



# Bank of India (Tanzania) Ltd.

*Relationships beyond banking*

Fully owned subsidiary of Bank of India (Public Sector Bank)

AUDITED FINANCIAL STATEMENTS FOR YEAR ENDED 31st DECEMBER 2018

Issued pursuant to regulations 7 and 8 of the Banking and Financial Institutions (Disclosures) Regulations, 2014

## STATEMENT OF FINANCIAL POSITION (Amounts in million of Shillings)

	Current Year 31-Dec-18	Previous Year 31-Dec-17
<b>A. Assets</b>		
1 Cash	849	1,126
2 Balance with Bank of Tanzania	11,585	7,153
3 Investment in government securities held to maturity	49,487	46,814
4 Balance with other banks and financial institutions	16,109	304
5 Cheques and items for clearing	-	-
6 Interbranch float items	-	-
7 Bills Negotiated	-	-
8 Customers' liabilities for acceptances	-	-
9 Interbank loans receivables	4,737	41,524
10 Investments in other securities held to maturity	-	-
11 Loans, advances and overdrafts (Net of allowance for probable Losses)	69,993	74,231
12 Other assets	1,905	2,444
13 Equity investments	-	-
14 Underwriting accounts	-	-
15 Deferred tax assets	299	351
16 Property, plant and equipment	1,267	386
<b>17 TOTAL ASSETS</b>	<b>156,230</b>	<b>174,333</b>
<b>B. LIABILITIES</b>		
18 Deposits from other banks and financial institution	50,067	65,697
19 Customer deposits	68,764	70,280
20 Cash letters of credit	-	-
21 Special deposits	22	170
22 Payment orders / transfers payable	-	-
23 Bankers' cheques and draft issued	44	67
24 Accrued taxes and expenses payable	2,224	2,456
25 Acceptances outstanding	-	-
26 Interbranch float items	-	-
27 Unearned income and other deferred charges	-	-
28 Other liabilities	905	1,363
29 Deferred tax liability	-	-
<b>30 TOTAL LIABILITIES</b>	<b>122,028</b>	<b>140,034</b>
<b>31 NET ASSETS/(LIABILITIES) (18 minus 32)</b>	<b>34,203</b>	<b>34,299</b>
<b>D. SHAREHOLDERS' FUNDS</b>		
32 Paid up share capital	21,500	21,500
33 Share premium	-	-
34 General provision	755	1,088
35 Statutory reserves	3,341	3,215
36 Retained earnings	6,123	4,263
37 Profit / (loss) account	2,484	4,233
38 Other capital accounts	-	-
39 Minority interest	-	-
<b>40 OTHER CAPITAL AND SHAREHOLDERS' FUNDS</b>	<b>34,203</b>	<b>34,299</b>
41 Contingent liabilities	5,978	6,057
42 Non performing loans & advances	4,967	6,971
43 Allowances for probable losses	1,361	1,251
44 Other non performing assets	-	-
<b>D. SELECTED FINANCIAL CONDITION INDICATORS</b>		
(i) Shareholders funds to total assets	21.89%	19.67%
(ii) Non performing loans to total gross loans	6.96%	9.24%
(iii) Gross loans and advances to total deposits	60.04%	55.44%
(iv) Loans and advances to total assets	44.80%	42.58%
(v) Earning assets to total assets	79.51%	93.25%
(vi) Deposit growth	-12.61%	5.13%
(vii) Assets growth	-10.38%	6.42%

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018 (Amounts in million shillings)

	Current Year 31-Dec-18	Previous Year 31-Dec-17
1. Interest income	13,547	15,221
2. Interest expense	(5,488)	(5,596)
<b>3. Net interest income ( 1 minus 2)</b>	<b>8,059</b>	<b>9,625</b>
4. Bad debts written off	-	-
5. Impairment losses on loans and advances	(945)	(885)
<b>6. Non-interest income</b>	<b>1,077</b>	<b>1,357</b>
6.1 Foreign currency dealings and translation gains / (loss)	234	418
6.2 Fees and commissions	839	938
6.3 Other operating income	3	-
<b>7. Non interest expenses:</b>	<b>(4,541)</b>	<b>(4,037)</b>
7.1 Salaries and benefits	(1,540)	(1,498)
7.2 Fees and commissions	(172)	(65)
7.3 Other operating expenses	(2,830)	(2,473)
<b>8. Operating income / (loss)</b>	<b>3,649</b>	<b>6,060</b>
9. Income tax	(1,165)	(1,827)
<b>10. Net income (loss) after income tax</b>	<b>2,484</b>	<b>4,233</b>
11. Other Comprehensive Income (itemize)	-	-
12. Total comprehensive income/(loss) for the year	2,484	4,233
13. Number of employees	29	31
14. Basic earnings per share	116	197
15. Number of branches	2	2
<b>PERFORMANCE INDICATORS</b>		
(i) Return on average total assets	2.21%	4.01%
(ii) Return on average shareholders' fund	7.25%	15.39%
(iii) Non interest expense to gross income	31.05%	24.35%
(iv) Net interest income to average earning assets	5.57%	7.01%

### CONDENSED STATEMENT OF CHANGES IN EQUITY

	As at 31st December 2018 (Amounts in million shillings)						
	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others	Total
<b>Current Year 2018</b>							
Balance as at the beginning of the year (01.01.2018)	21,500	-	8,496	3,215	1,088	-	34,299
Profit for the year	-	-	2,484	-	-	-	2,484
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends proposed	-	-	(430)	-	-	-	(430)
Regulatory Reserve	-	-	(1,943)	2,277	(333)	-	-
General Provision Reserve	-	-	-	-	-	-	-
Loan written off	-	-	-	(2,151)	-	-	(2,151)
<b>Balance as at the end of the current year (31.12.2018)</b>	<b>21,500</b>	<b>-</b>	<b>8,607</b>	<b>3,341</b>	<b>755</b>	<b>-</b>	<b>34,203</b>
<b>Previous Year 2017</b>							
Balance as at the beginning of the year (01.01.2017)	21,500	-	6,515	1,672	1,024	-	30,711
Profit for the year	-	-	4,233	-	-	-	4,233
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Proposed	-	-	(645)	-	-	-	(645)
Regulatory Reserve	-	-	(1,543)	1,543	-	-	0
General Provision Reserve	-	-	(64)	-	64	-	(0)
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the year (31.12.2017)</b>	<b>21,500</b>	<b>-</b>	<b>8,496</b>	<b>3,215</b>	<b>1,088</b>	<b>-</b>	<b>34,299</b>

## STATEMENT OF CASH FLOWS For the year ended 31st December 2018 (Amounts in million shillings)

	Current Year 31-Dec-18	Previous Year 31-Dec-17
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	3,649	6,060
Adjustment for:		
- Deferred revenue expenditure write off	36	82
- Depreciation	224	59
- Loan write off	(2,151)	-
- Gain / loss on sale of assets	(3)	-
- Net change in deposits	(17,145)	8,300
- Net change in loans and advances to customers	4,237	(3,287)
- Net change in short term negotiable securities	(4,743)	593
- Net change in other liabilities	(467)	(1,620)
- Net change in other assets	845	(1,275)
- Increase in placement with banks with maturities over three months	2,676	(68)
- Tax paid	(1,625)	(1,959)
- Others (specify)	-	-
<b>Net cash provided (used) by operating activities</b>	<b>(14,467)</b>	<b>6,885</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(98)	(95)
Purchase of intangible assets	(29)	(28)
Proceeds from sale of fixed assets	5	4
Purchase of non-dealing securities	-	-
Proceeds from sale non-dealing securities	-	-
Others (specify)	-	-
<b>Net cash provided (used) by investing activities</b>	<b>(1,014)</b>	<b>(120)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of share capital	-	-
Dividend paid	(645)	(538)
Others (specify)	-	-
<b>Net cash provided (used) by financing activities:</b>	<b>(645)</b>	<b>(538)</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Net increase (decrease) in cash and cash equivalents	(16,126)	6,228
Cash and cash equivalents at the beginning of the year	58,311	52,083
<b>Cash and cash equivalents at the end of the year</b>	<b>42,185</b>	<b>58,311</b>

### BANK OF INDIA (TANZANIA) LTD DAR ES SALAAM

Name and Title	Signature	Date
Mr. Ashwani Kumar Negi Managing Director	Signed	29.03.2019
Mr. Poncian B. Katesigwa Head of Finance	Signed	29.03.2019
Mr. Allen Richard Internal Auditor	Signed	29.03.2019
The above extracts are from financial statements of the bank for year ended 31st December 2018, which have been prepared in accordance with International Financial Reporting Standard (IFRS). The financial statements were audited by Baker Tilly DGP & CO Certified Public Accountant and received unqualified Audit Report.		
The Financial statements were approved by the Board of Directors and signed on behalf by:		
Name and Title	Signature	Date
1. Mr. Fredrick Mbala- Director	Signed	29.03.2019
2. Mr. S. K Mukherjee - Director	Signed	29.03.2019