	(16,798,768)
Operating Portion of Other Assets		6,498,143	9,003,303
Cash Flow from Changes in Operating Assets and Liabilities		(325,383,464)	501,115,645
Net Cash Inflow (Outflow) before Operating Activities	55	(302,303,025)	479,294,530
Investing Activities			
Payments for Acquisition of Fixed Tangible Assets		(2,485,140)	(1,469,287)
Proceeds from Disposal of Fixed Tangible Assets		20,726	27,571
Payments for Acquisition of Intangible Assets		0	(18,232)
Proceeds from Disposal of Intangible Assets		41,570	0
Payments for Acquisition of Non-operating Properties and Real-estates		0	0
Proceeds from Disposal of Non-operating Properties and Real-estates		0	0
Net Cash Inflow (Outflow) from Investing Activities		(2,422,844)	(1,459,948)
Net Cash Inflow (Outflow) before Financing Activities		(304,725,869)	477,834,582



Financing Activities

Increase of Cash Capital	764,220	0
Treasury Stocks Trading	0	0
Proceeds from Stocks Premium	0	0
Dividends Paid	0	0
Financial Facilities Received	25,964,270	14,157,233
Repayment of Financial Facilities Principal	0	0
Net Cash Inflow from Financing Activities	26,728,490	14,157,233
Net (Decrease) in Cash Funds	(277,997,379)	491,991,815
Cash at the Beginning of the Year	528,050,458	36,100,456
Effects of Exchange Rate Changes on Cash	1,135,032	(41,813)
Cash at the End of the Year	<u>251,188,111</u>	<u>528,050,458</u>
Non-cash Transactions	<u>269,254,959</u>	<u>181,004,470</u>



Notes to the Financial Statements

1. History

1.1. General

The Bank Group, including Bank Keshavarzi and the subsidiaries, subject to resolution of Banks' General Assembly dated December 20, 1979, was established through merger of Iran Agricultural Cooperation Bank and Iran Agricultural Development Bank on September 13, 1980 and was registered under number 37596 in Companies Registration Organization. The Bank's Headquarters is based in Tehran.

1.2. Scope of Business

The Bank is administered subject to the statutory bill approved by the Islamic Revolution Council on September 25, 1979, as well as the Banking and Monetary Rules and Regulations, and the Bank's Articles of Association. According to Paragraph 18, Article 5 of the Articles of Association, activity in other fields of the banking industry is permitted.

1.3. Branches

The following table displays the number of branches in the report year and the year before:

	2019-2020		2018-2019	
	By Year-end	Average	By Year-end	Average
Tehran Province Branches	146	146	146	146
Other Provinces Branches	1625	1638	1651	1692
Free-trade Zones Branches	19	19	20	19
Overseas Branches	0	0	0	0
Total	1790	1803	1817	1857

1.4. Employment

The average number of employees in 2017/18 and the preceding year is as follows:

	2019-2020		2018-2019	
	By Year-end	Average	By Year-end	Average
Main Company				
Headquarters and Provincial Directorates	3,032	3,061	3,090	3,070
Tehran Province Branches	1,337	1,257	1,176	1,407
Other Provinces Branches	10,893	11,101	11,308	11,314
Free-trade Zones Branches	88	92	95	96
Overseas Branches	0	0	0	0
Total	15,350	15,511	15,669	15,887
Private Sector Employees	3,640	3,637	3,634	3,586
Total	18,990	19,148	19,303	19,473
Subsidiaries				
Contractual Employees	5,562	5,562	5,615	5,615
Total	24,552	24,710	24,918	25,088

2. Basis for Preparation

The financial statements have been prepared in accordance with the prevailing generally accepted accounting principles, along with CBI monetary and banking regulations. The details of accounting procedures, including changes made within the report year, have been presented in Notes 5 and 6.

3. Basis for Consolidation

3-1 Consolidated financial statements of the banks have been prepared by consolidating the financial statements of the bank and those of the Subsidiaries, subject to consolidation, after omission of

inner-groups transactions and balances as well as the unrealized profit and loss resulted by inner-groups trades.

3-2 Regarding the subsidiaries acquired within the report year, the results of their operations have been included in the Consolidated Income Statement as at the date in which the effective control has been transferred to the Main Company. The results of disposed subsidiaries' operations have been included in the Consolidated Income Statement since the disposal date.

3-3 The fiscal year of the Main Company differs from those of the group companies. Thus, the items included in the consolidated financial statements belong to different periods with different duration. Summaries and duration of fiscal years, and financial statements used in the present financial statements are as follows:

Companies	Fiscal Year Ended on	Financial Statements Included in Consolidation	Status of Financial Statements Used	No. of Companies
A. Subsidiaries				
Mehr 78 Logistics Services ¹ Company	December	December 21, 2019	Audited	11
Agricultural Lands Development Company (Land Bank)	December	December 21, 2019	Audited	1
Bank Keshavarzi Brokerage Company	December	December 21, 2019	Audited	1
Karun Agro-industry Company	June	December 21, 2019	Audited	1
Mehr Exchange Company	December	December 21, 2019	Audited	1
Karun Cattle Feed Company	June	June 21, 2018	Unaudited	1
B. Associated				16
Isfahan Shir Livestock and Agricultural Company	March	March 19, 2020	Audited	1
Kowsar Lands Restoration Company	March	March 19, 2020	Audited	1
Iraq Development Cooperation Bank	January	December 30, 2019	Audited	1
				3

3-4 Consolidated Financial Statements are prepared using uniform accounting procedures regarding the transactions and similar events under similar conditions.

4. Monetary Unit of Operations and Reporting

All items of the financial statements have been measured by the currency of the primary economic environment in which the bank operates. The figures have been presented in million Rials for better understanding unless stipulated otherwise in financial statements and the notes to the financial statements.

5. Judgments and Estimates

In preparation of the financial statements, the bank management has made judgments, estimates and assumptions to determine the most significant effect on the amounts recognized in the financial statements. Real results may differ from the estimates. The judgments and estimates are based on historical events and are regularly reviewed through comparison with the real ones by the management. The main areas for which the judgements and estimates have been used are as follows:

- 5.1. Retirement Benefits Obligations
- 5.2. Contingent Liabilities and Reserves
- 5.3. Control on investee companies

6. Measurement Basis

Except from the following significant items, the financial statements have been prepared in terms of historical cost basis.

- 6.1. Investment in Stocks and other securities in exchange stock
- 6.2. Investment in subsidiary companies
- 6.2. Foreign currency assets and liabilities

1. With associated companies subject to consolidation



7. Changes in Accounting Policies

Having observed the consistency of the policies in all report years, the banks has presented the accounting policies in Note 8.

8. Summary of Significant Accounting Policies

8.1. Investments

	Group Consolidated	Bank (Main Company)
Measurement Methods:		
Long-term Investments:		
Investment in Subsidiaries subject to Consolidation	Subject to Consolidation	Cost Price (less Accumulated Impairment Losses)
Investment in Associates	Equity Method	Cost Price (less Accumulated Impairment Losses)
Other Long-term Investments	Cost Price (less Accumulated Impairment Loss of Each investment)	Cost Price (less Accumulated Impairment Loss of Each investment)
Investment in Real Estates	Cost Price (less Accumulated Impairment Loss of Each investment)	Cost Price (less Accumulated Impairment Loss of Each investment)
Current Investments:		
Marketable Investments	Market Value	Market Value
Other Current Investments	Lower of Cost and Net Selling Price of Each Investment	Lower of Cost and Net Selling Price of Each Investment
Income Recognition Method:		
Investment in Subsidiaries	Subject to Consolidation	On Dividend Approval Date by General Assembly of Investee Company Shareholders (as of Financial Statements Approval Date)
Investment in Associates	Equity Method	On Dividend Approval Date by General Assembly of Investee Company Shareholders (as of Financial Statements Approval Date)
Other Long-term and Current Investments in Companies' Shares	On Dividend Approval Date by General Assembly of Investee Company Shareholders (as of Balance Sheet Date)	On Dividend Approval Date by General Assembly of Investee Company Shareholders (as of Balance Sheet Date)
Investment in Other Securities	Upon Realization of Guaranteed Profit	Upon Realization of Guaranteed Profit

8.2. Non-productive Biological Assets

Non-productive biological assets are recognized at fair value less estimated expenses. Estimated expenses to sell include selling commissions, tax and charges. Increases and decreases resulted from recognition of non-productive biological assets at fair value less estimated expenses to sell are considered in profit and loss of incurring period. In case there has been no access to reliable fair value, non-productive biological assets have been calculated at cost price less any impairment.

8.3 Non-current Assets Held for Sale (Real Estates)

Non-current assets, whose book values are mainly recovered through selling not continued use, are categorized as "Held for Sale".

8.4. Productive Biological Assets

Productive biological assets (Layer Chicken, Broiler Layer Chicken, and fruit trees) are recognized at cost price. Production expenses, related to productive biological assets, are included at cost price by the time they reach the productivity stage.

Asset	Depreciation Rate	Depreciation Method
Layer Chickens	Based on the Flock Age	Declining
Pistachio Tree	99 years	Straight

8.5. Balance of Completed and In-process Projects

Balance of completed and in-process projects are evaluated at lower of cost and net selling price of every item.



8.6. Projects Expenses

Projects expenses include primary studies of penology and topography, renting and land purchase price, contractors', plants and installations purchase and equipment, workshops supervision commissions, as well as interest and baking charges of financial facilities

8.7. Tangible Fixed Assets

8.7.1. Tangible fixed assets are recorded at cost in accounts. Substantial repairs and renovation expenses, which significantly increase the capacity or service life of fixed assets or improve their outcome quality, are considered as capital expenses, to be depreciated over the remaining service life. Maintenance and minor repairs expenses, executed in compliance with the standards of primary evaluated performance and incurred aimed at preservation and improvement of expected economic interests of the bank, are considered as current expenses and are displayed under profit and loss account of the report year.

8.7.2. Subject to Article 151 of the Direct Taxation Code, depreciation of fixed assets are calculated based on the following table:

Depreciation Calculation Method		
Asset	Depreciation Rate	Depreciation Method
Building	15 & 25 Years	Straight
Plants and Installations	10 & 15 Years	Straight
Machinery	5, 6 & 10 Years	Straight
Administrative Furniture and Fittings	3, 4, 5, 6 & 10 Years	Straight
Computer Equipment (pc)	3 Years	Straight
Motor Vehicles	4 & 6 Years	Straight
Tools	1 & 4 Years	Straight
Software	5 years	Straight

8.7.3. Depreciation of fixed assets, acquired and used during the month, is calculated from the beginning of the month and is included in the accounts. For any of the depreciable assets, which are not used for a period of time due to interruption of the business or any other reasons, the depreciation is calculated as 30 percent of the rate displayed in the above table.

8.8. Intangible Assets

Intangible assets, except for goodwill, are recorded at cost. Goodwill is depreciated and the impairment testing is carried out at the end of the fiscal year and necessary reserve is considered if needed. Administrative and operation software are depreciated through straight method.

8.9. Recognition of Income from Financial Facilities Granted, Bank Fees and Penalty Funds

Subject to the approval of Monetary and Credit Council, the profit of facilities granted is recognized through accrual method of accounting. No accrual income has been recognized for Doubtful Debts. The following table displays the methods for recognition of incomes.

Facilities Granted, Bank Fees and Penalty Funds	Recognition Method
Profit of Facilities Granted	
Current	Accrual
Past Due	Accrual
Overdue	Accrual
Doubtful	Cash
Late Payment Penalties	
Current	Cash
Past Due	Cash
Overdue	Cash
Doubtful	Cash
Banking Charges	
Issued L/Gs	Cash
Other Bank Services	Cash
Qard-al-Hassanah Facilities	Cash



8.10. Basis for Share of Depositors from Operating Income

In compliance with Usury-free Banking Operations Law and the executive regulations as well as CBI circulars, the operating income, use of operating resources and the share of depositors from operating income are calculated and reported in the statement of investment deposits.

8.11. Classification of Financial Facilities Granted

Based on the regulation for Classification of Credit institutions Assets, approved by the Monetary and Credit Council, financial facilities are categorized based on the duration of default and repayment delay, customer financial status and the of business condition, as follows:

- **Current** (At most 2 months past the maturity or repayment interruption date)
- **Past Due** (Between 2 to 6 months past the maturity or repayment interruption date)
- **Overdue** (Between 6 to 18 months past the maturity or repayment interruption date)
- **Doubtful** (more than 18 months past the maturity or repayment interruption date)

8.12. Accumulated Impairment of Doubtful Debts

In compliance with the approval of Monetary and Credit Council and CBI circulars, impairment is calculated and displayed as follows:

- General Accumulated Impairment is calculated and recorded equalling 1.5 percent of the total facility balance at the end of the year, excluding the balances of financial facilities, for which specific reserves have been included.
- Allocated Accumulated Impairment to the balance of past due, Overdue and doubtful classes less updated value of collaterals of each case and applying the following:

Class	Index
Past Due	10%
Overdue	20%
Doubtful	50-100%

- For facilities with more than 5 years past the maturity date of principal and the profit, the allocated impairment is considered equalling 100 percent.

8.13. Reserve for Employment Termination Benefits

Reserve for employment termination benefits is calculated based on the latest monthly salary of each employee as well as their constant benefits for each year of employment.

8.14. Employees' pension Benefits Obligation

BK employees are covered by the Banks Retirement Fund and their retirement pension and annuity are paid by the fund. Subject to Article 34 of the Fund's Articles of Association, the fund's deficit will be provided by the member banks.

8.15. Foreign Currency Translation

8.15.1. Domestic Accounts

Foreign currency monetary items, on the balance sheet date (CBI Inter-bank Reference Rate) and non-monetary items (included to the value of historical cost based on FX rate), are translated at the official FX rate on the exchange date. Differences from settlement or translation of foreign currency monetary items are recognized as income or cost of the recognition period and are recorded under Income (Profit or Loss) Statement. According to Article 136 of State Supreme Audit Court, loss and profit incurred due to translation of foreign currency debts and assets of state companies are not considered income or cost. The difference, caused by translation of assets and foreign currency debts, must be included in the provision of foreign currency debts and assets. In case the balance of provision account is indebted, the amount will be included in the Income Statement.

8.15.2. Account of Foreign Operations

The bank does not run any overseas branches. In addition, translation differences of monetary items, which consist parts of the net value of investment in foreign operations, are recognized in the Comprehensive Income (Profit or Loss) and are classified as Shareholders' Equity in the balance sheet by the time they are disposed.



8.16. Treasury Stock

Since 100 percent of the bank ownership shares belong to the government of the Islamic Republic of Iran and the shares are not presented in the stock market, the treasury stock is not included.

8.17. Other Items in Financial Notes

Some accounts include the "Others" items which include some less significant entries with value ceiling amounting to 10 percent of note total.

9. Cash

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Cash (in IRR)	5,062,927	5,145,454	5,062,381	5,144,922
Cash (in FC)	1,376,347	1,021,559	1,352,601	997,799
Funds In-transfer ¹ (in IRR)	0	0	0	0
Funds In-transfer (in FC)	0	0	0	0
Demand Deposits with CBI	1,470,656	1,173,998	1,470,656	1,173,998
Deposits with Other Banks & Credit Institutions	244,626,175	521,576,672	243,302,473	520,733,739
Petty Cash	11,934	13,549	0	0
	252,548,049	528,931,232	251,188,111	528,050,458

10. Due from Banks and Credit Institutions

	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Due from CBI	22,689,850	17,197,870
Due from Banks and Credit Institutions	9,594,389	12,718,834
	32,284,239	29,916,704

11. Due from the Government

	Group and Bank (Main Company)								
	March 19, 2020 Mil. IRR							March 20, 2019 Mil. IRR	
	Balance of Principal and Future-years Profit and Deferred Profit	Balance of Profit and Receivable Service Charges	Balance of Receivable Penalties	Future-years Profit	Subsidy of Government Profit Share – Uniform Facilities Rates	Profit & Payable Service Charges	General Provision for Doubtful Debts	Net	Net
Statutory Facilities ² upon Government Obligation	132,314,553	115,344,629	0	(360,237)	0	0	(3,709,484)	243,589,461	151,911,296
Statutory Facilities upon Government Guarantee	13,338,301	11,627,605	0	0	0	0	(374,489)	24,591,417	23,670,178
Total	145,652,854	126,972,234	0	(360,237)	0	0	(4,083,973)	268,180,878	175,581,474

1. Cash transfers not accomplished yet

2. Financial Facilities granted to persons in agriculture sector as compliance with some notes of the 2018-2019 Budget Law, based on which the government subsidy covers a portion of the interest rate.

12. Facilities Granted and Due from Public Persons¹

Group and Bank (Main Company)										
March 19, 2020										
Mil. IRR										
March 20, 2019										
Mil. IRR										
	Balance of Principal and Future-years Profit and Deferred Profit	Balance of Profit and Receivable Bank Fees	Balance of Receivable Penalties	Mudharabah Funds Received & Joint Account for Civil Partnership	Future-years Profit	Profit & Deferred Bank Fees	Total	Accumulated Impairment of Doubtful Debts	Net	Net
Installment Sale	5,027	361	0	0	(1,658)	0	3,730	(56)	3,674	3,530
Jo'aleh	0	0	0	0	0	0	0	0	0	0
Hire Purchase	3	6	0	0	0	0	9	0	9	4,052
Forward	190	111	0	0	0	0	301	(5)	296	1,162
Mudharabah	618	405	0	0	0	0	1,023	(15)	1,008	2,071
Civil Partnership (Joint Venture)	449	148	0	0	0	0	597	(9)	588	16,421
Factoring	0	0	0	0	0	0	0	0	0	0
Murabahah (Profit Sharing)	0	0	0	0	0	0	0	0	0	0
Istisna	0	0	0	0	0	0	0	0	0	0
Qard-al-Hassanah	90	4	0	0	0	0	94	(1)	93	251
Other Facilities (in IRR)	0	0	0	0	0	0	0	0	0	0
Other Facilities (in FC)	0	0	0	0	0	0	0	0	0	0
Debtors for L/Cs Paid	0	0	0	0	0	0	0	0	0	0
Debtors for L/Gs Paid	91,888	0	0	0	0	0	91,888	(1,378)	90,510	77,666
Debtors for Bonds & Sukuk Paid	0	0	0	0	0	0	0	0	0	0
Debtors for Paid Credit Cards	0	0	0	0	0	0	0	0	0	0
	98,265	1,035	0	0	(1,658)	0	97,642	(1,464)	96,178	105,153

1. For more information about the Islamic Banking terms, See Islamic Banking Glossary. Public= State or Governmental

13. Facilities Granted and Due from Non-public Persons

	Group Consolidated							March 20, 2019 Mil. IRR		
	Balance of Principal and Future-years Profit and Deferred Profit	Balance of Profit and Receivable Bank Fees	Balance of Receivable Penalties	Mudharabah Funds Received & Joint Account for Partnership	Future-years Profit	Profit & Deferred Bank Fees	Total		Accumulated Impairment of Doubtful Debts	Net
Installment Sale	207,160,182	25,009,511	0	0	(44,431,347)	0	187,738,346	(12,209,220)	175,529,126	182,458,535
Jo'aleh	3,763,863	171,369	0	0	(751,362)	0	3,183,870	(192,875)	2,990,995	3,398,753
Hire Purchase	74,322,889	4,730,308	0	0	(16,294,935)	0	62,758,262	(3,801,823)	58,956,439	30,073,925
Forward	2,637,957	389,049	0	0	0	0	3,027,006	(183,373)	2,843,633	3,483,298
Mudharabah	6,002,042	695,827	0	0	0	0	6,697,869	(405,749)	6,292,120	6,950,538
Civil Partnership (Joint Venture)	274,189,664	28,095,405	0	(19,511,480)	0	0	282,773,589	(17,130,099)	265,643,490	241,536,073
Factoring	3,850,620	607,289	0	0	(323,572)	0	4,134,337	(250,453)	3,883,884	3,238,929
Murabahah (Profit Sharing)	203,035,030	56,101,583	0	0	(42,030,752)	0	217,105,861	(13,152,023)	203,953,838	135,297,634
Istisna	0	0	0	0	0	0	0	0	0	0
Qard-al-Hassanah	72,463,862	494,383	0	0	0	0	72,958,245	(4,419,726)	68,538,519	46,903,182
Other Facilities (in IRR)	43,589,150	0	0	0	(16,362,852)	0	27,226,298	(1,649,338)	25,576,960	19,494,245
Other Facilities (in FC)	90,118,638	5,395,943	0	(36,080,142)	0	0	59,434,439	(3,600,470)	55,833,969	42,971,087
Debtors for L/Cs Paid	10,334,514	0	0	0	0	0	10,334,514	(626,053)	9,708,461	9,174,441
Debtors for L/Gs Paid	485,416	0	0	0	0	0	485,416	(29,406)	456,010	394,593
Debtors for Bonds & Sukuk Paid	0	0	0	0	0	0	0	0	0	0
Debtors for Paid Credit Cards	4,083	0	0	0	0	0	4,083	(246)	3,837	7,876
	991,957,910	121,690,667	0	(55,591,622)	(120,194,820)	0	937,862,135	(57,650,854)	880,211,281	725,583,109

Bank (Main Company)										
	March 19, 2020					March 20, 2019				
	Mil. IRR					Mil. IRR				
	Balance of Principal and Future-years Profit and Deferred Profit	Balance of Profit and Receivable Bank Fees	Balance of Receivable Penalties	Mudharabah Funds Received & Joint Account for Civil Partnership	Future-years Profit	Profit & Deferred Bank Fees	Total	Accumulated Impairment of Doubtful Debts	Net	Net
Installment Sale	220,964,471	25,009,511	0	0	(44,431,347)	0	201,542,635	(12,209,220)	189,333,415	196,871,261
Jo'aleh	3,763,863	171,369	0	0	(751,362)	0	3,183,870	(192,875)	2,990,995	3,398,753
Hire Purchase	74,322,889	4,730,308	0	0	(16,294,935)	0	62,758,262	(3,801,823)	58,956,439	30,073,925
Forward	2,637,957	389,049	0	0	0	0	3,027,006	(183,373)	2,843,633	3,482,298
Mudharabah	6,002,042	695,827	0	0	0	0	6,697,869	(405,749)	6,292,120	6,950,538
Civil Partnership	274,189,664	28,095,405	0	(19,511,480)	0	0	282,773,589	(17,130,099)	265,643,490	241,536,073
Factoring	3,850,620	607,289	0	0	(323,572)	0	4,134,337	(250,453)	3,883,884	3,238,929
Murabahah	203,035,030	56,101,583	0	0	(42,030,752)	0	217,105,861	(13,152,023)	203,953,838	135,497,634
Istisna	0	0	0	0	0	0	0	0	0	0
Qard-al-Hassanah	72,463,862	494,383	0	0	0	0	72,958,245	(4,419,726)	68,538,519	46,903,182
Other Facilities (in IRR)	43,589,150	0	0	0	(16,362,852)	0	27,226,298	(1,649,338)	25,576,960	19,494,245
Other Facilities (in FC)	90,118,638	5,395,943	0	(36,080,142)	0	0	59,434,439	(3,600,470)	55,833,969	42,971,087
Debtors for L/Gs Paid	10,334,514	0	0	0	0	0	10,334,514	(626,053)	9,708,461	9,174,441
Debtors for L/Gs Paid	485,416	0	0	0	0	0	485,416	(29,406)	456,010	394,593
Debtors for Bonds & Sukuk Paid	0	0	0	0	0	0	0	0	0	0
Debtors for Paid Credit Cards	4,083	0	0	0	0	0	4,083	(246)	3,837	7,876
	1,005,762,199	121,690,667	0	(55,591,622)	(120,194,820)	0	951,666,424	(57,650,854)	894,015,570	739,995,835



14. Investment in Stocks and Other Securities

Group Consolidated						
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Current	Long Term	Total	Current	Long Term	Total
Investment in Marketable Stocks	820,024	2,462,284	3,282,308	3,170,523	2,252,200	5,422,723
Investment in Other Stocks	0	4,449,907	4,449,907	0	4,180,262	4,180,262
Investment in Other Securities	2,114,420	0	2,114,420	1,579,420	0	1,579,420
	2,934,444	6,912,191	9,846,635	4,749,943	6,432,462	11,182,405

Bank (Main Company)						
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Current	Long Term	Total	Current	Long Term	Total
Current Investment in Marketable Stocks	0	0	0	0	0	0
Investment in Other Stocks	0	2,770,921	2,770,921	0	2,759,305	2,759,305
Investment in Other Securities	0	0	0	0	0	0
	0	2,770,921	2,770,921	0	2,759,305	2,759,305

15. Due from Subsidiaries and Associates

Group Consolidated					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR	
	Due Balance	Accumulated Impairment of Doubtful Debts	Net	Net	
Due from Subsidiaries	137,801	(749)	137,052	137,502	
Due from Associates	2,224,105	(65)	2,224,040	2,033,362	
	2,361,906	(814)	2,361,092	2,170,864	

Bank (Main Company)					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR	
	Due Balance	Accumulated Impairment of Doubtful Debts	Net	Net	
Due from Subsidiaries	21,739,384	(326,091)	21,413,293	24,269,837	
Due from Associates	4,325	(65)	4,260	252,983	
	21,743,709	(326,156)	21,417,553	24,522,820	



16. Other Receivable Accounts

	Group Consolidated			
	March 19, 2020			March 20, 2019
	Mil. IRR			Mil. IRR
	Credit Balance	Accumulated Impairment of Doubtful Debts	Net	Net
Dividends Receivable	10,087	0	10,087	6,624
Realized Profit from Partnership Bonds	17	0	17	21
Due form Employees	2,494,642	(35,047)	2,459,595	1,883,241
Temporary Debtors	36,425,134	(354,313)	36,070,821	35,532,296
Receivables	2,209,904	0	2,209,904	1,875,879
Others (Profit Receivable from FC Investments	198,036	(2,971)	195,065	259,346
	41,337,820	(392,331)	40,945,489	39,557,407

	Bank (Main Company)			
	March 19, 2020			March 20, 2019
	Mil. IRR			Mil. IRR
	Credit Balance	Accumulated Impairment of Doubtful Debts	Net	Net
Dividends Receivable	0	0	0	49
Realized Profit from Partnership Bonds	17	0	17	21
Due form Employees	2,336,474	(35,047)	2,301,427	1,805,320
Temporary Debtors	23,620,863	(354,313)	23,266,550	25,513,505
Receivables	0	0	0	0
Others (Profit Receivable from FC Investments	198,026	(2,971)	195,065	259,346
VAT	0	0	0	0
	26,155,390	(392,331)	26,763,059	27,578,241

17. Tangible Fixed Assets (Mil. Rs.)

Cost	Group Consolidated													Total			
	Land	Lands Leveling & Rehabilitation	Roads & Bridges	Building	Electronic & Sports Equipment	Machinery & Equipment	Technical Equipment	Tools	Plants & Installations	Motor Vehicles	Furniture and Fittings	Reconstruction & Improvement of Leased Properties	Assets under Completion		Capitalized Orders and Advances	Capitalized Inventory	Consignment Goods with 3 rd Parties
Balance as of March 21, 2018	5,037,000	0	0	8,722,035	22,371	1,101,665	0	12,554	533,067	406,717	4,908,418	90,842	1,873,009	106,685	18,712	1,495	22,834,520
Increase within Fiscal Year	675	0	0	66,691	1,882	97,853	0	944	38,992	35,366	288,112	59,777	102,852	149,553	37,451	572	880,720
Increase (Decrease) due to Revaluation	(1,000)	0	0	0	0	(9)	0	0	0	0	0	0	0	0	0	0	(1,009)
Disposals	(47,514)	0	0	(41,061)	0	0	0	(4)	(8,994)	(35,829)	(336,372)	(61,632)	0	0	0	0	(531,206)
Transfer and Other Changes	88,990	0	0	755,543	0	27,772	0	195	(118,081)	48	(131,712)	0	148,078	(128,774)	(11,100)	7,872	(902,255)
Balance as of March 20, 2019	5,078,151	0	0	9,503,208	24,253	1,227,281	0	13,689	444,984	406,302	4,991,870	88,987	2,123,939	127,464	45,063	9,939	24,085,130
Increase within Fiscal Year	15,100	0	0	24,224	84	190,602	0	1,806	52,813	69,001	865,931	0	253,470	610,902	11,446	6,538	2,101,917
Increase (Decrease) due to Revaluation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposals	(11,505)	0	0	(101,617)	0	(60)	0	(15)	(245)	(254)	(1,179)	0	0	0	0	0	(114,825)
Transfer and Other Changes	33,119	0	0	1,113,218	0	11,178	0	53	52,418	(3,823)	(104,645)	2,254	49,979	(43,172)	(12,040)	(6,254)	1,092,285
Balance as of March 19, 2020	5,114,865	0	0	10,539,033	24,337	1,429,001	0	15,533	549,970	471,226	5,751,977	91,241	2,427,388	695,194	44,469	10,233	27,164,257
Accumulated Depreciation and Impairment																	
Balance as of March 21, 2018	0	0	0	2,571,880	8,411	569,091	0	7,574	231,897	270,934	2,697,340	0	0	0	0	0	6,357,127
Year Depreciation and Impairment	0	0	0	401,784	1,477	124,524	16	851	37,037	26,404	512,966	0	0	0	0	0	1,105,043
Disposals	0	0	0	(68,330)	0	(6)	0	(4)	(28)	(27,381)	(336,552)	0	0	0	0	0	(432,301)
Transfer and Other Changes	0	0	0	(2,632)	0	0	0	0	(40,769)	848	21,409	0	0	0	0	0	(21,144)
Balance as of March 20, 2019	0	0	0	2,902,702	9,888	693,609	16	8,421	228,137	270,805	2,895,163	0	0	0	0	0	7,008,725
Year Depreciation and Impairment	0	0	0	425,443	2,258	81,392	0	1,084	43,826	57,385	576,702	0	0	0	0	0	1,188,090
Disposals	0	0	0	(12,040)	0	(60)	0	(14)	(214)	(4,989)	(108,635)	0	0	0	0	0	(125,952)
Transfer and Other Changes	0	0	0	0	0	0	0	0	22	(5,005)	3,132	0	0	0	0	0	(1,851)
Balance as of March 19, 2020	0	0	0	3,316,105	12,146	774,941	0	9,491	271,771	318,196	3,366,362	0	0	0	0	0	8,069,012
Book Value																	
On March 21, 2018	5,037,000	0	0	6,150,155	13,960	532,573	0	4,980	301,170	135,782	2,211,078	90,842	1,873,009	106,685	18,712	1,495	16,477,441
On March 20, 2019	5,078,151	0	0	6,600,506	14,365	533,672	0	5,268	216,847	135,497	2,096,707	88,987	2,123,939	127,464	45,063	9,939	17,076,405
On March 19, 2020	5,114,865	0	0	7,222,928	12,191	554,060	0	6,042	278,199	153,030	2,385,615	91,241	2,427,388	695,194	44,469	10,223	19,095,445



Bank (Main Company)										
	Land	Building	Plants & Installations	Motor Vehicles	Furniture and Fittings	Reconstruction & Improvement of Leased Properties	Assets under Completion Process	Capitalized Orders and Advances	Capitalized Inventory	Total
Cost										
Balance as of March 21, 2018	2,679,499	6,549,330	172,158	89,768	4,651,078	90,842	1,766,514	35,626	0	16,034,815
Increase within Fiscal Year	675	2,648	0	25,130	264,224	59,777	75	37,804	0	390,333
Increase (Decrease) due to Revaluation	0	0	0	0	0	0	0	0	0	0
Disposals	(7,978)	(37,878)	(16)	(23,260)	(335,604)	(61,632)	0	0	0	(466,368)
Transfer and Other Changes	17,957	845,889	(152,946)	(440)	(132,484)	0	343,166	(59,701)	0	1,126,409
Balance as of March 20, 2019	2,690,153	7,359,989	19,196	91,198	4,712,182	88,987	2,109,755	12,729	0	17,085,189
Increase within Fiscal Year	0	0	4,344	7,501	838,717	0	0	452,731	0	1,303,293
Increase (Decrease) due to Revaluation	97,576,384	0	0	0	0	0	0	0	0	97,576,384
Disposals	(11,505)	(100,198)	0	(145)	(1,024)	0	0	0	0	(112,872)
Transfer and Other Changes	33,040	1,096,506	33	(4,505)	(105,798)	2,254	155,768	(6,914)	0	1,170,384
Balance as of March 19, 2020	100,288,072	8,356,297	23,573	94,049	5,444,077	91,241	2,265,523	459,546	0	117,022,378
Accumulated Depreciation and Impairment										
Balance as of March 21, 2018	0	2,091,931	48,953	84,457	2,566,949	0	0	0	0	4,792,290
Year Depreciation and Impairment	0	301,545	2,145	2,433	483,431	0	0	0	0	789,554
Disposals	0	(37,878)	(15)	(24,272)	(335,604)	0	0	0	0	(397,769)
Transfer and Other Changes	0	(2,632)	(40,769)	848	21,409	0	0	0	0	(21,144)
Balance as of March 20, 2019	0	2,352,966	10,314	63,466	2,736,185	0	0	0	0	5,162,931
Year Depreciation and Impairment	0	311,156	2,130	8,606	541,719	0	0	0	0	863,611
Disposals	0	(11,176)	0	(4,989)	(108,501)	0	0	0	0	(134,666)
Transfer and Other Changes	0	0	22	(2,843)	3,155	0	0	0	0	334
Balance as of March 19, 2020	0	2,652,946	12,466	64,240	3,172,558	0	0	0	0	5,902,210
Book Value										
On March 21, 2018	2,679,499	4,457,399	123,205	5,311	2,084,129	90,842	1,766,514	35,626	0	11,242,525
On March 20, 2019	2,690,153	5,007,023	8,882	27,732	1,975,997	88,987	2,109,755	13,729	0	11,922,258
On March 19, 2020	100,288,072	5,703,351	11,107	29,809	2,271,519	91,241	2,265,523	459,546	0	111,120,168

18. Intangible Assets (Mil. Rls.)

Group Consolidated							
	Goodwill of Business Site	Software	Software Development	Permits and Licenses of Activities	Rights of Using General Services	Other Tangible Assets	Total
Cost							
Balance as of March 21, 2018	494,745	263,133	0	0	165,828	17,025	940,731
Increase within Fiscal Year	497	5,416	0	0	4,266	10	10,189
Interior Development	0	0	0	0	0	0	0
Increase (Decrease) due to Revaluation	0	0	0	0	0	0	0
Disposals	(2,632)	(5,185)	0	0	(1,558)	0	(9,375)
Transfer and Other Changes	1,634	24,936	0	0	7,154	0	33,724
Balance as of March 20, 2019	494,244	288,300	0	0	175,690	17,035	975,269
Balance as of March 21, 2019	494,244	288,300	0	0	175,690	17,035	975,269
Increase within Fiscal Year	7,340	72,088	0	0	18,818	273	98,519
Interior Development	0	0	0	0	0	0	0
Increase (Decrease) due to Revaluation	0	0	0	0	0	0	0
Disposals	(1,677)	(2,564)	0	0	(11)	(57)	(4,309)
Transfer and Other Changes	5,148	(136)	0	0	(112,991)	0	(107,979)
Balance as of March 19, 2020	505,055	357,688	0	0	81,506	17,251	961,500
Accumulated Depreciation and Impairment							
Balance as of March 21, 2018	0	200,970	0	0	0	45	201,015
Year Depreciation	0	17,482	0	0	0	19	17,501
Impairment Loss	0	0	0	0	0	0	0
Disposals	0	(6,326)	0	0	0	0	(6,326)
Transfer and Other Changes	0	17,382	0	0	0	0	17,382
Balance as of March 20, 2019	0	229,508	0	0	0	64	229,572
Balance as of March 21, 2019	0	229,508	0	0	0	64	229,572
Year Depreciation	(255)	38,268	0	0	0	49	38,062
Impairment Loss	0	0	0	0	0	0	0
Disposals	0	(27)	0	0	0	0	(27)
Transfer and Other Changes	255	(48)	0	0	0	0	207
Balance as of March 19, 2020	0	267,701	0	0	0	113	267,814
Book Value							
On March 21, 2018	494,745	62,163	0	0	165,828	16,980	739,716
On March 20, 2019	494,244	58,792	0	0	175,690	16,971	745,697
On March 19, 2020	505,055	89,987	0	0	81,506	17,138	693,686





Bank (Main Company)					
	Goodwill	Software	Software Development	Rights of Using General Services	Total
Cost					
Balance as of March 21, 2018	445,833	248,875	0	145,795	840,503
Increase within Fiscal Year	497	3,850	0	437	4,784
Interior Development	0	0	0	0	0
Increase (Decrease) due to Revaluation	0	0	0	0	0
Disposals	(2,632)	(5,185)	0	(284)	(8,101)
Transfer and Other Changes	1,634	24,936	0	7,154	33,724
Balance as of March 20, 2019	445,332	272,476	0	153,102	870,910
Balance as of March 21, 2019	445,332	272,476	0	153,102	870,910
Increase within Fiscal Year	0	68,132	0	106	68,238
Interior Development	0	0	0	0	0
Increase (Decrease) due to Revaluation	0	0	0	0	0
Disposals	(1,677)	0	0	(3)	(1,680)
Transfer and Other Changes	5,148	(136)	0	(112,991)	(107,979)
Balance as of March 19, 2020	448,803	340,472	0	40,214	829,489
Accumulated Depreciation and Impairment					
Balance as of March 21, 2018	0	195,267	0	0	195,267
Year Depreciation	0	14,976	0	0	14,976
Impairment Loss	0	0	0	0	0
Disposals	0	(5,207)	0	0	(5,207)
Transfer and Other Changes	0	17,382	0	0	17,382
Balance as of March 20, 2019	0	222,418	0	0	222,418
Balance as of March 21, 2019	0	222,418	0	0	222,418
Year Depreciation	(225)	33,722	0	0	33,497
Impairment Loss	0	0	0	0	0
Disposals	0	(27)	0	0	(27)
Transfer and Other Changes	225	(48)	0	0	177
Balance as of March 19, 2020	0	256,065	0	0	256,065
Book Value					
On March 21, 2018	445,833	53,608	0	145,795	645,236
On March 20, 2019	445,332	50,058	0	153,102	648,492
On March 19, 2020	448,803	84,407	0	40,214	573,424

19. Legal and Governmental Deposits

Group and Bank (Main Company)		
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Legal Deposit – Deposits with Primary Inland Branches (in IRR)	103,884,263	81,534,422
Legal Deposit – Deposits with Primary Inland Branches (in FC)	0	0
Legal Deposit – Deposits with Free-trade Zone Branches (in IRR)	593,661	684,129
Legal Deposit – Deposits with Free-trade Zone Branches (in FC)	0	0
Legal Deposit with Central Banks of Other Countries (in FC)	0	0
Total Legal Deposits of Public Deposits	0	0
	104,477,924	82,218,551



20. Other Assets

	Group Consolidated		Bank (Main Company)	
	March 19, 2020	March 20, 2019	March 19, 2020	March 20, 2019
	Mil. IRR	Mil. IRR	Mil. IRR	Mil. IRR
Customers' Net Debts for Term L/Cs (in IRR)	2,761,729	3,790,307	2,761,729	3,790,307
Non-operating Properties and Real Estates	2,773,916	4,100,653	0	0
Repossessing Collateral	13,457,109	12,862,629	13,457,109	12,862,629
Prepayments for Leased Buildings	1,205,857	1,042,715	1,205,857	1,042,715
Prepayments for Assets Insurance	26,420	60,085	0	0
Prepayments for Branches Leasing	0	0	0	0
Supplies Inventory	247,818	180,393	247,818	180,393
Non-productive Biological Assets	473,855	869,515	0	0
Productive Biological Assets	1,515,144	1,543,358	0	0
Materials and Goods Inventory	2,386,027	1,669,345	0	0
Gold and Silver	1,474	1,474	1,474	1,474
Tax Stamp	38,337	33,059	38,337	33,059
Prepayments for Purchases	501,360	252,770	0	0
Prepayments for Contractors	77,295	28,506	0	0
Foreign Orders	51,109	121,325	0	0
Prepayments for Supervision of Properties and Real Estates	18,774	18,043	0	0
Prepayments for Tax	216,858	216,853	0	0
Real Estates Repossessed	15,733	26,283	0	0
Frozen Bank Funds	1,736	6,752	0	0
Deposits for Banking L/Gs	27,729	9,539	0	0
Projects Completed and In-process	1,569,527	1,026,137	0	0
Consolidated Goodwill	13,202	15,492	0	0
Others	418,739	2,423,588	153,058	2,375,298
	28,809,748	30,298,821	17,865,382	20,285,875



21. Due to Banks and Other Credit Institutions

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Central Bank of I.R. Iran				
Deposit (in IRR)	0	0	0	0
Sight Deposit (in FC)	72,947,416	283,098,443	72,947,416	283,098,443
Time Deposit (in FC)	19,355,245	39,120,493	19,355,245	39,120,493
Due for Checking Account Overdraft	5,549,581	57,446,663	5,549,581	57,446,663
Exchange Differences Due	0	0	0	0
Due to FXRA	284,744	248,030	284,744	248,030
Inter-banks Account (SHETAB)	4,879,035	181,097	4,879,035	181,097
Financial Facilities Received (in IRR)	25,350,715	11,713,000	25,350,715	11,713,000
Financial Facilities Received (in FC)	0	0	0	0
Others	0	0	0	0
Total Due to Central Bank	128,366,736	391,807,726	128,366,736	391,807,726
Banks and Domestic Credit Institutions				
Sight Deposit (in IRR)	112,751	173,828	112,751	173,828
Sight Deposit (in FC)	83,286,899	128,998,558	83,286,899	128,998,558
Payment of BK-issued Checks by Other Banks	0	0	0	0
Inter-banks Fund Unused	0	0	0	0
Financial Facilities Received (in IRR)	1,217,716	699,995	613,555	308,314
Financial Facilities Received (in FC)	0	0	0	0
	84,617,366	129,872,381	84,013,205	129,480,700
Foreign Banks				
Sight Deposit (in IRR)	0	0	0	0
Sight Deposit (in FC)	11,128	8,605	11,128	8,605
Financial Facilities Received (in FC)	0	2,135,919	0	2,135,919
Due for Checking Account Overdraft	0	0	0	0
	11,128	2,144,524	11,128	2,144,524
	212,995,230	523,824,631	212,391,069	523,432,950

22. Customers' Deposits

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Real Customers				
Sight Deposit and the Like	134,829,697	93,338,420	134,829,697	93,338,420
Saving Deposits and the Like	72,325,991	57,506,432	72,325,991	57,506,432
Other Deposits and Advance Payments	1,080,848	898,602	1,080,848	898,602
	208,236,536	151,743,454	208,236,536	151,743,454
Legal Customers				
Sight Deposit and the Like	110,383,672	94,823,387	110,383,672	94,823,387
Saving Deposits and the Like	28,970,234	28,415,700	16,354,212	30,234,645
Other Deposits and Advance Payments	3,230,146	3,687,850	3,230,146	3,687,850
	127,584,052	126,926,937	129,968,030	128,745,882
	335,820,588	278,670,391	338,204,566	280,489,336

23. Dividends Payable: Not reported due to retained loss in the report year.



24. Bonds

Group Consolidated and Bank (Main Company)							
						Year-end Balance	
	Date of Issue	Date of Maturity	On-account/ Determined Interest Rate (%)	Nominal Value Mil. IRR	Bonds Depreciation Mil. IRR	March 20, 2019 Mil. IRR	March 20, 2018 Mil. IRR
Joint Venture (Partnership) Bonds	Nov. 12, 2005	Nov. 11, 2008	17	0	0	0	76
				0	0	0	76

25. Performance (Income) Tax Provision

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Balance at the Beginning of the Year	2,357,019	2,552,934	1,979,836	2,009,836
Provision for Year Income Tax	407,613	226,377	0	0
Amendment of Prior Years Income Tax	60,000	34,189	60,000	30,000
Paid during the Year	(248,251)	(382,429)	0	0
	2,576,381	2,431,071	2,039,836	2,039,836
Tax Advance Payments	(974,896)	(74,052)	(958,392)	(60,000)
Balance at the End of the Year	1,601,485	2,357,019	1,081,444	1,979,836



26. Provisions and Other Liabilities

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Financial Facilities Received from NDF	27,341,774	26,629,685	27,341,774	26,629,685
Bank's Debts for Term L/Cs (in IRR)	0	0	0	0
Bank's Debts for Term L/Cs (in IRR)	3,560,028	2,723,091	3,560,028	2,723,091
Profit and Fees Payable	29,239,090	34,490,573	29,239,090	34,490,573
Payables of Group's Companies from Real and Corporate Persons	9,588,774	6,558,006	0	0
Insurance Premium Payable	82,814	534,007	0	0
Payable and Withholding Taxes	250	93	0	0
Notes Payable	124,457	417,703	0	0
Provision for Expenses Payable	3,181,844	2,633,605	2,520,797	2,088,777
Membership Fees Payable to Deposits Guarantee Fund	1,376,989	779,557	1,376,989	779,557
Facilities Received from FXRA	28,430,476	24,854,856	28,430,476	24,854,856
Funds In-transfer	11,762,068	27,047	11,762,068	27,047
Provision for Good Performance	329,445	255,172	0	0
Deposits for Insurance	76,648	104,872	0	0
Deposits for Mortgage	40,550	36,900	0	0
Provision for 5% Declared Profit	0	0	0	0
Tax Stamp	0	0	0	0
VAT	126,778	166,927	0	0
Salary Tax Payable	43,403	171,985	0	137,471
Other Liabilities (Money Orders with Branches)	12,426	17,297	12,426	17,297
Advance Receipts	177,047	403,517	0	0
Grants Received	0	0	0	0
Received Obligations Transferable to Farmers	246,528	265,378	0	0
Others	64,383	166,601	0	0
Total Provisions and Other Liabilities	115,805,772	101,236,872	104,243,648	91,748,354

27. Retirement Fund

	Group Consolidated					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Reserve for Employment Termination Benefits	Reserve for Employees Retirement Benefits Obligations	Total	Reserve for Employment Termination Benefits	Reserve for Employees Retirement Benefits Obligations	Total
Balance at the Beginning of the Year	10,143,526	1,667,087	11,810,613	9,342,625	5,338,641	14,681,266
Paid during the Year	(495,250)	(216,874)	(712,124)	(852,233)	(50,073,554)	(5,925,787)
Provision Provided during the Year	12,346,260	3,756,500	16,102,760	1,653,134	1,402,000	3,055,134
Balance at the End of the Year	21,994,536	5,206,713	27,201,249	10,143,526	1,667,087	11,810,613



	Bank (Main Company)					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Reserve for Employment Termination Benefits	Reserve for Employees Retirement Benefits Obligations	Total	Reserve for Employment Termination Benefits	Reserve for Employees Retirement Benefits Obligations	Total
Balance at the Beginning of the Year	9,786,470	1,667,087	11,453,557	8,890,511	5,338,641	14,229,152
Paid during the Year	(439,502)	(216,874)	(656,376)	(617,443)	(5,073,554)	(5,690,997)
Provision Provided during the Year	12,250,515	3,756,500	16,007,015	1,513,402	1,402,000	2,915,402
Balance at the End of the Year	21,597,483	5,206,713	26,804,196	9,786,470	1,667,087	11,453,557

28. Customers' Investment Deposits

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Term Investment Deposits				
Long-term Investment Deposits	559,691,908	467,068,092	560,535,733	467,585,192
Short-term Investment Deposits	281,018,916	228,551,726	281,018,916	228,551,726
Special Short-term Investment Deposits	85,577	39,851	85,577	39,851
Investment Deposits Received from Banks and Credit Institutions	74,264,994	25,804,648	74,264,994	25,804,648
	915,061,395	721,464,317	915,905,220	721,981,417
Profit Payable to Term Investment Deposits				
Long-term Investment Deposits	117,294	339,347	117,294	339,347
Short-term Investment Deposits	0	43,605	0	43,605
Special Short-term Investment Deposits	0	0	0	0
Investment Deposits Received from Banks and Credit Institutions	0	91,444	0	91,444
	117,294	474,396	117,294	474,396
	915,178,689	721,938,713	916,022,514	722,455,813

29. Capital

Date of Capital Increase Registration	Capital Increase %	Capital Increase Amount Mil. IRR	New Capital Amount	Capital Increase Resource
1981	0	0	103,749	- Establishment Capital
2004	2557	2,652,462	2,756,211	- Revaluation of Immovable Properties
2005	191	5,264,908	8,021,119	- Revaluation of Fixed Assets
2015	91	7,261,400	15,282,519	- Code of Productivity Increase (FXRA Facilities)
2016	18	2,738,366	18,020,884	- Code of Natural Resources Productivity Increase
2017	239	43,000,000	61,020,884	- 2016 Budget Law and 2017 Budget Amendment
2018	49	30,000,000	91,020,884	- 2018 Budget Law
2019	22	20,000,000	111,020,884	- 2019 Budget Law
Year Ended on March 19, 2020			111,020,884	



30. Flowing Capital Increase

During the report year, the bank's flowing capital, equaling Rls. 4,720,954 million, was provided out of assigned funds.

31. Stocks Premium Reserve

Since 100 percent of the bank's shares belong to the government of I.R. Iran, Stocks Premium Reserve is not included in the bank's financial statements.

32. Legal Reserve

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Balance at the Beginning of the Year	994,644	948,644	770,317	770,317
Transfer from Allocable Profit	54,184	83,715	0	0
Not Subject to Consolidation	0	(136)	0	0
Minority Share	(31,532)	(37,579)	0	0
Balance at the End of the Year	<u>1,017,296</u>	<u>994,644</u>	<u>770,317</u>	<u>770,317</u>

33. Other Reserves

At the end of the report year, there is no balance for Main Company's "Other Reserves".

	Group Consolidated	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Balance at the Beginning of the Year	982,414	982,414
Decrease	(244)	0
Balance at the End of the Year	<u>982,170</u>	<u>982,414</u>

34. Assets Revaluation Surplus

	March 19, 2020 Mil. IRR		March 20, 2019 Mil. IRR	
	Assets Revaluation	Disposed, Depreciated and Retired/Capital Increase	Balance of Assets Revaluation	Balance of Assets Revaluation
2004	3,450,112	(3,450,112)	0	0
2020	97,576,384	0	97,576,384	0
	<u>101,026,496</u>	<u>(3,450,112)</u>	<u>97,576,384</u>	<u>0</u>

35. Foreign Currency Translation Differences

	Group Consolidated	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
FC Translation Differences of Foreign Operations		
Operations of Development Cooperation Bank in Iraq	1,067,316	1,061,533
	<u>1,067,316</u>	<u>1,061,533</u>
Results of Legal Changes in FX Rate	0	0
Foreign Currency Translation Differences	<u>1,067,316</u>	<u>1,061,533</u>

36. Treasury Stocks

Since 100 percent of the bank shares belong to the government of the Islamic Republic of Iran and the shares are not presented in the stock market, the treasury stock items are not included in the bank's financial statements.



37. Income from Financial Facilities Granted, Deposits and Debt Securities

	Group Consolidated					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Operating	Non-operating	Total	Operating	Non-operating	Total
Income from Facilities Granted	136,483,792	37,494,194	173,977,986	109,711,254	671,891	110,383,145
Income from Deposits and Debt Securities	187,842	1,912,283	2,100,125	2,415,797	1,425,482	3,841,279
Total Income from Facilities and Deposits	136,671,634	39,406,477	176,078,111	112,127,051	2,097,373	114,224,424

	Bank (Main Company)					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Operating	Non-operating	Total	Operating	Non-operating	Total
Income from Facilities Granted	136,664,916	37,494,194	174,159,110	109,644,396	671,891	110,316,287
Income from Deposits and Debt Securities	0	1,912,283	1,912,283	2,246,825	1,425,482	3,672,307
Total Income from Facilities and Deposits	136,664,916	39,406,477	176,071,393	111,891,221	2,097,373	113,988,594

38. Net Investments Profit (Loss)

	Group Consolidated					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Operating	Non-operating	Total	Operating	Non-operating	Total
Investments Realized Profit						
Profit (Loss) from Investment Funds' and Companies' Stocks	172,775	0	172,775	432,703	0	422,703
Profit from Disposal of Investment Funds' and Companies' Stocks	1,689,601	0	2,689,601	27,389	0	27,389
Total Investments Realized Profit (Loss)	1,862,376	0	1,862,376	460,092	0	460,092
Investments Impairment Loss						
Net Investments Impairment Loss	3,021	0	3,021	1,094,359	0	1,094,359
Investments Net Profit	1,865,397	0	1,865,397	1,554,451	0	1,554,451

	Bank (Main Company)					
	March 19, 2020 Mil. IRR			March 20, 2019 Mil. IRR		
	Operating	Non-operating	Total	Operating	Non-operating	Total
Investments Realized Profit						
Profit from Investment Funds' and Companies' Stocks	271,577	0	271,577	273,665	0	273,665
Profit from Disposal of Investment Funds' and Companies' Stocks	0	0	0	(3,956)	0	(3,956)
Total Investments Realized Profit	271,577	0	271,577	269,709	0	269,709
Investments Impairment Loss						
Net Investments Impairment Loss	0	0	0	1,094,359	0	1,094,359
Investments Net Profit	271,577	0	271,577	1,364,068	0	1,364,068



39. Cost of Deposits Interests

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Interest of Investment Deposits (in IRR)	107,018,222	96,164,275	107,264,878	96,250,308
Interest of Deposits (in FC)	470,506	651,938	47,506	651,938
	107,488,728	96,816,213	107,735,384	96,902,246

40. Comparison of On-account and Finalized Interest Paid to Deposits (in IRR)

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Finalized Interest Paid to Deposits	105,167,184	84,765,868	105,413,840	84,851,901
On-account Interest Paid to Deposits	(107,018,222)	(96,164,275)	(107,264,878)	(96,250,308)
Difference	(1,851,038)	(11,398,407)	(1,851,038)	(11,398,407)

41. Fee Income

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Net Fees of Qard-al-Hassanah Operations	1,230,858	652,609	1,230,858	652,609
Letter of Credit Opened	261,493	227,020	261,493	227,020
Letters of Guarantees Issued	133,444	104,290	133,444	104,290
Foreign Exchange Operation	785,919	614,284	785,919	614,284
Assigned Funds	17,818	2,615	17,818	2,615
Bank Drafts	31,401	34,664	31,401	34,664
Collateral Evaluation	178,152	133,070	178,152	133,070
Review of Customers' Credit Files	527,775	535,953	527,775	535,953
SHETAB Project	2,500,148	2,235,765	2,500,148	2,235,765
Fees	1,318,206	1,354,126	1,318,206	1,354,126
Profit of Islamic Treasury Bonds (AIF)	995,563	1,216,361	995,563	1,216,361
Fees of Interbank Funds	7,836	448,137	7,836	448,137
Income from Using Repossessed Properties	12,232	12,641	12,232	12,641
Fees of Accounts Holding	0	248,090	0	248,090
Fees of Drafts	2,001	8,264	2,001	8,264
Fees for Sent Messages	362,418	567,142	362,418	567,142
Fees of Issuing Non-payment Certificate	49,252	73,342	49,252	73,342
Fees of Records Cleaning	38,415	36,400	38,415	36,400
Fees of Financial Facilities	0	705,695	0	705,695
Other Services	1,027,107	679,619	1,027,107	679,619
	9,480,038	9,890,087	9,480,038	9,890,807

42. Fee Expenses

	Group and Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
SHETAB Charges	1,724,306	1,606,725
POS Charges	5,047,899	5,275,349
Clearing House Charges	2,953	0
Fees Paid to Foreign Banks	139,580	172,009
	6,914,738	7,054,083



43. Net Profit (Loss) of Foreign Exchange and Transactions

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Foreign Exchange Profit (Loss)	755,803	348,152	0	0
FX Translation profit (Loss)	1,135,032	(41,813)	1,135,032	(41,813)
	1,890,835	306,339	1,135,032	(41,813)

44. Other Operating Income

Within the report year, no “Other Operating Income” has been reported for the Group and the Bank.

45. Net Other Income and Expenses

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Gain on Disposal of Tangible and Intangible Fixed Assets	33,415	40,351	20,726	27,571
Gain on Disposal of Productive Biological Assets	86,479	20,288	0	0
Gain (loss) on Disposal of Collaterals Repossessed	751,569	726,963	751,569	726,963
Income from Rent of Branch Managers' Residential Units	4,867	4,405	4,868	4,405
Services Offering Income	1,082,208	547,607	0	0
Gain on Sale of Products	4,164,090	2,683,867	0	0
Loss on Translation of Non-operating Liabilities and Assets	(71,600)	(49,500)	0	0
Others	(80,181)	(73,692)	0	0
Miscellaneous	39,157	312,841	39,157	312,841
	6,010,004	4,213,130	816,319	1,071,780

46. Administrative and General Expenses

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Personnel Expenses	44,843,406	26,364,579	43,997,948	25,641,859
Administrative Expenses	10,688,168	7,673,210	10,333,868	7,562,247
	55,531,574	34,037,807	54,331,816	33,204,106

47. Doubtful Debts Expenses

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Specific Cost of Doubtful Debts of Facilities Granted and Claims	4,081,253	2,154,620	4,081,253	2,154,620
General Cost of Facilities Granted and Claims	3,604,886	2,150,054	3,558,747	2,521,535
	7,686,139	4,304,674	7,640,000	4,676,155



48. Financial Cost

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Profit of Facilities from Other Banks and Credit Institutions	2,906,058	3,365,629	1,995,969	2,140,954
Profit and Penalties of Facilities Received from CBI	4,795,414	1,961,547	4,795,414	1,961,547
Penalties Paid	0	0	0	0
Financial Cost of Debt Securities	0	0	0	0
Penalties for Overdraft from Checking Account with CBI	3,115,482	4,070,258	3,115,482	4,070,258
	10,816,954	9,397,434	9,906,865	8,172,759

49. Depreciation Expenses

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Depreciation of Tangible Fixed Assets	953,101	849,377	863,613	789,554
Depreciation of Intangible Assets	37,890	15,534	33,497	14,976
	990,991	864,911	897,110	804,530

50. Yearly Adjustments

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Accumulated Effects of Changes in Accounting Policies	0	0	0	0
Correction of Errors	(84,810)	(9,226,288)	(170)	(9,197,102)
	(84,810)	(9,226,288)	(170)	(9,197,102)

51. Consolidated Statement of Net Profit

	Group Consolidated	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Net Profit (Loss)	6,377,065	(21,806,214)
Depreciation Expenses	990,911	864,911
Doubtful Debts Expenses	4,686,139	4,304,674
Dividends from Investment Shares and Legal Partnership	0	0
Net Increase of Provision for Benefits of Employment Service Termination and Retirement Obligations	15,390,636	(2,870,654)
Net Increase (Decrease) of Income Tax Payable	0	0
Gain (Loss) on Disposal of Tangible Fixed Assets and Intangible Assets	(33,415)	(40,351)
Gain (Loss) on Disposal of Non-operating Properties and Real Estates	0	0
Net Increase (Decrease) of Financial Costs Payable	0	0
Profit Share of NDF (Agent Contract)	0	0
Net (Profit) Loss of FX Translation in Cash	(1,890,835)	(306,339)
	<u>22,143,516</u>	<u>1,952,241</u>
Net Increase (Decrease) of Operating Liabilities		
Due to Banks and Other Credit Institutions	337,397,832	443,020,105
Customers' Deposits	57,150,197	116,494,937
Dividends Payable	0	0
Debt Securities	(76)	0
Operating Portion of Provisions and other Liabilities	34,111,502	20,773,692
Investment Deposits	193,239,976	121,048,430
	<u>(52,896,233)</u>	<u>701,337,164</u>
Net Increase (Decrease) of Operating Assets		
Due from Banks and Other Credit Institutions	(2,367,535)	(19,005,006)
Due from Government	(92,599,404)	(26,515,580)
Facilities Granted and Due from Public Persons	8,975	(65,890)
Facilities Granted and Due from Non-public Persons	(162,314,311)	(157,560,029)
Investment in Stocks and Other Securities	1,341,553	12,684,854
Due from Subsidiaries and Associates	(190,228)	(374,642)
Other Accounts Receivable	(1,388,082)	332,681
Required Reserve	(22,259,373)	(16,798,768)
Operating Portion of Other Assets	1,489,083	4,703,266
	<u>(278,279,332)</u>	<u>(202,599,114)</u>
Net Cash Inflow (Outflow) from Operating Activities	<u>(302,654,984)</u>	<u>478,884,077</u>





Bank (Main Company)		
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Net Profit (Loss)	348,446	(24,540,443)
Depreciation Expenses	897,110	804,530
Doubtful Debts Expenses	7,640,000	4,676,155
Dividends from Investment Shares and Legal Partnership	0	0
Net Increase of Provision for Benefits of Employment Service Termination and Retirement Obligations	15,3350,640	(2,775,599)
Net Increase (Decrease) of Income Tax Payable	0	0
Gain (Loss) on Disposal of Tangible Fixed Assets and Intangible Assets	(20,726)	(27,571)
Gain (Loss) on Disposal of Non-operating Properties and Real Estates	0	0
Net Increase (Decrease) of Financial Costs Payable	0	0
Profit Share of NDF (Agent Contract)	0	0
Net (Profit) Loss of FX Translation in Cash	(1,135,031)	41,813
	22,731,993	2,719,328
Net Increase (Decrease) of Operating Liabilities		
Due to Banks and Other Credit Institutions	(322,006,151)	445,375,524
Customers' Deposits	57,715,230	117,584,264
Dividends Payable	0	0
Debt Securities	(76)	0
Operating Portion of Provisions and other Liabilities	16,888,579	20,119,668
Investment Deposits	193,566,701	120,311,283
	(53,835,717)	703,390,739
Net Increase (Decrease) of Operating Assets		
Due from Banks and Other Credit Institutions	(2,367,535)	(19,005,006)
Due from Government	(92,599,404)	(26,515,580)
Facilities Granted and Due from Public Persons	8,975	(65,890)
Facilities Granted and Due from Non-public Persons	(165,737,385)	(163,877,941)
Investment in Stocks and Other Securities	(11,616)	13,433,233
Due from Subsidiaries and Associates	3,105,267	(363,194)
Other Accounts Receivable	1,815,181	1,914,749
Required Reserve	(22,259,372)	(16,798,768)
Operating Portion of Other Assets	6,498,143	9,003,303
	(271,547,747)	(202,275,094)
Net Cash Inflow (Outflow) from Operating Activities	(302,303,025)	479,294,530

52. Non-cash Transactions

	Group and Main Company	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Assets Repossession in lieu of Facilities Granted	4,077,650	3,434,471
Settlement of Due from Government with Facilities from CBI	0	0
Trade-off of Assets with Facilities Granted	0	0
Facilities Granted for Settlement of Preceding Years Facilities (Extension)	245,941,529	177,500,165
Assets Exchange	0	68,942
Capital Increase from Shareholders' Matured Claims	0	0
Capital Increase from Assets Revaluation Surplus	0	0
Non-cash Capital Increase	19,235,780	0
Settlement for Execution of 2018 Budget Act (Article F, Note 5)	0	892
	269,254,959	181,004,470



53. Off-balance Sheet Items

53.1 Obligations for IRR and Foreign Currency L/Cs (MIL. IRR)

53.1.1 Statement of Obligations for Foreign Currency L/Cs in the Main Company

Sight L/Cs	Balance at the Beginning of the Year			Opened within the Year			Deposited Within the Year			Effects of Rate Changes within the Period			Balance at the End of the Year		
	No.	FC Amount	IRR Equivalent	No.	FC Amount	IRR Equivalent	No.	FC Amount	IRR Equivalent	No.	FC Amount	IRR Equivalent	No.	FC Amount	IRR Equivalent
US Dollar	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Euro	109	269,783,606	22,931,606	20	303,811,729	48,000,209	82	349,888,570	37,913,725	7,490,296	223,706,765	33,018,090	47	223,706,765	33,018,090
Swiss Franc	16	2,420,362	181,437	2	0	548,661	16	38,668	500,288	500,217	2,381,694	229,810	2	2,381,694	229,810
Turkish Lira	7	13,065,339	179,270	9	597,181,755	6,595,564	12	492,632,008	5,076,472	649,453	117,615,086	1,698,362	4	117,615,086	1,698,362
South Korean Won	22	83,986,167,586	5,572,482	4	1,778,758,288	7,910,327	11	5,299,875,849	7,458,149	582,032	80,465,050,025	6,024,660	15	80,465,050,025	6,024,660
Japanese Yen	20	1,542,590,000	1,039,860	1	59,438,000	5,610,282	19	270,643,180	5,501,623	191,405	1,331,384,820	1,148,519	2	1,331,384,820	1,148,519
Chinese Yuan	96	4,901,317,070	54,747,712	111	5,682,503,972	102,644,603	145	4,966,026,162	83,276,747	15,207,559	5,617,794,880	74,115,568	62	5,617,794,880	74,115,568
Emirates Dirham	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indian Rupee	29	1,008,578,438	1,107,419	30	10,820,319,840	9,337,572	45	10,411,385,279	8,671,682	413,408	1,417,512,999	1,773,309	14	1,417,512,999	1,773,309
Oman Rials	0	-	-	1	6,710,274	1,312,888	1	6,710,274	1,312,888	0	0	0	0	0	0
Russian Ruble	10	961,341,221	1,120,924	16	12,135,644,157	16,306,756	19	8,547,509,525	11,682,343	2,175,718	4,549,475,853	5,745,337	7	4,549,475,853	5,745,337
309		86,880,710	86,880,710	194	198,266,862	198,266,862	350	161,393,917	161,393,917	27,210,088	123,753,655	123,753,655	153	123,753,655	123,753,655
Term L/Cs															
US Dollar															
Euro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Swiss Franc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Turkish Lira	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Korean Won	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Japanese Yen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chinese Yuan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Emirates Dirham	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indian Rupee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
309		86,880,710	86,880,710	194	198,266,862	198,266,862	350	161,393,917	161,393,917	27,210,088	123,753,655	123,753,655	153	123,753,655	123,753,655

54. Capital Commitments, Contingent Assets and Liabilities (Mil. IRR)

54.1 Capital Commitments incurred by signed and approved contracts on balance sheet date, include:

Group Consolidated and Bank		
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Purchase of Auto Vehicles	290,213	0
Construction	521,179	724,965
Purchase of Chillers	392	0
	811,784	724,965

55. Earnings Per Share (Mil. IRR)

	Group Consolidated		Bank (Main Company)	
	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Earnings/Loss before Taxes	6,956,004	(21,569,020)	348,446	(24,540,443)
Less:				
Income Tax	(578,939)	(237,194)	0	0
Net Profit (Loss)	6,377,065	(21,806,214)	348,446	(24,540,443)
Weighted Average Number	111,020,884,344	91,020,884,344	111,020,884,344	91,020,884,344
Basic Earnings Per Share	57	(240)	3.14	(270)

56. Events after the Reporting Period:

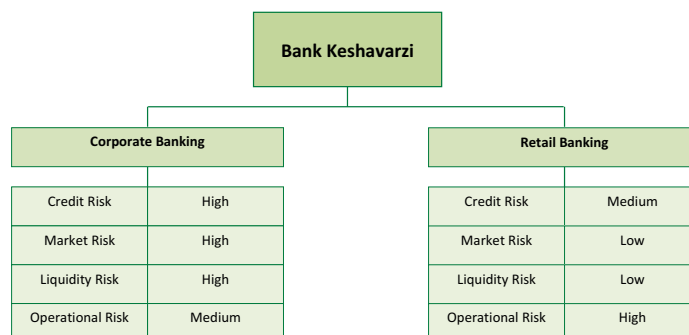
- No changes in the registered capital of the bank, members of the board of directors, managing director, and chairperson have been reported.
- There were no restrictions or disciplinary measures, executed by CBI, on the business operation of the bank during the reporting period.
- There was no case of acquisition, merger or split-off during the reporting period.
- There was no damage or loss due to theft, embezzlement or unprecedented disasters during the reporting period.

57. Bad Debts (Mil. IRR)

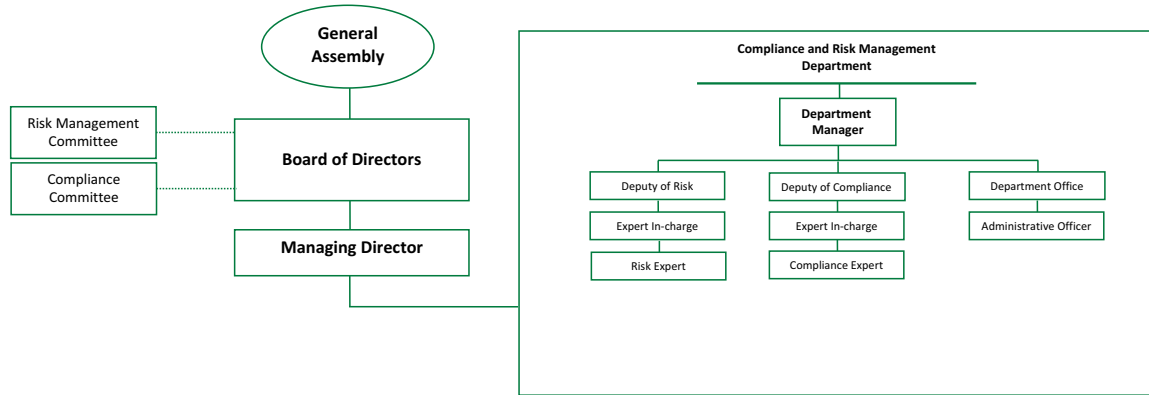
	Due to Financial Facilities	Other Claims	Total
Bad Debts at the Beginning of the Year	52,012	984	52,996
Bad Debts during the Year	1,787	0	1,787
Bad Debts Collected during the Year	0	0	0
Bad Debts at the End of the Year	53,799	984	54,783

58. Risks Description

58.1 Exposure of Departments to Risks:



58.2 Framework and Organizational Chart of Risk Management:



58-3 Credit Quality Analysis

58-3-1 Table of Credit Quality Analysis for granted financial facilities, obligations and investments based on the bank's internal credit rating.

Credit Quality Analysis								
	Facilities Granted to Banks		Facilities Granted to Customers		Investments		Obligations under LGs & LCs	
	2020	2019	2020	2019	2020	2019	2020	2019
Level 1 – Low Risk	6,906	6,906	137,829,863	49,182,807	2,757,073	2,745,457	134,083,162	95,971,308
Level 2 – Medium Risk	0	0	713,921,836	647,903,440	10	10	0	0
Level 3 – High Risk	0	0	87,703,583	83,038,518	57,498	57,498	0	0
Level 4 – Going Bad	0	0	13,208,784	11,147,362	6,537	6,537	0	0
Total Gross	6,906	6,906	951,764,066	791,272,127	2,821,118	2,809,502	134,083,162	95,971,308
Impairment Reserve	(104)	(104)	(57,652,318)	(51,171,139)	(50,197)	(50,197)	0	0
Net Book Value	6,802	6,802	894,111,748	740,100,988	2,770,921	2,759,305	134,083,162	95,971,308

58-3-2 Table of Credit Quality Analysis for granted financial facilities, obligations and investments based on assets categories

	Facilities Granted to Banks		Facilities Granted to Customers		Obligations under LGs & LCs	
	2020	2019	2020	2019	2020	2019
Current	6,906	6,906	806,718,242	631,127,781	134,083,162	95,971,308
Past-due	0	0	18,794,580	18,202,062	0	0
Overdue	0	0	19,781,690	40,990,707	0	0
Doubtful	0	0	106,469,554	100,951,577	0	0
Total Gross	6,906	6,906	951,764,066	791,272,127	134,083,162	95,971,308
Impairment Reserve	(104)	(104)	(57,652,318)	(51,171,139)	0	0
Net Book Value	6,802	6,802	894,111,748	740,100,988	134,083,162	95,971,308

58-4 Capital Adequacy Ratio

The bank capital adequacy for the fiscal year ending on March 19th, 2020 is 3.81 percent.

	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Regulatory Capital	39,664,074	13,619,161
Credit-Risk-Weighted Assets	945,692,723	748,831,376
Market-Risk-Weighted Assets	19,451,104	17,925,625
Operational-Risk-Weighted Assets	76,720,704	55,008,326
Total Risk-weighted Assets	1,041,864,531	821,765,327

58-4 Degree of Financial Leverage: Degree of Total Equity to Total Assets

	March 19, 2020 Mil. IRR	March 20, 2019 Mil. IRR
Total Shareholders' Equity	131,005,970	12,025,244
Total Assets	1,729,753,407	1,643,585,166
DFL	7.57	0.73



Islamic Banking Glossary

Civil Partnership

Civil Partnership contract involves mixing the capital of one or more partners with the capital of the bank on a joint-venture basis to do a specific job in the fields of production, trade ... for a limited period.

Hire purchase

Hire purchase or leasing is a type of asset finance that allow firms or individuals to possess and control an asset during an agreed term, while paying rent or installments covering depreciation of the asset, and interest to cover capital cost.

Istisna

Istisna is a contract of Partnership, whereby the funding party agrees to deliver a commodity or an asset at a pre-determined future time at an agreed pre-determined future time at an agreed price.

Jo'aleh

Under Jo'aleh contract, one party purchases another party's services for a specified commission. The bank functions as either Ja'el or contractor depending on the situation and the customers' needs.

Mudharabah

Mudharabah is a profit sharing contract in which one party provides capital (funds) and the other (the managing trustee) provides labor and management expertise.

Murabahah

Murabahah is a type of sales contract where the bank buys a product on behalf of a client and resells the product to the same client by clearly mentioning the cost incurred in buying the product and the margin or the mark-up when reselling the product to the client.

Sukuk

Sukuk is a type of financial certificate, whose characteristics are similar to those of a conventional bond with the key difference being that they are assets backed. Sukuk represent proportionate beneficial ownership in the underlying tangible asset(s) of particular projects or investment activity.



Abbreviations and Acronyms

ADFIMI: Association of National Development Finance Institutions in Member Countries of IDB
AIF: Agricultural Products Insurance Fund
AML: Anti-money Laundering
ATM: Automated Teller Machine
APRACA: Asia Pacific Rural and Agricultural Credit Association
BK: Bank Keshavarzi
BKSC: Bank Keshavarzi Securities Company
bn: billion
CBI: The Central Bank of the Islamic Republic of Iran
CD: Certificate of Deposit
CICA: Confederation Internationale Du Credit Agricole
CRM: Customer Relation Management
Dept.: Department
DC: Documentary Credit
E-banking: Electronic Banking
ECSDP: Economic, Cultural and Social Development Plan
FC: Foreign Currency
Forex: Foreign Exchange
FYDP: Five-year Development Plan
FXRA: Foreign Exchange Reserve Account
GDP: Gross Domestic Product
ha: hectare
I.C. Bank: Islamic Cooperation Bank for Investment
ICD: Islamic Corporation for the Development of the Private Sector
IDB: Islamic Development Bank
IFSB: Islamic Financial Services Board
Info.: Information
Int'l: International
IRFIU: Iran Financial Intelligence Unit
IRR: Iran Rial
ITFC: International Islamic Trade Finance Corporation
JCPOA: Joint Comprehensive Plan of Action
KYC: Know Your Customer
L/C: Letter of Credit
L/G: Letter of Guarantee
LSU: Livestock Unit
MBAI: Monetary and Banking Act of Iran
MCC: Money and Credit Council
Mil.: million
NDF: National Development Fund
NENARACA: Near East and North Africa Regional Agricultural Credit Association
POS: Point of Sale
QH: Qard-al-Hassanah
IRR: Rials
ROA: Return on Assets
ROE: Return on Equity
SAO: State Audit Organization
SHETAB: Shabakeh Tabādol Etelā'āt Bain Bānki (Inter-bank Information Transfer Network)
SME: Small and Medium Enterprises
SMS: Short Message System
STR: Suspicious Transaction Reports
USD: United States Dollar



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