

**Audited Financial Statements**  
of  
**Midland Bank PLC**  
For the Year ended 31 December 2023

# Hoda Vasi Chowdhury & Co

## Chartered Accountants

### Independent Auditor's Report to the Shareholders of Midland Bank PLC. Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Midland Bank PLC. (the "Bank"), which comprise the balance sheet as at 31 December 2023 and profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Bank give a true and fair view of the financial position as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and other applicable laws and regulations.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

Description of key audit matters	Our response to key audit matters
<b>Measurement of provision for loans and advances</b>	
The process for estimating the provision for loans, advances and leases portfolio associated with credit risk is significant and complex.	We tested the design and operating effectiveness of key controls focusing on the following:
For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the	<ul style="list-style-type: none"><li>Credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li></ul>



<p>market value of collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates of complex design and implementation.</p> <p>At year end the Bank reported total gross loans and advances of BDT 54,863 million (2022: BDT 52,793 million) and provision for loans and advances of BDT 2,056 million (2022: BDT 1,578 million).</p> <p>We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> <li>• Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012 and BRPD circular no 03, dated 21 April 2019; and</li> <li>• For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows;</li> </ul> <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p>	<ul style="list-style-type: none"> <li>• Completeness of appropriate documentation before disbursement of loans as well as recording of loan balance;</li> <li>• Alternate procedures applied by management to assess new loan/renewal of existing loans where latest audited financial statements of the borrower is not available;</li> <li>• Identification of loss events, including early warning and default warning indicators;</li> <li>• Review of quarterly Classification of Loans (CL);</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines;</li> <li>• Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information;</li> <li>• Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> <li>• Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained</li> </ul> <p>The Bank has calculated required provision as per Bangladesh Bank letter DBI-5/IS(158)/2024-504 dated 03 April 2024 considering total classified loans and advances of BDT 209.16 crore (3.81%).</p>
<p><b>See note # 7, 13.01 and 13.02 to the financial statements</b></p>	



Risk	Our response to the risk
<b>Interest income recognition</b>	
<p>Recognition and measurement of interest income involve complex IT environment as well as require critical estimates and judgment. Since interest income from loans and advances is one of the key performance indicators of the Bank there is an inherent risk of fraud and error in recognition of interest income.</p> <p>Accordingly, this has been considered as key audit matter.</p>	<p>We tested the design and operating effectiveness of key controls including automated control over recognition and measurement of interest on loans and advances.</p> <p>For selected customers and loan files on sample basis we have also performed substantive test of details including recalculation and cut-of testing to check accuracy of interest income.</p> <p>Finally, we also conducted substantive analytical procedures to assess reasonableness of interest recognised during the year with reference to the product wise outstanding loan balances.</p>
<b>See note # 21 to the financial statements</b>	
<b>Valuation of treasury bill and treasury bond</b>	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p> <p>HTM securities which have not matured as at the balance sheet date are amortised at the year end and changes in amortisation are recognised in other reserves as a part of equity. However, new circular has been issued DOS circular letter no. 27 dated 04 December 2023, where amortization on HTM securities can be taken into profit and loss account before maturity.</p> <p>Similarly, impairment assessment of financial instruments measured at amortised cost also</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>Furthermore, we have checked Bank's treatment of new circular related to MTM of HTM as per DOS Circular Letter No. 27 dated 4 December 2023.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant</p>



<p>required mainly unobservable market data and assumptions. Accordingly, this is considered as a key audit matter.</p>	<p>accounting standards and Bangladesh Bank guidelines.</p>
<p><b>See note # 6 to the financial statements</b></p>	

<p><b>Impairment assessment of unquoted investments</b></p>	
<p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>We have assessed the processes and controls put in place by the Company to ensure all major investment decisions are undertaken through a proper due diligence process</p> <p>We tested a sample of investments valuation as at 31 December 2023 and compared our results to the recorded value.</p> <p>Finally we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>As per the business model, management has considered quoted and unquoted shares together as part of its investment portfolio for calculation of required provision.</p>
<p><b>See note # 6.02 and Annex B to the financial statements</b></p>	

<p><b>IT systems and controls</b></p>	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p>



	We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.
--	--

<b>Legal and regulatory matters</b>	
<p>We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>The Bank has taken initiative to save cost from the budgeted cost as per BRPD circular 28 and 30 of 2022.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Bank's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p> <p>We have obtained all the relevant documents and verified as per audit procedure.</p> <p>Deferred tax asset is significantly higher than prior year due to consideration of BDT 1,449 million of specific provision for loans and advances in tax calculation from this year.</p>

**Reporting on other information**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate and the Bank or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse



consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - (a) internal audit, internal control and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate;
  - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank {other than matters disclosed in these financial statements};
- (iii) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- (iv) the records and statements submitted by the branches have been properly maintained and the financial statements;
- (v) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vi) the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (vii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (viii) the information and explanations required by us have been received and found satisfactory;



- (ix) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 2,000 person hours; and
- (x) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dhaka, 28 April 2024  
DVC No: 2404280770AS831983



Sabbir Ahmed FCA, Partner  
ICAB Enrolment number: 770  
Hoda Vasi Chowdhury & Co  
Chartered Accountants





Midland Bank PLC.  
Balance Sheet  
As on 31 December 2023

	Notes	2023 BDT	2022 BDT
<b>PROPERTY AND ASSET</b>			
<b>Cash</b>	3.00	<b>3,793,328,925</b>	<b>3,494,965,793</b>
In Hand (Including Foreign Currency)		891,750,221	782,034,355
With Bangladesh Bank and its agent Bank (including Foreign Currency)		2,901,578,704	2,712,931,438
<b>Balance with other Banks &amp; Financial Institutions</b>	4.00	<b>1,998,110,179</b>	<b>2,568,427,930</b>
In Bangladesh		1,986,136,023	2,455,383,089
Outside Bangladesh		11,974,157	113,044,841
<b>Money at Call and Short Notice</b>	5.00	<b>529,900,000</b>	<b>120,000,000</b>
<b>Investments</b>	6.00	<b>17,380,106,715</b>	<b>16,905,790,238</b>
Government		13,889,641,408	13,186,012,591
Others		3,490,465,307	3,719,777,647
<b>Loans and Advances/ Investments</b>	7.00	<b>54,862,657,994</b>	<b>52,792,807,266</b>
Loans Cash Credit Overdrafts etc./ Investment		51,379,100,087	49,606,134,790
Bills Purchased and Discounted		3,483,557,906	3,186,672,476
<b>Fixed Asset Including Premises Furniture &amp; Fixtures</b>	8.00	<b>610,749,511</b>	<b>574,669,903</b>
<b>Other Asset</b>	9.00	<b>4,238,430,461</b>	<b>3,397,619,330</b>
<b>Non-Banking Asset</b>	10.00	<b>12,585,359</b>	<b>12,585,359</b>
<b>Total Property and Asset</b>		<b>83,425,869,144</b>	<b>79,866,865,819</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Borrowing from other Banks Financial Institutions &amp; Agents</b>	11.00	<b>6,317,165,470</b>	<b>8,243,230,054</b>
<b>Deposit and Other Accounts</b>	12.00	<b>60,302,724,245</b>	<b>57,763,010,073</b>
Current Deposit & Other Accounts		8,169,877,872	8,881,655,198
Bills Payable		465,290,468	293,988,162
Short Notice Deposit		6,955,027,629	7,512,112,992
Savings Deposit		5,638,958,266	5,071,243,226
Fixed Deposit		33,068,915,121	30,664,800,460
Deposit Scheme		6,004,654,888	5,339,210,034
<b>Other Liabilities</b>	13.00	<b>7,655,316,913</b>	<b>6,214,086,209</b>
<b>Total Liabilities</b>		<b>74,275,206,628</b>	<b>72,220,326,337</b>
<b>Capital/Shareholders' Equity</b>		<b>9,150,662,516</b>	<b>7,646,539,482</b>
Paid up Capital	15.00	6,396,697,530	5,696,697,530
Statutory Reserve	16.00	1,881,769,558	1,626,329,243
Revaluation Reserve on Investment in Securities	17.00	3,337,887	1,155,553
Retained Earnings	18.00	868,857,541	322,357,156
<b>Total Liabilities and Shareholders' Equity</b>		<b>83,425,869,144</b>	<b>79,866,865,819</b>
<b>Net Asset Value (NAV) per share</b>		<b>14.31</b>	<b>11.95</b>





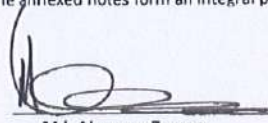




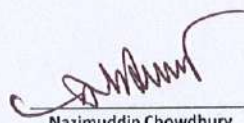
Midland Bank PLC.  
Profit and Loss Account  
For the year ended 31 December 2023

Particulars	Notes	2023	2022
		BDT	BDT
Interest Income/Profit on Investment	21.00	4,503,457,426	3,657,213,524
Less: Interest/Profit Paid on Deposit and Borrowing, etc.	22.00	3,740,456,753	3,201,241,946
<b>Net Interest Income</b>		<b>763,000,674</b>	<b>455,971,578</b>
Income from Investment	23.00	1,612,525,212	1,455,080,301
Commission, Exchange and Brokerage	24.00	684,076,384	736,385,608
Other Operating Income	25.00	132,141,671	98,250,555
		<b>2,428,743,266</b>	<b>2,289,716,464</b>
<b>Total Operating Income</b>		<b>3,191,743,940</b>	<b>2,745,688,042</b>
<b>Less: Operating Expenditure</b>			
Salary and Allowances	26.00	689,099,442	616,491,994
Rent, Tax, Insurance, Electricity	27.00	106,191,329	92,037,039
Legal Expense	28.00	2,330,726	1,690,799
Postage, Stamps and Telephone	29.00	22,434,428	19,558,274
Printing, Stationery, Advertisement	30.00	52,902,540	39,433,272
Managing Director's Remuneration	26.01	19,218,548	18,600,000
Directors' Fee	31.00	3,036,000	2,877,600
Audit Fee	32.00	460,000	460,000
Depreciation on and Repair to Bank's Property	33.00	290,611,869	246,803,651
Other Expenditure	34.00	262,454,792	181,008,263
<b>Total Operating Expenses</b>		<b>1,448,739,675</b>	<b>1,218,960,892</b>
<b>Profit before provision</b>		<b>1,743,004,265</b>	<b>1,526,727,150</b>
<b>Provision for Loans, Advances &amp; Off Balance Sheet</b>			
General Provision	35.00	42,169,773	(190,712,133)
Special General Provision -COVID 19		(58,541,581)	(15,424,217)
Specific Provision		465,692,649	499,978,973
Provision for Off Balance Sheet Exposures		(8,201,414)	3,147,903
Provision for Investments & Placement		20,970,939	109,228,208
Provision for Non-Banking Asset		-	-
Provision against Other Asset		3,712,324	31,872,837
<b>Total Provision</b>		<b>465,802,690</b>	<b>438,091,571</b>
<b>Profit Before Tax</b>		<b>1,277,201,575</b>	<b>1,088,635,579</b>
<b>Less: Provision for Tax</b>	36.00	<b>144,094,932</b>	<b>526,666,750</b>
Current Tax		690,119,544	544,233,456
Deferred Tax		(546,024,612)	(17,566,707)
<b>Net Profit After Tax</b>		<b>1,133,106,643</b>	<b>561,968,829</b>
<b>Retained Surplus Brought Forward</b>	18.01	<b>2,522,279</b>	<b>11,680,504</b>
		<b>1,135,628,922</b>	<b>573,649,333</b>
<b>Appropriation:</b>			
Transferred to Statutory Reserve	37.00	255,440,315	217,727,116
Transferred to CSR Fund	38.00	-	27,945,373
Transferred to Start Up Fund		11,331,066	5,619,688
		<b>266,771,381</b>	<b>251,292,177</b>
<b>Retained Surplus, Carried Forward</b>		<b>868,857,541</b>	<b>322,357,156</b>
<b>Earnings Per Share</b>	40.00	<b>1.77</b>	<b>0.88</b>

The annexed notes form an integral part of these accounts

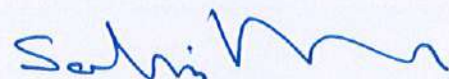
  
Md. Ahsan-uz Zaman  
Managing Director & CEO

  
Rezaul Karim  
Director

  
Nazimuddin Chowdhury  
Director

  
Mufar Zafarullah  
Chairman

Signed as per annexed report on even date



Sabbir Ahmed FCA  
Enrolment No.: 770  
Hoda Vasi Chowdhury & Co.  
Chartered Accountants

Place of Issue: Dhaka  
Dated: 28 April 2024  
DVC: 2404280770AS831983

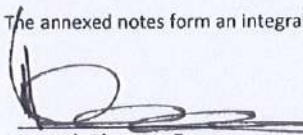


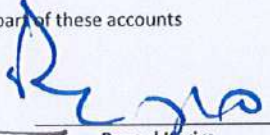


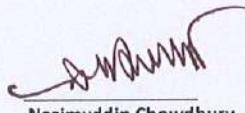
Midland Bank PLC.  
Cash Flow Statement  
For the year ended 31 December 2023

	Notes	2023 BDT	2022 BDT
<b>A) Cash Flow From Operating Activities:</b>			
Interest Received		6,036,815,276	4,745,403,245
Interest Paid on Deposits, Borrowings, etc.		(3,505,383,708)	(3,013,688,308)
Dividend Income		89,384,604	93,976,232
Fees & Commission Income		678,460,905	715,871,376
Recoveries of Loans previously written off		-	-
Cash Paid to Employees as Salaries and Allowances		(708,317,991)	(635,091,994)
Income Tax Paid		(565,209,672)	(595,479,520)
Cash Received From Other Operational Income	42.00	132,141,671	98,250,555
Cash Paid for Other Operational Expenses	43.00	(511,428,176)	(373,167,214)
<b>Cash Flow From Operating Activities Before Changes in Net Current Asset</b>		<b>1,646,462,910</b>	<b>1,036,074,372</b>
<b>Changes in Net Current Asset :</b>			
Investment in Treasury Bond		(137,934,124)	(825,769,434)
Loans & Advances		(2,145,746,795)	(6,925,324,857)
Other Asset		260,205,910	(303,402,649)
Non-Banking Assets		-	-
Bank Deposit		(2,622,668,529)	(2,032,311,845)
Customers' Deposit		5,019,046,587	8,891,320,996
Borrowing from Other Banks, Financial Institutions & Agents		(1,926,064,584)	2,293,928,075
Other Liabilities		258,406,734	267,888,535
		<b>(1,294,754,802)</b>	<b>1,366,328,821</b>
<b>Net Cash Flow From Operating Activities</b>		<b>351,708,108</b>	<b>2,402,403,193</b>
<b>B) Cash Flow From Investing Activities:</b>			
Investments in Shares & Bonds		229,312,340	(1,100,943,288)
Proceeds from Sale of Fixed Assets		-	414,949
Purchase of Fixed Asset		(265,343,311)	(153,030,817)
<b>Net Cash Flow From Investing Activities</b>		<b>(36,030,971)</b>	<b>(1,253,559,157)</b>
<b>C) Cash Flow From Financing Activities:</b>			
Receipts from Issue of Capital		700,000,000	-
Dividend Paid		(319,834,877)	(284,834,877)
<b>Net Cash Flow From Financing Activities</b>		<b>380,165,124</b>	<b>(284,834,877)</b>
<b>D) Net Increase in Cash and Cash Equivalents</b>		<b>695,842,261</b>	<b>864,009,160</b>
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents		5,615,479	20,514,233
<b>F) Opening Cash and Cash Equivalents</b>		<b>6,184,288,623</b>	<b>5,299,765,231</b>
Closing Cash and Cash Equivalents (D+E+F)		<b>6,885,746,363</b>	<b>6,184,288,623</b>
<b>The above closing Cash and Cash Equivalents include:</b>			
Cash in Hand		891,750,221	782,034,355
Balance with Bangladesh Bank and its Agent Bank		2,901,578,704	2,712,931,438
Balance with Other Banks & Financial Institutions		1,998,110,179	2,568,427,930
Money at Call and Short Notice		529,900,000	120,000,000
Treasury Bill		563,725,058	-
Prize Bond		682,200	894,900
		<b>6,885,746,363</b>	<b>6,184,288,623</b>
<b>Net Operating Cash Flow Per Share</b>	41.00	<b>0.55</b>	<b>4.22</b>

The annexed notes form an integral part of these accounts

  
Md. Ahsan-uz Zaman  
Managing Director & CEO

  
Rezaul Karim  
Director

  
Nazimuddin Chowdhury  
Director

  
Nilufer Zafarullah  
Chairman

Place of Issue: Dhaka  
Dated: 28 April 2024







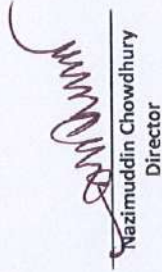
Midland Bank PLC.  
Statement of Changes in Equity  
For the year ended 31 December 2023

Particulars	Paid-up Capital		Statutory Reserve		Revaluation Surplus on Investments		Retained Earnings		Total	
	BDT		BDT		BDT		BDT		BDT	
Balance as at 01 January 2023	5,696,697,530		1,626,329,243		1,155,553		322,357,157		7,646,539,483	
Receipts from Issue of Capital	700,000,000		-		-		-		700,000,000	
Dividend paid	-		-		-		(319,834,877)		(319,834,877)	
Revaluation Reserve transferred during the period	-		-		2,182,334		-		2,182,334	
Net Profit for the year after tax	-		-		-		1,133,106,643		1,133,106,643	
Appropriation made during the period	-		255,440,315		-		(255,440,315)		-	
Transferred to Start Up Fund	-		-		-		(11,331,066)		(11,331,066)	
<b>Balance as at 31 December 2023</b>	<b>6,396,697,530</b>		<b>1,881,769,558</b>		<b>3,337,887</b>		<b>868,857,542</b>		<b>9,150,662,516</b>	
<b>Balance as at 31 December 2022</b>	<b>5,696,697,530</b>		<b>1,626,329,243</b>		<b>1,155,553</b>		<b>322,357,157</b>		<b>7,646,539,482</b>	

The annexed notes form an integral part of these accounts

  
Md. Ahsan-uz Zaman  
Managing Director & CEO

  
Rezaul Karim  
Director

  
Nazimuddin Chowdhury  
Director

  
Nilufer Zafarullah  
Chairman

Signed as per annexed report on even date



Place of Issue: Dhaka  
Dated: 28 April 2024




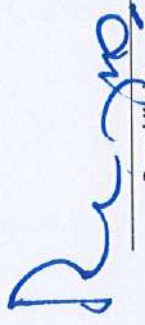
Midland Bank PLC.  
Liquidity Statement

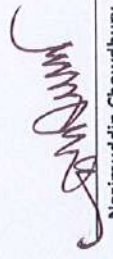
For the year ended 31 December 2023

Particulars	Less than	1 to 3	3 to 12	1 to 5	Above	Total
	1 month	months	months	years	5 years	BDT
	BDT	BDT	BDT	BDT	BDT	BDT
<b>ASSETS :</b>						
Cash in hand & Balance with Bangladesh Bank	1,529,668,331	-	-	-	2,263,660,594	3,793,328,925
Balance with other Banks and Financial Institutions	1,446,900,000	247,600,000	303,610,179	-	-	1,998,110,179
Money at Call & Short notice	529,900,000	-	-	-	-	529,900,000
Investments	2,562,000	601,900,000	2,362,100,000	6,152,580,000	8,260,964,715	17,380,106,715
Loans and Advances/Investments	7,501,100,000	5,813,100,000	16,058,800,000	14,945,185,257	10,544,472,737	54,862,657,994
Fixed Asset	-	-	-	184,062,112	426,687,399	610,749,511
Other Asset	-	57,000,000	400,600,000	2,820,000,000	960,830,461	4,238,430,461
Non-Banking Asset	-	-	-	-	12,585,359	12,585,359
<b>Total Assets</b>	<b>11,010,130,331</b>	<b>6,719,600,000</b>	<b>19,125,110,179</b>	<b>24,101,827,369</b>	<b>22,469,201,265</b>	<b>83,425,869,144</b>
<b>LIABILITIES :</b>						
Borrowing From Other Banks, Financial Institutions & Agents	677,600,000	145,000,000	1,292,000,000	1,013,865,470	3,188,700,000	6,317,165,470
Deposit and Other Account	15,716,200,000	13,876,500,000	15,088,100,000	14,951,928,764	669,995,481	60,302,724,245
Provision & Other Liabilities	192,722,298	128,064,727	-	2,168,959,249	5,165,570,640	7,655,316,913
<b>Total Liabilities</b>	<b>16,586,522,298</b>	<b>14,149,564,727</b>	<b>16,380,100,000</b>	<b>18,134,753,483</b>	<b>9,024,266,121</b>	<b>74,275,206,628</b>
<b>Net Liquidity</b>	<b>(5,576,391,967)</b>	<b>(7,429,964,727)</b>	<b>2,745,010,179</b>	<b>5,967,073,886</b>	<b>13,444,935,144</b>	<b>9,150,662,516</b>

The annexed notes form an integral part of these accounts

  
Md. Ahsan-uz Zaman  
Managing Director & CEO

  
Rezaul Karim  
Director

  
Nazimuddin Chowdhury  
Director

  
Miufer Zafarullah  
Chairman

Signed as per annexed report on even date





**Midland Bank PLC.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2023**

**Corporate Profile and Significant Accounting Policies****1.00 Midland Bank PLC.****1.01 Legal status and nature of the entity**

Midland Bank PLC. (the "Bank") was incorporated on 20 March 2013 as a Public Limited Company in Bangladesh under Companies Act, 1994 with the registered office at N.B. Tower (Level 6 to 9), 40/7 North Avenue, Gulshan-2, Dhaka-1212. The Company was also issued Certificate of Commencement of Business on the same day. It started commercial banking operation on 20 June 2013 through opening first branch at Dilkusha Commercial Area in the name 'Dilkusha Corporate Branch. Presently, the number of branches stood at 39 (19 Urban Branches and 20 Rural Branches), 19 Sub Branches, 65 ATMs, 127 Agent Banking Centers (ABCs) and 10 Collection Booths covering commercially important locations across the country.

**1.02 Principal activities of the Bank**

The principal activities of the Bank are to provide wide range of financial products (loans and deposits) and services that includes all kinds of Conventional and Islamic banking services to its customers. It offers commercial banking, consumer banking, trade services, cash management, treasury, cottage micro small and medium enterprises (CMSMEs), retail, debit/credit cards services and clearing services to its customers. These activities are conducted through its Branches, Sub-branches, Agent Banking Centers (ABCs), Collection Booths and Alternative Delivery Channels (ATM booths, Internet Banking, Debit/Credit/Prepaid Cards, etc.) across the country. MDB digital banking service is the Bank's flagship product to provide internet based banking solutions. MDB online banking facilities like-fund transfer to utility bills payment, buying air tickets, paying bills of mobile phones, credit cards, and insurance premiums and then tracking of accounts and even shopping from over 200 retailers. MDB digital banking service is integrated with bKash, Rocket, Nagad and Upay payment system as well. The Bank also provides Off-shore banking services through its Off-shore Banking Unit (OBU) and Islami banking services through its Islamic Banking Window (MDB Saalam).

**1.03 Off-shore banking**

Off-shore banking unit (OBU) after getting approval from Bangladesh Bank launched its operation on 20 June 2020. It is a separate business unit of the Bank, operates its business through a separate counter at Head Office, as governed under the rules and guidelines vide Bangladesh Bank's letter reference no. BRPD (P 3) 744 (101)/2010-4129 dated 10 November 2009 and a Policy for Off-shore banking operation issued by Bangladesh Bank through BRPD circular no. 02 dated 25 February 2019 and BRPD circular letter no. 09 dated 27 May 2019. It gives loans (on and off-balance sheet exposures) and takes deposits in freely convertible foreign currencies to and from person/institution not resident in Bangladesh and Type-A (wholly foreign owned) units in EPZs in Bangladesh. It also gives long term loans to industrial units outside EPZs and Type-B and Type-C industrial units within the EPZs subject to compliance by the industrial units with the guidelines of Bangladesh Investment Development Authority (BIDA) and Bangladesh Bank. Besides, this unit provides bill discounting/financing facilities accepted by Authorised Dealer (AD) in Bangladesh against usance LCs in accordance with Bangladesh Bank (BB) guidelines. Separate financial statements of Off-shore banking unit have been disclosed in the annual report 2023.

**1.04 Islamic banking window (MDB Saalam)**

The Bank obtained permission for Islami banking window from Bangladesh Bank. Islami banking window (MDB Saalam) after getting approval from Bangladesh Bank launched on 23 April 2020. The Bank is operating its Islami banking under one window in Gulshan Branch, Dhaka. Through the Islamic banking window, the Bank extends all types of Islami shariah-compliant finances like lease, hire purchase shirkatul melk (HPSM), bai muazzal, household scheme, etc., and different types of deposits like mudaraba/manarah savings deposits, mudaraba/manarah term deposits, al-wadeeah current deposits, monthly/quarterly profit paying scheme, etc. Separate financial statements of Islamic banking windows have been disclosed in the annual report 2023.

**1.05 Agent banking**

Midland Bank got agent banking license from Bangladesh Bank on July 10, 2016 and started its agent banking operation from January 23, 2017 with a view to reach unbanked population particularly in the geographically dispersed area and offer banking services to potential customers who are currently out of traditional banking periphery. The Bank provides a wide range of banking services through agent banking centers in 29 Districts and 65 Upazilas/Thana across the country to ensure the safety of customer deposits and provide modern banking services. Through Midland agent banking center, we are providing services like account opening, fund transfer, deposit and withdrawal, loan disbursement and realization of loan installments, utility bill collection, foreign remittance disbursement, debit and credit card issuance, etc. Besides this, we are able to transfer money from Midland Bank to Mobile Financial Services, i.e., bKash, Rocket, Nagad, Upay and also able to transfer money from bKash and Rocket to Midland Bank's Accounts. Customers can avail both Islamic banking services and Conventional banking services from any agent banking center.





**2.00 Basis of preparation of financial statements and significant accounting policies**

**2.1.1 Basis of preparation of financial statements**

The separate financial statements of the Bank for the year ended on 31 December 2023 comprise those of domestic banking unit (both conventional and Islamic banking) and Off-shore banking unit (OBU). There were no significant changes in the nature of principal business activities of the Bank and Off-shore banking unit (OBU) during the financial year 2023.

**2.1.2 Statement of Compliance**

The Financial Reporting Act 2015 (The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2<sup>nd</sup> November 2020.

Accordingly, the financial statements of the Bank are prepared in accordance with IFRSs (including IASs) and the requirements of the Bank Company Act, 1991 (amendment up to 2018), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, The Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Commission Act 1993, Bangladesh Securities and Exchange Commission (Public Issues) Rules 2020, Income Tax Ordinance and Rules 1984, The Value Added Tax and Supplementary Duty Act 2012, The Value Added Tax and Supplementary Duty Rules 2016, Financial Reporting Act, 2015, Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE) and Central Depository Bangladesh Ltd. (CDBL) rules and regulations. In case any requirement of the Bank Company Act, 1991 (amendment up to 2023), provisions, circulars and guidelines issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company Act, 1991 (amendment up to 2023), provisions, circulars and guideline issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS:

In addition to foregoing directives and standards, the operation of Islamic banking windows, are accounted for in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, Bahrain, and BRPD circular no. 15, dated November 09, 2009. The operation of Off-shore banking unit is also accounted for in accordance with Financial Reporting Standards issued by ICAB. A separate balance sheet and profit & loss account are shown in Annexure - G & G-1 and H & H-1, respectively, and the figures appearing in the annexure have been incorporated in the related heads of these financial statements as recommended by the central shariah board of the Bank.

It is noteworthy to mention that IFRS-16 "Leases" had been applied effective from 1 January 2020. The related changes to significant accounting policies and its affect are described in note 2.02.1.

**Difference between IAS/IFRS and Bangladesh Bank regulations**

The financial statements of the Bank have been prepared as on 31 December 2023 under the historical cost basis, except for certain investments which are stated at fair/market value, in accordance with the First Schedule (Section 38) of the Bank Company Act, 1991(Amended upto 2023), BRPD Circular # 14, dated 25 June 2003 and DFIM Circular # 11, dated 23 December 2009, other Bangladesh Bank circulars, IAS and IFRS as adopted by ICAB, the Companies Act, 1994, and other laws and rules applicable in Bangladesh. In case, any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory bodies, the provisions and circulars issued by Bangladesh Bank shall prevail. In order to comply with the rules and regulations of Bangladesh Bank, MDB departed from those contradictory requirements of IFRS/IAS, which are disclosed below.

**i. Presentation of financial statements**

**IFRS:** As per IAS-1, a complete set of financial statements comprises statement of financial position (balance sheet), statement of profit and loss, statement of changes in equity, statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS-1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

**Bangladesh Bank:** The presentation of these financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section-38) of the Bank Company Act, 1991 (Amended upto 2018) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classification.

**ii. Investment in shares, mutual fund and other securities**

**IFRS:** As per requirements of IFRS-9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.





**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted and unquoted shares are revalued on the basis of year-end market price and Net Assets Value (NAV) of last audited balance sheet, respectively. As per instruction of DOS circular letter no. 3 dated 12 March 2015, investment in mutual fund (close-end) is revalued at lower of cost and higher of market value and 85% of NAV and another DOS circular letter no. 10 dated 28 June 2015, investment in mutual fund (open-end) is revalued at lower of cost and higher of market value and 95% of NAV. As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognised at costs.

**iii. Revaluation gain/loss on government securities**

**IFRS:** Government securities refer primarily various debt instruments which include both bonds and bills. As per requirements of IFRS-9 Financial Instruments, bonds can be categorised as "Amortised Cost (AC)" or "Fair Value through profit and loss account (FVTPL)" or "Fair Value through other comprehensive income (FVOCI)". Bonds designated as amortised cost are measured at amortised cost method and interest income is recognised through profit and loss account. Any changes in fair value of bonds designated as FVTPL is recognised in profit and loss account. Any changes in fair value of bonds designated as FVOCI is recognised in other reserve as a part of equity.

As per requirements of IFRS 9, bills can be categorised either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognised in profit and loss or other reserve as a part of equity respectively.

**Bangladesh Bank:** Held for Trading (HFT) securities are revalued on the basis of mark to market on weekly basis and any gains on revaluation of securities which have not matured at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured at the balance sheet date are amortized at the year end and any losses are recognized through profit and loss account and gains on amortization are recognized in other reserve as part of equity.

**iv. Repo and reverse repo transactions**

**IFRS:** As per IFRS-9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

**Bangladesh Bank:** As per Department of off-site supervision (DOS) circular letter no. 06 dated 15 July 2010 and subsequent clarification in DOS circular no. 02 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction and the financial asset is derecognised in the seller's book and recognised in the buyer's book.

**v. Provision on Loans and Advances/Investments**

**IFRS/IAS:** As per IFRS-9 an entity shall recognize an impairment allowance on loans and advance/investments based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances/investments at an amount equal to the lifetime expected credit losses, if the credit risk on these loans and advances/investments has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward looking. For those loans and advances/investments for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances/investments that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD circular No.14, 23 September 2012, BRPD circular No. 19, 27 December 2012, BRPD circular No. 05, 29 May 2013, BRPD circular No. 16, 18 November 2014, BRPD circular no (P-1)/661/13/2021-12262, 27 December 2021, BRPD circular 50, 14 December 2021 and BRPD circular 52, 29 December 2021, a general provision at 0.25% to 5% under different categories of unclassified loans/investments (good/standard/SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard, doubtful and bad losses has to be provided at 20%, 50% and 100%, respectively for loans and advances/investments depending on the duration of overdue. Again, as per BRPD circular no. 10, dated 18 September 2007 and BRPD circular no. 14, dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures excluding bills for collection. Such provision policies are not specifically in line with those prescribed by IAS-39.

**vi. Recognition of interest in suspense**

**Bangladesh Bank:** As per BRPD circular no. 14, dated 23 September 2012, once a loan/investment is classified, interest on such loan/investment is not allowed to be recognized as income, rather the corresponding amount needs to be credited to an "Interest Suspense Account", which is presented as liability in the balance sheet.





**vii. Other comprehensive income**

**IFRS/IAS:** As per IAS-1 other comprehensive income (OCI) is a component of financial statements or the elements of OCI are to be included in a Single Comprehensive Income (SCI) statement.

**Bangladesh Bank:** The templates of financial statements issued by Bangladesh Bank do not include the Other Comprehensive Income (OCI), nor are the elements of other comprehensive income allowed to be included in a Single Comprehensive Income (SCI) statement. As such, the Bank does not prepare other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

**viii. Financial instruments – presentation and disclosure**

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS-9. As such, full disclosure and presentation requirements of IFRS-7 and IAS-32 cannot be made in the financial statements.

**ix. Financial guarantees**

**IFRS/IAS:** As per IFRS-9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD circular no.14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin. As per BRPD Circular no. 06, Dated 25 April 2023 and Bangladesh Bank guidelines, the bank is required to maintain provision at 0% to 1% on such off-balance sheet items, excluding bills for collection.

**x. Cash and cash equivalents**

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

**xi. Non-banking assets**

**IFRS/IAS:** No indication of non-banking assets is found in any IFRS/IAS.

**Bangladesh Bank:** Non-banking assets were acquired by the entity due to failure of borrowers to repay the loan in time taken against mortgaged property. The Bank was awarded absolute ownership one (1) mortgaged properties (land) through the verdict of honorable court. The value of the properties has been recognised in the financial statements as non-earning assets on the basis of third party valuation report. As per BRPD circular no. 22, dated 20 September 2021 and BRPD circular no. 14, dated 25 June 2003, there is a separate balance sheet item named non-banking assets existed in the standard format.

**xii. Cash flow statement**

**IFRS/IAS:** Cash flow statement can be prepared either direct method or indirect method as per IAS 7. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD circular no 14, dated 25 June 2003, cash flows statement has been prepared following a mixture of direct and indirect methods.

**xiii. Balance with Bangladesh Bank: (Cash Reserve Ratio-CRR)**

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

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

**xiv. Presentation of intangible assets**

**IFRS/IAS:** An intangible asset must be identified, recognized and disclosure must be given as per IAS-38.

**Bangladesh Bank:** As per BRPD circular no. 22, dated 20 September 2021 and BRPD circular no. 14, dated 25 June 2003, there is a separate balance sheet item named non-banking assets existed in the standard format.

**xv. Off-balance sheet exposers**

**IFRS/IAS:** There is no concept of off-balance sheet items in any IFRS/IAS. Hence, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD circular no.14, dated 25 June 2003, off balance sheet items (e.g. Letter of Credit, Letter of Guarantee, etc.) must be disclosed separately on the face of the balance sheet and 1% provision has to be maintained on it as guided by the regulator.





**xvi. Disclosure of appropriation of profit**

IFRS/IAS: There is no requirement to show appropriation of profit on the face of income statement.

Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

**xvii. Loans and advances/investments net of provision**

IFRS/IAS: Loans and advances/investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, dated 25 June 2003, provision on loans and advances/investments are presented separately as liability and cannot be netted off against loans and advances/investments.

**xviii. Recovery of written off loans and advances/investments**

IFRS/IAS: As per IAS-1 an entity shall not offset assets and liabilities, or income and expenses, unless required or permitted by IFRS/IAS. The recovery of written off loans/investments should be charged to the profit and loss account as per IFRS-15.

Bangladesh Bank: As per BRPD circular no.14, dated 25 June 2003, recoveries of amount previously written off should be adjusted with specific provision on loans and advances/investments.

**xix. Uniform accounting policy**

IFRS/IAS: As per Para 19 of IFRS-10, a company shall prepare financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

BSEC: As per guideline of Bangladesh Securities and Exchange Commission (BSEC), Bank has to keep adequate provision on diminution value of investments and certain provision has to be made on impairment of clients' margin loans/investments.

**2.1.3 Basis of Measurement**

The financial statements of the Bank has been prepared on historical cost basis except of the following:

- i) Government Treasury bills/bonds designated as 'Held for Trading (HFT)' are present at value using marking to market concept with gain crediting to revaluation reserve;
- ii) Government Treasury bills/bonds designated as 'Held to Maturity (HTM)' are carried at amortised cost;
- iii) Investment in shares of listed companies are prepared at market value .

**2.1.4 Going concern**

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in its operation over the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Bank continued to demonstrate a healthy trend for a couple of years. The Bank has been awarded A+ in long term, ST-2 in short term and Stable in Outlook Status by Emerging Credit Rating Limited (ECRL). The management does not see any issue with respect to going concern due to recent pandemic COVID-19. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

**2.1.5 Functional and presentation currency**

These financial statements are presented in Bangladesh Currency (BDT), which is the Bank's both functional and presentation currency. Figures appear in these financial statements have been rounded off to the nearest BDT.

**2.1.6 Use of estimates and judgments**

In preparation of the financial statements, management required to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed considering business realities on a going concern basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The most significant areas where estimates and judgments have been applied to the following:

- Provision for loan and advances/investments- as explained in note # 2.2.5.(d)
- Income tax - as explained in note # 2.4.8
- Deferred tax assets/liabilities - as explained in note # 2.4.9





- Employee benefit -as explained in note # 2.5

Useful lives of depreciable assets regard to non-current assets - as stated below:

Asset Category	Depreciation Rate	Useful Life
Computer & Peripherals	20%	5 Year
Furniture & Fixture	10%	10 Year
Office Equipment	20%	5 Year
Motor Vehicles	20%	5 Year
Books	20%	5 Year
Intangible Assets	20%	5 Year

However, underlying assumptions on estimates are reviewed on a going concern basis and revisions thereon are recognised in the period in which the estimates are revised. It is also required to disclose the contingent assets and liabilities at the date of the financial statements in accordance with the guidelines as prescribed by IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".

### Provisions

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognised in the following situations:

- The entity has a present (legal or constructive) obligation as a result of past events;
- Probable out flow of resources to settle the obligation and the obligation can be measured reliably;
- It is more likely than not that outflow of resources will be required to settle the present obligation exists at the end of the reporting period.

### Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events. A contingent liability arises when some, but not all, of the criteria for recognizing a provision are met. IAS-37 applies prudence by deeming a past event to give rise to a present obligation and an entity shall not recognize a contingent liability. However, if it is possible rather than probable that an obligation exists, a contingent liability will exist, not a provision in the financial statements. An entity shall disclose for each class of transaction of contingent liability at the end of the reporting period if the contingent liability is not remote.

### Contingent Assets

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are never recognised; rather they are disclosed in the financial statements when they arise.

#### 2.1.7 Consistency

In accordance with IFRS framework for the presentation of financial statements together with IAS-1 "Presentation of Financial Statements" and IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors". MDB discloses its information consistently from one period to the next, where selecting and applying a new accounting policies, changes in accounting policies, correction of errors, the amount involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. However, for changes in the accounting estimates, the related amount is recognized prospectively in the current period and in the next period or periods.

#### 2.1.8 Reporting period

These financial statements cover one calendar year from 01 January 2023 to 31 December 2023.

#### 2.1.9 Dividend

Dividend on ordinary shares is recognised as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

Dividend on ordinary shares for the year that is recommended by the Directors after the balance sheet date for approval of shareholders at the Annual General Meeting are disclosed in note # 2.21 to the financial statements.

#### 2.1.10 Date of authorization

The Board of Directors has authorised these financial statements for public issue on 28th April 2024.

#### 2.1.11 Cash flows Statement

Statement of cash flows have been prepared in accordance with the International Accounting Standard IAS 7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular No. 14, dated 25 June 2003. The Cash Flow statement shows the structure of and changes in cash and cash equivalents during the year. It cash flows during the period have been classified as operating activities, investing activities and financing activities.





**2.1.12 Statement of changes in equity**

Statement of changes in equity has been prepared in accordance with IAS 1 "Presentation of financial statements" and following the guidelines of Bangladesh Bank BRPD circular no.14, dated 25 June 2003.

**2.1.13 Liquidity statement**

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per following basis:

SL	Particulars	Basis
1	Cash, balance with other banks and financial institutions money at call and short notice, etc.	Stated maturity/Observed behavioral trend.
2	Investments	Residual maturity term.
3	Loan and advance / investment	Repayment/Maturity schedule and behavioral trend (non-maturity products)
4	Fixed assets	Useful life
5	Other assets	Realisation/Amortisation basis
6	Borrowing from other banks and financial institutions	Maturity/Repayment term
7	Deposits and other accounts	Maturity/behavioral trend (non-maturity products)
8	Other long term liabilities	Maturity term
9	Provisions and other liabilities	Settlement/adjustment schedule basis

**2.1.14 Financial statements for off-shore banking unit (OBU)**

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as published by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into BDT. Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting/crediting exchange gain or loss account.

**2.1.15 Offsetting**

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Bank has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a Bank of similar transactions such as in the Bank's trading activity.

**2.2 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements of the Bank and those of the Bank have been applied consistently except otherwise instructed by Bangladesh Bank as the prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation (if any).

**2.2.1 Accounting policy for IFRS 16: Leases**

At the inception of a contract, the bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement or on modification of a contract that contains a lease component, the bank allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the bank by the end of the lease term or the cost of the right-of use asset reflects that the bank will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.





The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the bank's incremental borrowing rate. Generally, the bank uses its incremental borrowing rate as the discount rate.

The bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

**Lease payments included in the measurement of the lease liability comprise the following:**

fixed payments, including in-substance fixed payments

variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

amounts expected to be payable under a residual value guarantee; and

the exercise price under a purchase option that the bank is reasonably certain to exercise, lease payments in an optional renewal period if the bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The bank has elected not to recognise right-of-use assets and lease liabilities for leases of short-term.

**2.2.2 Basis of consolidation**

The consolidated financial statements include the financial statements of Midland Bank PLC. Islami Banking Windows (IBW) and Off-shore Banking Unit (OBU) have been prepared as at and for the year ended on 31 December 2023. The consolidated financial statements have been prepared in accordance with IFRS 10 Consolidated Financial Statements.

**2.2.3 a) Foreign currencies translation**

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per IAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as published by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into BDT equivalent.

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account.

**b) Commitments**

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

**c) Translation gain and loss**

The resulting exchange transaction gains and losses are included in the profit and loss account.

**2.2.4 Cash and cash equivalents**

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

**2.2.5 Loans and advances**

- a) Loans and advances/investments of conventional banking/islamic banking branches are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business. Loans and advances/investment are stated in the balance sheet on gross basis.





Loans and advances/investments are broadly categorized under the heads of continuous, demand, term and short term agriculture and micro credit. Continuous and demand loans/investments are accounted under capitalized method, where interest/profit accrues on daily basis and applied to loan account quarterly, except equal monthly installment (EMI) loan/investment of which interest/profit are being charged on due date and interest/profit of staff loan/investment are being charged to staff loan/investment account yearly. Interest/profit on classified loans and advances/investments is kept in suspense account as per guideline of Bangladesh Bank and such interest/profit is not accounted for as income until realized from borrowers (note #13.07). Interest/profit is not charged on bad and loss loans/investments as per guidelines of Bangladesh Bank. On the basis of recovery, the unapplied interest/profit on such bad & loss loans/investments are being charged to the respective loans/investments account and credited to the income account.

b)

c)

Commission and discounts on bills purchased and discounted are recognized at the time of realization. At each balance sheet date and periodically throughout the year, the Bank reviews loans and advances to assess whether objective evidence that impairment of a loan or portfolio of loans has arisen supporting a change in the classification of loans and advances, which may result in a change in the provision required in accordance with BRPD circular no. 53 (30 December 2021), BRPD circular no. 52 (29 December 2021), BRPD circular no. 51 (29 December 2021), BRPD Letter # BRPD (CRS-2)/901/(2)/2022-271, Dated 27 January 2021, BRPD circular no. 50 (14 December 2021), BRPD circular no. 45 (04 October 2021), BRPD circular no. 19 (26 August 2021), BRPD circular no. 13 (27 June 2021), BRPD circular no. 05 (24 March 2021), BRPD circular no. 03 (31 January 2021), BRPD circular no. 56 (10 December 2020), BRPD circular no. 52 (20 October 2020), BRPD circular no. 16 (21 July 2020), BRPD circular no. 03 (21 April 2019), BRPD circular no.1 (20 February 2018), BRPD circular no.15 (27 September 2017), BRPD circular no.16 (18 November 2014), BRPD circular no. 05 (29 May 2013), BRPD circular no. 19 (27 December 2012) and BRPD circular no.14 (23 September 2012). The guidance in the circular follows a formulaic approach whereby specified rates are applied to the various categories of loans as defined in the circular. The provisioning rates are as follows:

d)

Types of loans and advances	Provision				
	STD	SMA	SS	DF	BL
<b>Consumer:</b>					
House building and professional	1.00%-2.00%	1.00% - 2.00%	20%	50%	100%
Other than housing finance & professionals to setup business	2.00%-5.00%	2.00% - 5.00%	20%	50%	100%
Provision for loan to broker house, merchant banks, stock dealers, etc.	2%	2%	20%	50%	100%
Short-term Agri-credit and micro credit	1%	1%	5%	5%	100%
Small and medium enterprise finance	0.25%	0.25%	20%	50%	100%
Others	1%	1%	20%	50%	100%
<b>Special General Provision COVID-19</b>					
On unclassified general loans and advances, including SMA of which are enjoying deferring classification irrespective of repayment performance until 31 December 2023)	1%-2%	1%-2%	N/A	N/A	N/A

BRPD Circular no.14 dated 23 September 2012 as amended by BRPD Circular no.19 dated 27 December 2012 also provides scope for further provisioning based on qualitative judgments. In these circumstances, impairment losses are calculated on individual loans/investments considered individually significant based on which specific provisions are raised. If the specific provisions assessed under the qualitative methodology are higher than the specific provisions assessed under the prescribed approach above, the higher of the two is recognised in liabilities under "Provision for loans and advances/investments" with any movement in the provision charged/released in the profit and loss account. Classified loans/investments are categorized into sub-standard, doubtful and bad/loss based on the criteria stipulated by Bangladesh Bank guideline.

e)

f)

Loans and advances/investments are written off to the extent that- (i) there is no realistic prospect of recovery, and (ii) against which legal cases are filed, where required and classified as Bad/Loss as per as per BRPD circular no.02 dated 13 January 2003, BRPD circular no.13 dated 07 November 2013 and BRPD circular no.01 dated 06 February 2019 of Bangladesh Bank.

g)

These written off loans/investments however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are maintained and followed up. In 2023, BDT 75.90 million was written off .





**Special general provision COVID-19**

Considering the impact of COVID 19 pandemic in the overall economy of Bangladesh, the central bank has given deferral benefits for classification of loans and advances/investments irrespective of their repayment performance until end of December 2020 and December 2021 by issuing BRPD circular no.4, dated 19.03.2020, BRPD circular no.15, dated 15.06.2020, BRPD circular no.17, dated 28.09.2020 and BRPD circular no.19, dated 26.08.2021, BRPD circular no.51, dated 29.12.2021 and BRPD circular no.53, dated 30.12.2021.

- h) To strengthen the financial based and shock absorbing capacity of Banks, the Bangladesh Bank issued BRPD circular # 56, dated 10.12.2020 and BRPD circular # 52, dated 29.12.2021 instructing all Banks to keep 1.00%, 1.50% and 2.00% special general provision on unclassified general loans and advances/investments, including SMA of which are enjoying deferring classification benefits irrespective of their repayment performance until 31 December 2020 and 2021. This provision has to keep under the head of "Special General Provision COVIS-19" and it cannot be released or accounted into income until further instruction issue by Bangladesh Bank. However, if any Loans/Investments fully adjusted by recovering cash, in that case, such provision of interest/profit will be transferred to income a/c (BRPD circular no.50, dated 14.12.2020, BRPD Letter no.56/20 and BRPD circular no.53, dated 30.12.2021.). To comply with the circular, MDB has maintained an amount of BDT 112.32 million as of 31 December 2023 (note # 13.02).

**i) Required provision for Loans and Advances/Investments**

As per Bangladesh Bank circular issued time to time, a general provision at 0.25% to 5% has to maintain under different categories of unclassified loan and advances/investments (Standard/SMA/off-balance sheet exposures, etc.) as stated above. However, such general provision cannot satisfy the conditions imposed by IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and IFRS-9 "Financial Instruments". At the year end on 31 December 2023, the Bank has maintained an amount of BDT 1,943.36 million and has shown in the face of balance sheet under the head "Other Liabilities" as against BDT 1,858.36 million of regulatory requirements (note # 7.09).

**2.2.6 Staff loan**

House building and car loan are provided to the permanent staff at a subsidised rate. Criteria and detail of type wise staff loan are given below:

**i) House building loan**

A permanent staff completing 5 years of service can avail house building loan subject to getting approval from Managing Director & CEO and recommended by the concerned divisional head.

**ii) Car loan**

All permanent staff from AVP can avail car loan subject to getting approval from Managing Director & CEO and recommended by the concerned divisional head.

**2.2.7 Investment**

All investments (other than government treasury securities) are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accredited using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 05, dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009.

**Valuation methods of investment used are:**

**a) Held To Maturity (HTM)**

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity', other than those that meet the definition of 'held at amortized cost-others' are classified as held to maturity. Initially these investments are recorded at cost. Subsequently, at each year end, these investments are measured at amortized cost. Any increase or decrease in the value of such investment is recognized in shareholders' equity and profit and loss account respectively. Investment (HTM) is shown in the financial statements (note # 6.00).

**b) Held For Trading (HFT)**

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading, or if designated as such by the management. After initial recognition at cost, investments are revalued at Mark to Market (MTM) on weekly basis and any increase on such valuation is recognized as valuation gain under the shareholders' equity and any loss is recognized in the profit and loss account.





**c) REPO and Reverse REPO**

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The difference between purchase price and re-sale price is treated as interest received and accrued evenly over the life of REPO agreement.

Since 1 September 2010 transaction of REPO and Reverse REPO are recorded based on DOS circular # 06, dated July 15, 2010 of Bangladesh Bank. Securities under REPO will be excluded from the investment portfolio and hence will not be eligible for SLR purpose. Securities acquired under reverse REPO will be eligible for SLR purpose, initially at its clean price (in case of coupon bearing security) or at market value (in case of non-coupon bearing security).

Value of investments has been calculated as follows:

Items	Applicable accounting value
Government treasury bills-HTM	Amortized value
Government treasury bills-HFT	Market value
Government treasury bonds-HTM	Amortized value
Government treasury bonds-HFT	Market value
Prize Bond	At cost
Debenture	At cost

**d) Investment in Listed / Quoted Securities**

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements where market price is below the cost price of investment as per Bangladesh Bank guidelines (note # 6.02 & Annexure B).

**e) Investment in Unquoted Securities**

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of net assets value (NAV) over cost in the profit and loss account, but no unrealized gain booking in the income account (note # 6.02).

Value of investments has been calculated as follows:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Government treasury securities - Held to Maturity (HTM)	Cost	Amortised cost	Increase in value of such investments is booked to equity, decrease to profit and loss account.
Government treasury securities - Held for Trading (HFT)	Cost	Fair value	Loss to Profit and Loss account, gain to Revaluation Reserve through Profit and Loss account.
Debenture/Bond	Face value	Face value	None
Shares (Quoted) *	Cost	Lower of cost or market value (overall portfolio)	Loss (net off gain) to profit and loss account but no unrealised gain booking in profit & loss a/c.
Shares (Unquoted)*	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealised gain booking.
Prize bond	Cost	Cost	None

\* Provision for shares against unrealised loss (gain net off) has been taken into account according to DOS circular no.4, dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no.3, dated 12 March 2015 and for mutual funds (open-end) as per DOS circular letter no.10, dated 28 June 2015 of Bangladesh Bank.

**f) Investment in Subsidiary**

Investment in subsidiary is accounted for under cost method of accounting in the Bank's financial statements in accordance with IFRS 10 (Consolidated Financial Statements). Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment loss, if any. MDB has no subsidiary company as of December 31, 2023.





**2.2.8 Property, plant and equipment**

As per IAS-16 "Property and Equipment" items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land and building are carried at cost. Purchase of software that is integral to the related equipment is capitalised as part of that equipment. Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner. When significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets. The Bank has no land and building during the reporting period.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognised in other income/ expenses in profit and loss account.

**i) Subsequent costs**

The cost of replacing a component of an item of fixed asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced parts is derecognised. The costs of the day to day servicing of fixed assets are recognised in the profit and loss statement as incurred.

**ii) Depreciation**

Depreciation on fixed assets is recognised in the profit and loss statement on straight line method over its estimated useful lives. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas depreciation on disposed off fixed assets are charged up to the month prior to the disposal. Asset category wise depreciation rates for the current and comparative periods are as follows:

Category of fixed assets	Method	Rate (%)
Land	N/A	-
Building	N/A	-
Furniture and fixtures	Straight Line	10%
Office equipments	Straight Line	20%
Library books	Straight Line	20%
Vehicles	Straight Line	20%
Intangible assets (Software)	Straight Line	20%
Computer and peripherals	Straight Line	20%
Interior decoration	Straight Line	10%
<b>Category of fixed assets (ATM Assets):</b>		
Furniture and fixtures	Straight Line	10%
Office equipment	Straight Line	20%

**2.2.9 Non- banking assets**

Non-banking assets were acquired by the entity due to failure of borrowers to repay the loan in time taken against mortgaged property. The Bank was awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of honourable court under the Artharin Adalat Act 2003. The value of the properties has been recognised in the financial statements as non-earning assets on the basis of third party valuation report and presented in the financial statements of the bank as per BRPD Circular # 22, dated 20 September 2021. Details are shown in note # 10.

**2.2.10 Intangible assets**

- a) An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably (IAS 38).
- b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization/depreciation and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditures that are incurred in customizing the software for its intended use.
- c) Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such cost is recognized as capital improvement and added to the original cost of software.
- d) Software is amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the date of the application software is available for use over the best estimate of its useful economic life.





#### **2.2.11 Impairment of assets**

The carrying amounts of Bank's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. Any impairment loss is recognized in the profit and loss account, if the carrying amount of an asset exceeds its recoverable amount (IAS-36). An amount of BDT 11,289 has been impaired and charged to profit and loss account during the financial year 2023 as per para 60 of IAS-36 "Impairment of assets".

#### **2.2.12 Investment properties**

- a) Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that is associated with the investment property, but not sale in the ordinary course of business.
- b) Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost, less accumulated depreciation and impairment loss.
- c) Depreciation is provided on a reducing basis over the estimated life of the class of asset from the date of purchase up to the date of disposal (IAS 16).

#### **2.2.13 Other assets**

Other assets include mainly advance office rent, payment of advance income tax for which assessment of tax has not been finalized yet and all other financial assets, fees and other unrealized income receivable advance for operating and capital expenditures and stocks of stationery and stamps, etc.

##### **Provision on other assets**

As per BRPD circular no.04 dated 12 April 2022, a provision of 100% on other assets which are outstanding for one year and above. The Bank maintains provisions in line with this circular unless it assesses there is no doubt of recovery on items of other assets in which case no provision is kept (note # 13.04).

#### **2.2.14 Receivables**

Receivables are recognised when there is a contractual right to receive cash or another financial asset from another entity.

#### **2.2.15 Inventories**

Inventories measured at the lower of cost and net realizable value as per IAS 2 "Inventories".

#### **2.2.16 Leases**

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an off balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item (except for some limited exception i.e. short-term lease, leases for low value items).

Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service center, call center, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease term replacing the previous heading 'lease rent expenses'.

While implementing IFRS 16, the Bank observed that IFRS 16 is expected to have impact on various regulatory capital and liquidity ratios as well as other statutory requirements issued by various regulators. In addition, there are no direction from National Board of Revenue (NBR) regarding treatment of lease rent, depreciation on ROU assets and interest on lease liability for income tax purposes and applicability of VAT on such items. Finally, paragraph 5 of IFRS 16 provide the recognition exemptions to short-term leases and leases for which the underlying asset is of low value. Although, paragraphs B3 to B8 of the Application Guidance (Appendix B) of IFRS 16 provide some qualitative guidance on low value asset, but these guidance is focused towards moveable asset and immovable asset like rental of premises (i.e. real estate) is not covered on those guidance, nor any benchmark on quantification guidance on low value items have been agreed locally in Bangladesh.

Nevertheless, as first step the Bank has defined 'low value asset' which are to be excluded from IFRS 16 requirement and considered lease of 'ATM Booths and other installations' as low value asset. Thereafter, the Bank has reviewed lease arrangements for 'office premises' for consideration under IFRS 16.





As per the preliminary assessment of leases for 'office premises', the Bank has concluded that the potential impact of these lease items in the Balance Sheet and Profit and Loss Account of the Bank is not considered to be material. Therefore, considering the above implementation issues the Bank has not taken IFRS 16 adjustments on the basis of overall materiality as specified in the materiality guidance in the 'Conceptual Framework for Financial Reporting' and in 'International Accounting Standard 1 Presentation of Financial Statements'. However, the Bank would continue to liaison with regulators and related stakeholders as well as observe the market practice for uniformity and comparability, and take necessary action in line with any guideline and market practice.

Leases are classified as finance leases whenever the 'terms of the lease' transfer substantially all the risks and rewards of ownership to the lessee as per IAS-17 "Leases". All other leases are classified as operating leases as per IAS 17 "Leases".

**a) Bank as Lessor**

Amount due from lessees under the finance leases are recorded as receivables at the amount of the Bank's net investment in the leases. Finance lease income is allocated to accounting periods as to reflect a constant periodic rate of return on the Bank's net investment outstanding in respect of the leases.

**b) Bank as Lessee**

Assets held under finance leases are recognised as assets of the Bank at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payment. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. The Bank has no finance lease or operating lease during the reporting period 2023.

**c) Impact of adopting IFRS-16**

The following summarises the impact of adopting IFRS-16 on the Bank's balance sheet and profit & loss account for the period then ended on 31 December 2023, for each of the line items affected. Impact for implementation of IFRS-16 is depicted below. Amount without adoption of IFRS 16 + Adjustment for IFRS 16 = Amount after implementation of IFRS-16

**d) Impact on the balance sheet as on 31 December 2023**

Particulars	In BDT Million		
	Amount before adoption of IFRS-16	Amount of Adjustment for IFRS-16	Amount after implementation of IFRS-16
Fixed Assets	301	310	611
Other Assets	4,320	(82)	4,238
Other Liabilities	7,313	265	7,578

**e) Impact on the profit and loss account as on 31 December 2023**

Particulars	In BDT Million		
	Amount before adoption of IFRS-16	Amount of Adjustment for IFRS-16	Amount after implementation of IFRS-16
Interest/Profit paid on Deposit and Borrowing, etc.	3,725	16	3,741
Rent, tax, insurance, electricity, etc.	279	(173)	106
Depreciation/amortization and repairs of Bank's properties	134	157	291

**2.2.17 Reconciliation of inter-bank and inter-branch accounts**

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there is no differences which may affect the financial statements significantly. Un-reconciled entries/balances in the case of inter-branch transactions as on the reporting date are not material.

**2.3 Capital/Shareholder's equity**

**2.3.1 Share capital**

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

**a) Authorised capital**

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Article of Association to issue to the shareholders. Authorized capital of the Bank as on 31 December 2023 was at BDT 10,000 million (Note # 15.01).





**b) Paid up capital**

Paid-up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Ordinary shareholders are entitled to receive dividends as declared time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Paid up capital increased by BDT 700 million to BDT 6,396.70 million as on 31 December 2023 from BDT 5,696.70 million as on 31 December 2022, as the bank injected BDT 700 million through IPO for the FY 2023 (note # 15.02).

**2.3.2 Statutory reserve**

Statutory reserve has been maintained @ 20% of profit before tax in accordance with the provision of section 24 of the Bank Company Act 1991 (Amendment upto 2023) until such reserve along with share premium equal to its paid up capital. Statutory reserve of the Bank as on 31 December 2023 was at BDT 1,881.76 million, against BDT 1,626.33 million on 31 December 2022 (note # 16.00).

**2.3.3 Revaluation reserve**

When an asset's carrying amount is increased as a result of revaluation, the increase amount should be credited directly to equity under the head of revaluation surplus / reserve as per IAS 16: "Property, Plant and Equipment". The tax effects on revaluation gain are measured and recognized in the financial statements as per IAS 12: "Income Taxes". During the financial year 2023, the Bank did not revalue of its any fixed asset.

**2.3.4 Revaluation reserve on investment in securities**

Revaluation reserve for government securities arises from the revaluation of treasury bills/bonds, Bangladesh Bank bills and treasury bonds (HFT and HTM) in accordance with the DOS circular no. 5 dated 26 May 2008 and DOS (SR) 1153/120/2010 dated 8 December 2010 (note # 17.00).

**2.3.5 General reserve**

The surplus amount after appropriation of yearly profit, surplus of tax and bonus provision of different years are being kept in general reserved fund. There is no such reserve as on 31 December 2023.

**2.3.6 Share premium**

Share premium is the capital that the Bank raises upon issuing shares that is in excess of the nominal value of the shares. The share premium may be applied by the Bank in paying up unissued shares to be allotted to members as fully paid bonus shares or writing-off the preliminary expenses of the Bank or the expenses of or the commission paid or discount allowed on, any issue of shares or debentures of the Bank or in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Bank. Share premium is showing in accounts after deduction of income tax on share premium as per finance Act. During the year 2023, the Bank issued 70 million of ordinary shares at the face value of BDT 10 each to general public through IPO in compliance with regulation.

**2.3.7 Capital management**

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve the following objectives:

- i) To comply with the capital requirements set by the regulators;
- ii) To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- iii) To maintain a strong capital base to support the development of its business.

Capital is managed in accordance with the Board approved Capital Management Planning. Senior management develops the capital strategy and oversee the capital management planning of the Bank. The Bank's finance, treasury and risk management divisions are key participators in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

**2.4 Liabilities and basis of their valuation**

**2.4.1 Borrowings from other banks, financial institutions and agents**

Borrowed funds include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks, financial institutions and agents. Interest paid/payable on these borrowings is charged to the profit & loss account. Disclosures of borrowings are shown in (note # 11.00, 13.00 and 22.02).

**2.4.2 Deposits and other accounts**

Deposits and other accounts include non-interest bearing current deposit payable at call, interest bearing demand and short term deposits, savings deposit, fixed deposit and scheme deposit. These items are brought to financial statements at the gross value of outstanding balance.





#### **2.4.3 Other liabilities**

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxation, interest payable, interest suspense, accrued expenses, lease obligation, etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance, 1984 and internal policy of the Bank.

#### **2.4.4 Provision for liabilities**

As per IAS-37 Provisions, Contingent Liabilities and Contingent Assets are recognised when it is probable that an outflow of economic benefits will be required to settle a current legal or constructive obligation as a result of past events, and a reliable estimate can be made of the amount of the obligation.

#### **2.4.5 Provision for Off-balance sheet exposure**

As per BRPD circular no.14 (23 September 2012) the Bank has recognised 1% General Provision on the following off balance sheet exposures as defined in BRPD circular no.10 (24 November 2002) considering the exemption as provided through BRPD circular no.01 (03 January 2018), BRPD circular no.7 (21 June 2018), BRPD circular no.13 (18 October 2018), BRPD circular no.02 (25 February 2019), BRPD circular no.09 (27 May 2019) and BRPD circular letter no. BPRD(P-1)/661/13/2019-354 (13 January 2020).

- i) Acceptance and endorsements;
- ii) Letters of guarantee;
- iii) Irrevocable letters of credit; and
- iv) Foreign exchange contracts

#### **2.4.6 Provisions on balances with other banks and financial institutions (Nostro accounts)**

Provision for unsettled transactions on nostro accounts is made as per Foreign Exchange Policy Department (FEPD) circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Foreign Exchange Policy Department (FEPD) of Bangladesh Bank and reviewed semi-annually by our management along with duly certified by the external auditor. On the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

#### **2.4.7 Provision for rebate to good borrower**

Previously commercial banks were required to maintain provision @10.0% of interest charged against loans to good borrowers, identified on the basis of prescribed guidelines stated in BRPD Circular no. 06 (19 March 2015) and BRPD Circular Letter no 03 (16 February 2016) for onward rebate to the recognized good borrowers. However, Bangladesh Bank during 2020 issued another circular (BRPD Circular No. 14 dated 18 June 2020), wherein it is mentioned that from 2020 banks need not to provide any rebate to good borrowers. Hence, no further good borrowers' provision was accounted for in the financials.

#### **2.4.8 Provision for current tax**

Current tax is the amount of income tax payable (recoverable) in respect of the taxable profit (tax loss) for a period. Provision for current income tax has been made as per prescribed rate in the Income Tax Ordinance 1984 and latest Finance Act and related SROs on the accounting profit made by the Bank after considering some of the add-backs to income and disallowances of expenditure as per income tax laws with IAS-12 "Income Taxes". Tax Assets under the head of Other Assets are recognized for payment of advance income tax, tax deducted at source and tax paid at the time of IT Return for the year (s) for which assessment has not been yet finalized. On the other hand, the tax provision (estimated as per IAS-12, provision of latest Finance Act, related SROs/ Guidelines, etc., issued by National Board of Revenue-NBR) are recognized as tax liability under the head of other liability for the year (s) for which assessment has not been yet finalized. During the year an amount of current tax stood at BDT 690.11 million in 2023, against BDT 544.23 million in 2022 (note # 13.05).

#### **2.4.9 Deferred tax**

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets & liabilities are measured using tax rate & tax laws enacted or substantially enacted at the balance sheet date. Tax impact on the account of changes in deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS 12 "Income Taxes" and in line with BRPD circular no.11 dated December 12, 2011. During the year, an amount of deferred tax income stood at BDT 546.02 million against BDT 17.57 million in 2022 (note # 9.06).





**2.4.10 Contingent asset and contingent liability**

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events and on the other hand a contingent liability is a possible obligation that arises from past events and whose existence will also be confirmed only the occurrence or non-occurrence of one or more uncertain future events. Contingent asset and liability are not recognized rather disclosed in the financial statements as per IAS 37.

**2.5 Benefits to the employees**

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with the provisions of IAS 19, "Employee Benefit". Bases of computing the retirement benefit schemes operated by the Bank are outlined below:

**2.5.1 Provident fund**

Provident Fund (PF) benefits are given to the permanent members of PF of the Bank in accordance with Bank's Service Rules. Accordingly, a Trust Deed and Provident Fund Rules were prepared and obtained approval from the Commissioner of Income Tax as a recognized provident fund. The Fund is operated by a Board of Trustees consisting six members of the Bank (03 members from the Board of Directors and 03 members from Management). All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members' individual account on yearly basis as per audited financial statements of the Fund. The Fund has been maintaining in a separate account which is operating by the Trustee and is being audited by Arun & Co. Chartered Accountants and submit to the NBR to comply with regulation.

**2.5.2 Gratuity fund**

The Bank operates a Gratuity Fund Scheme on "Continuing Fund Basis", in respect of which provision is made annually which is covering all its eligible employees in accordance with Bank's Service Rules. The Bank prepared the Trust Deed and Gratuity Fund Rules and get approval from the Commissioner of Income Tax as a recognized Gratuity Fund. The Fund is operated by a Board of Trustees consisting six members of the Bank (03 members from the Board of Directors and 03 members from management). Valuation of Gratuity Fund Scheme has been made to assess the adequacy of the liabilities provided for the scheme as per IAS 19 "Employees Benefit". The Fund has been maintaining in a separate account which is operating by the Trustee and is being audited by Arun & Co. Chartered Accountants and submit to the NBR to comply with regulation.

**2.5.3 Employees' Social Security Superannuation Fund (ESSSF)**

Midland Bank Employees' Social Security Superannuation Fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund in accordance with Bank Service Rules. The fund has been established to provide medical support and coverage in the event of accidental death or permanent disabilities of the employees. Retirement benefits are also provided from this fund. The Fund has been maintaining in a separate account which is operating by the Trustee and is being audited by Arun & Co. Chartered Accountants.

**2.5.4 Performance bonus**

The Bank is giving performance/incentive bonus to the employees in every year. This bonus is not mandatory, but is being paying based on the performance of the bank in respective year. This bonus amount is being distributed among the employees based on their performance after approval of audited financials of the Bank.

**2.5.5 Worker's Profit Participation Fund**

Provision of Workers' Profit Participation Fund and Welfare Fund mentioned in Bangladesh Labour (Amendments) Act, 2013 contradicts Bank Company Act, 1991 through which Bank Companies are regulated. Section-11 of Bank Company Act, 1991 restricts to employ anyone who receives remuneration or part of remuneration as share of profit of the company and remuneration includes salary and other benefit. As per legal expert's opinion, wherein it is opined that Worker's Profit Participation and Welfare Fund shall not be applicable for Bank Companies, as there is no non-obstante clause. Unless Government of Peoples Republic of Bangladesh amends section 11 of Bank Company Act or frames rules, giving overriding effect to Bank Company Act, 1991, section 232 of Bangladesh Labour (Amendments) Act, 2013 will not be applicable for banks. Moreover, in the Bank, performance bonus provision is there, which is distributed among the employees on the basis of individual employee's yearly performance with a view to recognize welfare of the employees and reward their participation and contribution to the company.





**2.6 Revenue recognition**

In terms of provisions of IFRS 15 "Revenue from Contracts with Customers", the revenues during the year are recognized as following:

**2.6.1 Interest Income**

Interest income on unclassified loan and advances (Standard & SMA) is recognised on an accrual basis and charged to respective loan account on quarterly. Interest income on classified loan and advances (SS & DF only) is credited to interest suspense account with actual receipt of interest therefrom credited to income as and when received as per instruction contained in BRPD circular no.14 dated 23 September 2012, BRPD circular no.19 dated 27 December 2012 and BRPD circular no.16, dated 18 November 2014. If the Loans and advances classified as Bad/Loss (BL) interest ceases to apply and recorded in a memorandum a/c. When any Bad loan turns into unclassified a/c, then unapplied interest charged to respective loan a/c and credited to profit & loss a/c in compliance with regulatory guideline.

**2.6.2 Profit on investment (Islamic Banking Window)**

Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments are transferred to profit suspense account instead of income account.

**2.6.3 Investment Income**

Income on investments are recognised on accrual basis. Investment income includes discount on treasury bills and Bangladesh Bank bills, interest on treasury bonds and fixed deposit with other banks. Capital gain on investments in shares are also included in investment income. Capital gain is recognised when it is realised.

**2.6.4 Fees and commission income**

The Bank earns commission and fee income from a diverse range of service provided to its customers. Commission and fee income is accounted for as follows:

- i) Income earned on the execution of a significant act is recognised as revenue when the act is completed.
- ii) Income earned from services provided is recognised as revenue when the services are provided.
- iii) Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.
- iv) Commission and discount on bills purchased and discounted are recognized at the time of realization.

**2.6.5 Dividend income**

Dividend income is recognised when the right to receive the income is established. Dividend income is recognized at the time when it is realized. Dividend income on preference shares is recognized on accrual basis. Dividend incomes are presented under investment income (note # 23.00).

**2.7 Interest paid and other expenses**

In terms of the provisions of IAS 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

**2.7.1 Interest paid on borrowing and other deposits (Conventional banking)**

Interest paid and other expenses are recognised on accrual basis

**2.7.2 Profit shared on deposits (Islamic banking)**

Profit paid to mudaraba deposits is recognised on accrual basis according to Income Sharing Ratio (ISR).

**2.7.3 Other operating expenses**

All other operating expenses are provided for in the books of the account on accrual basis according to the IAS 1 "Presentation of Financial Statements".

**2.7.4 Dividend payments**

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders in the Annual General Meeting (AGM). The proposed dividend has not been recognized as a liability in the balance sheet in accordance with the IAS 10 "Events after the Reporting Period".

Dividend payable to the shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive the payment is established.

**2.7.5 Foreign exchange gain/loss**

Exchange income includes all gain and losses from foreign currency day to day transactions, conversions and revaluation of non-monetary items.





## 2.8 Earnings per share (EPS)

The company calculates earnings per share (EPS) in accordance with IAS 33 "Earnings per Share (EPS)" which has been shown on the face of Profit and Loss Account. The EPS has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the reporting year. Details are shown in note # 40.00 to the financial statements.

### 2.8.1 Basic earnings per share

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax has been considered as fully attributable to the ordinary shareholders. Basic earnings per share is calculated by dividing net profit after tax by the total weighted average number of ordinary shares outstanding at end of the reporting year.

### 2.8.2 Weighted average number of ordinary shares

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year. The basis of computation of number of shares is in line with the provisions of IAS 33 "Earnings per share". The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings.

### 2.8.3 Diluted earnings per share

During the year 2023, the bank issued 70 million ordinary shares @ BDT 10 each (at par), therefore, number of ordinary shares increased by 70 million to 639,669,753 Ordinary shares from 569,669,753 Ordinary shares in 2022. No diluted earnings per share are required to be calculated for the period 2023, as there was no element or scope for dilution during the period under review. However, EPS is restated for the comparative years, if it requires as per IAS 33 "Earnings per share (EPS)".

## 2.9 Related party transactions

Parties are considered to be related, if one party has the ability directly or indirectly to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related, if they are subject to common control or common significant influence. Related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged as per IAS 24 "Related Party Disclosures", Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC) guidelines. Details of Related party transactions have been disclosed in (note # 44.00).

## 2.10 Credit rating

Credit Rating: Emerging Credit Rating Limited (ECRL) has been rated the Bank based on the audited financial statements as of December 31, 2022 and other relevant quantitative as well as qualitative information up to the-date-of rating declaration. They have been rated the Bank as A+ in the long term and ST-2 for the short term and outlook is stable. The effective date of rating is till June 30, 2023.

Year	Long term rating	Short term rating	Outlook
2022 (valid upto 30 June 2023)	A+	ST 2	Stable

The rating reflects the strengths of the Bank which is backed by a strong team of management, growth in the non-interest income, deposits and investments, adequate capital coverage with high Tier 1 capital, improved asset quality and well controlled of liquidity position.

## 2.11 Directors' Responsibility on Financial Statements

The Board of Directors take the responsibility for preparation and presentation of these financial statements. Details of Directors' report are given in annual report.

## 2.12 Memorandum items

Memorandum items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Bills for collection, savings certificates, wage earners bonds and others fall under the memorandum items. However, Bills for Collection is shown under contingent liabilities under the head of Off-balance Sheet Exposures as per Bangladesh Bank's reporting format.

## 2.13 Information about business and geographical segments

Segmental information is presented in respect of Midland Bank PLC.

### a) Business segments

Business segments report consists of products and services whose risks and returns are different from those of other business segments.





**b) Geographical Segments**

Geographical segments report consists of products and services within a particular economic environment, where risks and returns are different from those of other economic environments. Inter-segment transactions are generally based on inter-branch fund transfer measures as determined by the management. Income, expenses, assets and liabilities are specifically identified with individual segments.

**2.14 Risk management**

**Interest Rate Risk :** Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities as far as Interest rate risk is concern. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and the Bank's Markets Treasury team actively manages the Balance Sheet gap to reduce the risk.

**Equity Risk:** Equity risk arises from movement in market value of equities held. The risks are monitored by Bank's Treasury and FIs Division under a well designed policy framework.

**Operational Risk :** Operational risk is the risk of direct or indirect loss resulting a wide variety of causes associated with the Bank's processes, people, technology or infrastructure, or from external factors. Operational risk is inherent in the Bank's activities and as with other risk types is managed through an overall framework with checks and balances that include implementation of three line of defence, recognised ownership of the risk by the businesses and independent risk management oversight.

The operational risk policy codifies the core governing principles for operational risk management and provides a framework for operational risk. In accordance with the policy, each business area is responsible to identify its key operational risks as well as the controls established to mitigate those risks and to ensure compliance with laws, regulations, regulatory administrative actions and the Bank's policies. The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the reputation of the Bank's reputation with overall cost effectiveness and innovation. In all cases, the Bank's policy requires compliance with all applicable legal and regulatory requirements.

**Operating Environment :** The Bank's operating environment during the year ended 2023 were impacted by a number of major global events such as continuation of COVID 19 related disruptions, start of Russia-Ukraine conflict, increase in fuel and commodity price, strengthening of USD, etc.. Most of these events also had significant impact in the local economic environment affecting the Bank's operation. From time to time, the Government of Bangladesh and the local Central Bank (Bangladesh Bank) has issued various directives to manage impacts from these events which the Bank has followed. Management on regular basis review and monitor the global and country specific macro-economic situation and factor these issues into the decision making process. However, the long-term effects of the current economic situation are difficult to predict and management's current expectations and estimates could differ from the actual results.

**2.15 Creation of 'own Stat-up Fund' by Scheduled Banks through transferring 1% of the annual net profit**

Pursuant to the SMESPD Circular no 4 dated 29 March 2021, Section 'Kha', all scheduled banks in Bangladesh are instructed to create own 'start-up fund' for disbursement of loan/Investment (for Islamic banks) to 'start-up entrepreneurs'. As per the subsequent amendment through SMESPD Circular no 5 dated 26 April 2021, for five years from 2020 banks shall maintain start-up fund to disburse in favour of 'Start-up entrepreneurs' through mandatory transfer of 1% net profit as per the audited financial statements. A new account heading named 'start-up fund' shall be created and disclosed in balance sheet under 'other liabilities'. No further instruction has been issued in relation to the accounting of transactions (i.e. disbursement from the start-up fund and redemption of other liability). Until further instruction is received about the accounting of start-up fund, the Bank has assigned the required amount (1% of net profit) for the use as 'start-up fund' and subsequent disbursement to start-up entrepreneurs. This amount has been considered as appropriation through transfer from profit and loss account and disclosed under other liability.





**2.16 Compliance report of International Accounting Standards/ International Financial Reporting Standards (IFRSs)**

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020. Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Banking Companies Act, 1991 (amendment up to 2018), the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994. In case any requirement of the Banking Companies Act, 1991 (amendment up to 2018), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Banking Companies Act, 1991 (amendment up to 2018), and provisions and circulars issued by Bangladesh Bank shall prevail.

Name of the IAS / IFRS	IAS	Status of compliance
Presentation of Financial Statements	IAS-1	Applied with some departure (note 2)
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Applied with some departure (note 2)
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Construction Contracts	IAS-11	Not Applicable
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Lease	IAS-17	Applied
Revenue	IAS-18	Applied
Employee Benefits	IAS-19	Not Applicable
Accounting for Government Grants and Disclosure of Govt Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
Separate Financial Statements	IAS-27	Applied
Investments in Associates and Joint Venture	IAS-28	Not Applicable
Financial Reporting for hyperinflationary economics	IAS-29	Not Applicable
Interests in Joint Ventures	IAS-31	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied with some departure (note 2)
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied with some departure (note 2)
Intangible Assets	IAS-38	Applied
Financial Reporting: Recognition and measurement	IAS-39	Applied with some departure (note 2)
Investment property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable
<b>Name of the IAS / IFRS</b>	<b>IAS</b>	<b>Status of compliance</b>
<b>International Financial Reporting Standards (IFRS):</b>		
First-time Adoption of Bangladesh Financial Reporting Standards	IFRS 1	N/A
Share-based Payment	IFRS 2	N/A
Business Combinations	IFRS 3	N/A
Insurance Contracts	IFRS 4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS 6	N/A
Financial Instruments: Disclosures	IFRS 7	Applied with some departure (note 2)
Operating Segments	IFRS 8	Applied with some departure (note 2)
Financial Instruments	IFRS 9	Applied with some departure (note 2)
Consolidated Financial Statements	IFRS 10	N/A
Joint Arrangements	IFRS 11	N/A
Disclosure of Interest in Other Entities	IFRS 12	N/A
Fair Value Measurement	IFRS 13	Applied with some departure (note 2)
Regulatory Deferral Accounts	IFRS 14	N/A
Revenue from contractors with customers	IFRS 15	Applied
Leases	IFRS 16	Applied





In order to comply with certain specific rules and regulations of Bangladesh Bank which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer to note-2.1 for such recognition and measurement differences that are most relevant and material to the Bank and the Group.

The Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, the Bank being a listed entity in Dhaka and Chittagong Stock Exchanges regularly publishes Interim Financial Report complying with IAS 34.

#### 2.17 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Bank has not early adopted the new or amended standards in preparing these financial statements.

Effective date	New standards or amendments
January 01, 2021	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Interest Rate Benchmark Reform-2)
January 01, 2021	i) Amendments to IAS 37 (Onerous Contracts-Cost of Fulfilling a Contract) ii) Amendments to IAS 16 (Property, Plant and Equipment: Proceeds before Intended Use) iii) Amendments to IFRS 1, IFRS 9, illustrative examples accompanying IFRS 16 and IAS 41 (Annual improvements to IFRS Standards 2018-2020) iv) Amendments to IFRS 3 (Reference to Conceptual Framework)
January 01, 2021	i) Amendments to IAS 1 (Classification of Liabilities as Current or Non Current) ii) IFRS 17 "Insurance Contracts" iii) Amendments to IAS 8 (Definition of Accounting Estimate) iv) Amendments to IAS 1 and IFRS Practice Statement 2 (Disclosure of Accounting Policies)
January 01, 2022	i) IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts. ii) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2). iii) Definition of Accounting Estimates (Amendments to IAS 8). iv) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) v) Lease liability in a Sale and Leaseback (Amendments to IFRS 16). vi) Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
Effective date deferred indefinitely/available for optional adoption	Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" on sale or contribution of assets between an investor and its associate or joint venture

#### IFRS 17 - Insurance Contracts

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. The Bank has not yet assessed in potential impact of IFRS 17 on its financial statements.

#### 2.18 Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS-1 "Presentation of Financial Statements".

#### 2.19 Accounting for changes in policy, accounting estimates and errors

IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors, states that the effect of a change in accounting policy and correction of errors, if material, is to be applied retrospectively, and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The bank followed the same accordingly and the Bank did not change the accounting policies and accounting estimates during the year 2023.





## **2.20 Related party disclosures**

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Details of the related party disclosures presented in note no. 44 and Annexure- D and E.

## **2.21 Event after the reporting period**

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

(a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and

(b) those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

The only material event after the balance sheet date is: The Board of Directors recommended cash dividend @ 5% for the financial year 2023, in its 153rd Board Meeting held on April 28, 2024.

### **Diluted earnings per share**

In the financial year 2023, MDB issued 70 million ordinary shares through the IPO to its ordinary shareholders. Therefore, the EPS of 2022 was diluted/restated accordingly in the financial year 2023.

## **2.22 General**

### **a) Comparative information**

Comparative information in respect of the previous year has been presented from the financial statements audited by current year auditors for the period ended on December 31, 2023. Figures of previous year have been rearranged whenever necessary to confirm the current year/period presentation.

### **b) Disclosures of expenditures**

Expenses, irrespective of capital or revenue nature, accrued/due, but not paid have been provided for in the books of the Bank.

### **c) Approval of Financial Statements**

These financial statements have been prepared by the management, audited by the external and regulatory auditors and

thereafter approved by the board of directors of the Bank in its 153rd Board meeting held on April 28, 2024.



Midland Bank PLC.  
Notes to the Financial Statements  
For the year ended 31 December 2023

	2023 BDT	2022 BDT
<b>3.00 Cash</b>		
In Hand (Including foreign currency) (note 3.01)	891,750,221	782,034,355
Balance with Bangladesh Bank and its Agent Bank (note 3.02)	2,901,578,704	2,712,931,438
	<b>3,793,328,925</b>	<b>3,494,965,793</b>
<b>3.01 In Hand (Including foreign currency)</b>		
Local Currency	888,016,034	774,162,858
Foreign Currency	3,734,187	7,871,497
	<b>891,750,221</b>	<b>782,034,355</b>
<b>3.02 Balance with Bangladesh Bank and its Agent Bank</b>		
With Bangladesh Bank		
Local Currency	2,585,269,407.6	2,626,182,417
Foreign Currency	316,039,205.9	86,478,611
With Sonali Bank (as agent of Bangladesh Bank-Local Currency)	270,090.8	270,409
	<b>2,901,578,704</b>	<b>2,712,931,438</b>

**3.03 Cash Reserve Requirement (CRR ) and Statutory Liquidity Ratio (SLR )**

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 25 & 33 of The Bank Companies Act, 1991 and Circular No.# 01 , 02 & 01 dated December 10, 2013 , June 23, 2014 & April 03,2018 respectively of Monetary Policy Department (MPD) of Bangladesh Bank.

The Cash Reserve Requirement on the Bank's Time and Demand Liabilities at the rate of 4% has been calculated and maintained with the Bangladesh Bank in Current Account and 13% Statutory Liquidity Ratio for conventional banking, 5.50% for Islami Banking Wing, excluding CRR, on the same liabilities has also been maintained in the form of Treasury Bills, Bonds, Foreign Currency with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the Statutory requirement.

As per Bangladesh Bank MPD Circular No. 03, dated 09 April 2020, Bank has to maintain CRR @ 4 % on fortnightly cumulative average basis and minimum CRR @3.5% on daily basis.

**Conventional Banking:**

**a) Cash Reserve Requirement (CRR)**

Required Reserve	2,012,566,885	1,853,269,469
Maintained Reserve	2,265,573,752	2,233,891,643
Surplus/(Deficit)	<b>253,006,867</b>	<b>380,622,174</b>

**b) Statutory Liquidity Ratio (SLR)**

Required Reserve	6,612,668,450	6,122,295,610
Maintained Reserve	13,632,390,477	13,147,263,204
Surplus/(Deficit)	<b>7,019,722,027</b>	<b>7,024,967,594</b>

**Total Required Reserve**

Actual Reserve held	8,625,235,335	7,975,565,079
Surplus/(Deficit)	<b>15,897,964,229</b>	<b>15,381,154,847</b>
	<b>7,272,728,894</b>	<b>7,405,589,768</b>

**c) Components of Statutory Liquidity Ratio (SLR)**

Cash in Hand	890,140,400	776,827,280
Balance with Bangladesh Bank	-	-
Balance with Sonali Bank	7,286,580	10,405,860
Excess Reserve of CRR	253,006,867	380,622,174
Government Securities	12,481,956,630	11,979,407,890
	<b>13,632,390,477</b>	<b>13,147,263,204</b>

**Islami Banking Wing**

**a) Cash Reserve Requirement (CRR)**

Required Reserve	133,359,250	93,648,026
Maintained Reserve	319,951,976	383,223,060
Surplus/(Deficit)	<b>186,592,726</b>	<b>289,575,034</b>

**b) Statutory Liquidity Ratio (SLR)**

Required Reserve	183,368,970	128,766,040
Maintained Reserve	384,852,546	491,432,114
Surplus/(Deficit)	<b>201,483,576</b>	<b>362,666,074</b>

**c) Components of Statutory Liquidity Ratio (SLR)**

Cash in Hand	1,609,820	5,207,080
Balance with Bangladesh Bank	-	-
Balance with Sonali Bank	-	-
Excess Reserve of CRR	186,592,726	289,575,034
Government Securities	-	-
Other Eligible Securities	196,650,000	196,650,000
	<b>384,852,546</b>	<b>491,432,114</b>



	2023 BDT	2022 BDT
<b>4.00 Balance with other Banks and Financial Institutions</b>		
In Bangladesh	1,986,136,023	2,455,383,089
Outside Bangladesh	11,974,157	113,044,841
	<b>1,998,110,179</b>	<b>2,568,427,930</b>
<b>4.01 In Bangladesh</b>	<b>Transaction Currency</b>	
<b>Current Account</b>		
Standard Bank Ltd.	BDT 8,995	9,915
Sonali Bank Ltd.	BDT 21,243,916	29,996,278
Janata Bank Ltd.	BDT 367,694	2,082,889
Agrani Bank Ltd.	BDT 28,718,766	22,479,128
Rupali Bank Ltd.	BDT 7,918,571	12,954,742
Trust Bank Ltd.	BDT 6,826,332	2,186,841
Dutch Bangla Bank Ltd	BDT 221,890	1,637,148
The Premier Bank Ltd.	BDT 3,060,192	1,992,251
	<b>68,366,355</b>	<b>73,339,192</b>
<b>Special Notice Deposit</b>		
Mercantile Bank Ltd.	BDT 5,686,575	20,979,811
Prime Bank Ltd.	BDT 641,524	640,771
AB Bank Ltd.	BDT 239,369	3,406,935
Eastern Bank Ltd.	BDT 2,198	16,380
	<b>6,569,667</b>	<b>25,043,897</b>
<b>Fixed Deposits Receipt (FDR)</b>		
FAS Finance & Investment Ltd.	BDT 175,000,000	175,000,000
First Finance Ltd.	BDT 131,000,000	132,200,000
IDLC Finance Limited	BDT -	340,000,000
Bangladesh Finance Ltd.	BDT 80,100,000	83,000,000
South Bangla Agriculture & Commerce Bank Ltd.	BDT 100,000,000	-
Bank Al-Falah Ltd.	BDT -	200,000,000
Premier Leasing & Finance Ltd.	BDT 544,300,000	544,300,000
Phoenix Finance & Investments Ltd.	BDT 170,500,000	170,500,000
International Leasing & Financial Services Ltd.	BDT 331,500,000	331,500,000
Fareast Finance & Investment Limited	BDT 288,500,000	290,000,000
Prime Finance & Investment Ltd.	BDT 3,800,000	4,000,000
CVC Finance Ltd	BDT 86,500,000	86,500,000
<b>Sub total</b>	<b>1,911,200,000</b>	<b>2,357,000,000</b>
	<b>1,986,136,023</b>	<b>2,455,383,089</b>
<b>4.02 Outside Bangladesh (NOSTRO Accounts)</b>	<b>Transaction Currency</b>	
<b>In current account</b>		
AB Bank, Mumbai Branch	US\$ 69,951,868	3,042,662
United Bank of India	US\$ 14,058,461	40,010,921
Axix Bank Limited	US\$ 16,851,729	5,502,098
National Bank of Pakistan, Tokyo Japan	JPY 1,773,160	1,756,013
Mashreq Bank Psc, NY	US\$ (133,130,971)	3,173,859
Mashreq Bank Psc, NY OBU	US\$ 21,067,802	29,578,176
Kookmin Bank, South Korea	GBP 13,410,405	1,303,665
Habib American Bank, NY	US\$ (2,020,966)	14,998,190
NIB Bank, Pakistan	US\$ 1,731,142	468,739
Aktif Yatirim Bank	US\$ 8,934	232,530
Aktif Yatirim Bank	EURO 3,487,464	6,283,038
Aktif Yatirim Bank	GBP 321,549	5,879,737
Banca UBAE Italy	EURO 1,829,628	270,875
Banca UBAE Italy	GBP -	480,855
Kookmin Bank, South Korea	US\$ 2,499,186	63,482
Sonali Bank	US\$ 2,863	-
Sonali Bank	EURO 131,904	-
	<b>11,974,157</b>	<b>113,044,841</b>
<b>Details of NOSTRO accounts are shown in Annexure-A</b>		
<b>4.03 Maturity grouping of Balance with other Banks and Financial Institutions</b>		
On Demand	1,446,900,000	2,444,700,000
Less than three months	247,600,000	123,700,000
More than three months but less than one year	303,610,179	27,930
	<b>1,998,110,179</b>	<b>2,568,427,930</b>
<b>5.00 Money at Call and Short Notice:</b>	<b>529,900,000</b>	<b>120,000,000</b>
	<b>529,900,000</b>	<b>120,000,000</b>
<b>6.00 Investments</b>		
Government(note 6.01)	13,889,641,408	13,186,012,591
Others( note 6.02)	3,490,465,307	3,719,777,647
	<b>17,380,106,715</b>	<b>16,905,790,238</b>



	2023 BDT	2022 BDT
<b>i) Investment Classified as per Bangladesh Bank Circular</b>		
Held to Maturity (HTM)	11,801,619,088	11,286,914,741
Held for Trading ( HFT)	679,655,337	562,178,252
Reverse Repo	-	-
Prize Bond	682,200	894,900
Government Securities Encumbered	1,211,034,783	1,009,954,699
Government Securities -SUKUK Bond	196,650,000	326,070,000
Other Investments	3,490,465,307	3,719,777,647
	<b>17,380,106,715</b>	<b>16,905,790,238</b>
<b>ii) Investment Classified as per Nature</b>		
<b>6.01 Government Securities</b>		
<b>Treasury Bills ( at present value )</b>		
<b>Un-encumbered</b>		
28 days	-	-
91 days	390,550,152	-
182 days	-	-
364 days	173,174,906	-
5 Years	-	-
<b>Sub-total</b>	<b>563,725,058</b>	<b>-</b>
<b>Encumbered</b>		
91 days	-	-
182 days	-	-
364 days	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
<b>Total Treasury Bill</b>	<b>563,725,058</b>	<b>-</b>
<b>Treasury Bonds</b>		
<b>Un-encumbered</b>		
2 Years	981,541	-
5 Years	135,711,005	1,157,419,429
5 Years (Bangladesh Government Investment Sukuk)	196,650,000	326,070,000
10 Years	6,423,681,869	5,371,181,005
15 Years	3,732,279,312	3,607,594,613
20 Years	1,624,895,639	1,712,897,946
<b>Sub-total</b>	<b>12,114,199,367</b>	<b>12,175,162,992</b>
<b>Encumbered</b>		
2 Years	-	-
5 Years	-	151,545,215
10 Years	-	-
15 Years	252,137,975	-
20 Years	958,896,808	858,409,484
<b>Sub-total</b>	<b>1,211,034,783</b>	<b>1,009,954,699</b>
<b>Total Treasury Bond</b>	<b>13,325,234,150</b>	<b>13,185,117,691</b>
Reverse Repo	-	-
<b>Prize Bonds ( at face value )</b>	<b>682,200</b>	<b>894,900</b>
<b>Sub Total</b>	<b>13,889,641,408</b>	<b>13,186,012,591</b>
<b>6.02 Other Investments</b>		
Shares in quoted companies(Regular portfolio)	814,313,250	748,632,323
Shares in quoted companies(Special portfolio) Details shown in Annex B	720,771,285	703,286,485
<b>Shares in unquoted companies ( at face value ) :</b>		
Regent Energy & Power Ltd.(Preference Share)	44,613,788	44,613,788
Union Capital Ltd. (Preference Share)	1,300,000	1,500,000
Envoy Textiles Ltd. (Preference Share)	80,000,000	120,000,000
Confidence Power Bogra Ltd. (Preference Share)	25,000,000	37,500,000
Premier Cement Mills Limited (PCML) (Preference Share)	437,500,000	500,000,000
Fair Electronics Ltd (FEL) (Preference Share)	240,000,000	300,000,000
CWT Sadharan Bima Growth Fund (Open End Mutual Fund)	-	5,000,000
Ekush First Unit Fund (Open End Mutual Fund)	23,088,898	27,832,445
VIPB Accelerated Income Unit Fund (Open End Mutual Fund)	27,500,000	27,500,000
VIPB NLI 1st Unit Fund (Open End Mutual Fund)	11,812,606	11,812,606
UCB AML First Mutual Fund (Open End Mutual Fund)	-	-
Ekush Growth Fund (Open End Mutual Fund)	20,000,000	20,000,000
EDGE High Quality Income Fund (Open End Mutual Fund)	20,000,000	20,000,000
UCB Taqwa Growth Fund (Open End Mutual Fund)	20,000,000	20,000,000
UCB Income Plus Fund (Open End Mutual Fund)	50,000,000	-
Ekush Stable Return Fund (Open End Mutual Fund)	4,565,480	-
	<b>1,005,380,772</b>	<b>1,135,758,839</b>
<b>Bond, Debenture &amp; Commercial Papers:</b>		
UCB- Subordinated Bond	-	-
SIBL- Subordinated Bond	-	40,000,000
Standard Bank -Subordinated Bond	40,000,000	80,000,000



	2023 BDT	2022 BDT
Hashem Foods Ltd-Commercial Paper	-	102,100,000
North-West Power Generation Company Ltd-Non-Convertible Coupon Bond	350,000,000	350,000,000
Trust Bank - Perpetual Bond	60,000,000	60,000,000
Jamuna Bank - Perpetual Bond	250,000,000	250,000,000
NCC Bank - Perpetual Bond	250,000,000	250,000,000
<b>Sub Total</b>	<b>950,000,000</b>	<b>1,132,100,000</b>
<b>Total</b>	<b>17,380,106,715</b>	<b>16,905,790,238</b>

6.03 Assets pledged as security for liabilities as at December 31, 2023 is BDT- 6,101,816,670.13 of Treasury Bill and Bond against Re-Purchase Agreement. Details are as under:

(a) i. Disclosure regarding outstanding Repo as at 31 December 2023

	Counter Party Name	Agreement Date	Reversal Date	Amount
1	Bangladesh Bank	24-Dec-2023	1-Jan-2024	1,447,793,865
2	Bangladesh Bank	26-Dec-2023	2-Jan-2024	1,521,394,300
3	Bangladesh Bank	27-Dec-2023	3-Jan-2024	1,368,105,385
4	Bangladesh Bank	28-Dec-2023	4-Jan-2024	1,004,523,120
5	Bangladesh Bank (Liquidity Support for Capital Market Investment Under Special Fund)	24-Dec-2023	24-Mar-2024	760,000,000
<b>Total</b>				<b>6,101,816,670</b>

ii. There is no outstanding Reverse Repo as at 31 December 2023 with the Bank.

(b) Disclosure regarding overall transaction of Repo for the year 2023

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
<b>Securities sold under Repo:</b>			
i) with Bangladesh Bank	2,096,554,858	6,589,022,454	4,099,791,596
ii) with Other Banks & Financial Institutions	109,388,687	5,365,705,128	1,533,437,019
<b>Securities purchased under reverse Repo:</b>			
i) with Bangladesh Bank	-	-	-
ii) with Other Banks & Financial Institutions	52,438,250	192,424,521	11,794,625

6.04 Maturity grouping of Investment as follows:

On Demand	682,200	294,000
Up to one month	1,879,800	600,900
Less than three months	601,900,000	1,451,900,000
More than three months but less than one year	2,362,100,000	40,000,000
More than one year but less than five years	6,152,580,000	8,107,100,000
More than five years	8,260,964,715	7,305,895,338
	<b>17,380,106,715</b>	<b>16,905,790,238</b>

7.00 Loans and Advances / Investments

Loans, Cash Credits, Overdrafts, etc. (note-7.01)	51,379,100,087	49,606,134,790
Bills Purchased and Discounted (note-7.02)	3,483,557,906	3,186,672,476
<b>Total Loans and Advances</b>	<b>54,862,657,994</b>	<b>52,792,807,266</b>

7.01 Loans, Cash Credits, Overdrafts, etc. / Investments

<b>In Bangladesh:</b>		
Term Loan	21,544,987,931	19,094,556,520
Overdraft	8,678,632,084	7,975,277,348
Time Loan	11,742,359,775	13,662,789,912
Cash Credit	1,992,948,926	2,118,004,627
Trust Receipt	2,630,150,569	1,767,903,934
Consumer Loan	1,478,098,901	1,150,951,600
Payment Against Documents(PAD)	45,948	-
Agricultural Credit	802,471,774	820,972,923
EDF Loan	2,266,631,602	2,768,779,712
Packing Credit	44,984,683	77,746,336
Staff Loan	107,946,144	102,063,477
Other Loans and Advances	89,841,751	67,088,400
	<b>51,379,100,087</b>	<b>49,606,134,790</b>
<b>Outside Bangladesh</b>		
	<b>51,379,100,087</b>	<b>49,606,134,790</b>

7.02 Bill Purchased and Discounted

Payable in Bangladesh	96,325,084	181,234,545
Payable outside Bangladesh	3,387,232,822	3,005,437,931
	<b>3,483,557,906</b>	<b>3,186,672,476</b>



	2023 BDT	2022 BDT
<b>7.03 Net Loans &amp; Advances/Investments</b>		
Gross Loans & Advances/ Investments ( note-7)	54,862,657,994	52,792,807,266
Less:		
Classified Loans & Advances/ Investments (note-7.08)	2,091,566,508	1,469,651,458
Interest/ Profit Suspense (Note- 13.06)	1,076,755,986	868,462,210
Provision for Loans & Advances/ Investments-General Provision (Note -13.01)	494,566,815	452,397,042
<b>Net Loans &amp; Advances /Investments</b>	<b>51,199,768,685</b>	<b>50,002,296,556</b>
<b>7.04 Maturity grouping of Loans and Advances /Investments</b>		
On Demand	4,759,254,000	1,131,400,000
Up to one month	2,741,846,000	6,580,700,000
Not more than three months	5,813,100,000	8,657,400,000
More than three months but less than one year	16,058,800,000	11,583,200,000
More than one year but less than five years	14,945,185,257	14,867,407,266
More than five years	10,544,472,737	9,972,700,000
	<b>54,862,657,994</b>	<b>52,792,807,266</b>
<b>7.05 Maturity grouping of Bills Purchased and Discounted</b>		
Within one month	16,800,000	11,700,000
More than one but not more than three months	7,400,000	9,900,000
More than three months but less than six months	3,459,357,906	3,158,472,476
More than six months	-	6,600,000
	<b>3,483,557,906</b>	<b>3,186,672,476</b>
<b>7.06 Concentration of Loans and Advances/ Investments:</b>		
a) Loans and Advances/Investments to Institutions in which the Directors of the Bank have interest	2,333,811	3,758,928
b) Advances to Managing Director & other Senior Executives	107,946,144	102,063,477
c) <b>Advances to Industries</b>		
Agriculture	782,469,194	544,327,713
RMG	3,303,858,514	3,448,501,562
Textile	4,586,874,837	4,757,050,100
Ship Building	-	-
Ship Breaking	-	-
Other Manufacturing industry	16,602,651,755	16,623,731,594
SME loans	3,715,094,699	3,671,028,040
Construction	3,917,126,488	4,723,543,263
Power, Gas	1,195,278,034	1,086,231,423
Transport, Storage and Communication	1,447,008,382	1,366,213,722
Trade Service	6,743,833,241	5,599,771,524
Commercial real estate financing	24,330,045	31,399,705
Residential real estate financing	148,934,726	74,006,391
Consumer credit	2,071,749,457	2,026,685,959
Capital Market	528,933,090	622,626,079
NBFIs	2,490,918,044	2,974,575,698
Others	7,193,317,531	5,137,292,087
	<b>54,752,378,038</b>	<b>52,686,984,861</b>
	<b>54,862,657,994</b>	<b>52,792,807,266</b>
<b>7.07 Details of Large Loan/Investments</b>		
Number of borrowers with outstanding amount of loans exceeding 10% of total capital of the Bank and classification status thereof. Total capital of the Bank is BDT 917.83 crore as at December 31, 2023 (BDT 819.60 crore in 2022).		
Number of Clients	32	34
Outstanding Advances (BDT)	27,005,766,166	27,659,316,002
Client wise details are given below:		

Sl	Name of the clients	Status	Outstanding (BDT)		Total 2023 (BDT)	Total 2022 (BDT)
			Funded	Non - Funded		
1	Adex Group	UC	489,772,530	57,047,676	546,820,206	683,107,844
2	Nitol-Niloy Group	UC	268,039,143	25,815,000	293,854,143	479,910,881
3	Zon Ron Group	UC	838,577,828	109,749,630	948,327,457	987,762,279
4	Rangs Group	UC	428,375,637	521,088,846	949,464,482	853,944,518
5	Abul Khair Group	UC	972,930,235	2,943,526	975,873,761	28,541,322
6	GPH Group	UC	736,395,794	166,002,398	902,398,192	1,765,384,877
7	Summit Group	UC	1,180,721,054	-	1,180,721,054	1,028,648,043
8	Energypac Group	UC	723,152,175	104,327,209	827,479,384	2,359,618,320
9	Alliance Group	UC	731,195,785	-	731,195,785	754,555,271
10	BD Group	UC	933,845,610	5,967,700	939,813,310	924,392,188
11	Confidence Group	UC	912,589,233	749,668,114	1,662,257,347	1,338,956,947
12	ACI Group	UC	684,666,376	268,629,399	953,295,776	960,746,905
13	Unimed Group	UC	748,100,383	25,039,067	773,139,450	625,337,172
14	MSA Group	UC	778,760,780	268,668,817	1,047,429,597	1,219,269,784
15	EXPO Group	UC	353,169,712	1,050,746,566	1,403,916,277	894,806,138
16	Saiham Group	UC	759,603,324	382,851,799	1,142,455,122	1,503,316,980
17	Spectra Engineers Ltd.	UC	313,127,708	647,330,243	960,457,951	554,691,635
18	Akij Group	UC	-	-	-	-
19	Max Group	UC	581,060,662	35,117,345	616,178,007	574,995,184
20	Mir Group	UC	-	-	-	564,897,735



				2023 BDT	2022 BDT
21	S.B Group	UC		-	895,923,021
22	Salma Group	UC	40,619,432	40,619,432	-
23	Seacom Group	UC	706,554,075	706,554,075	306,958,777
24	T. K. Group	UC	482,317,070	49,264,252	359,072,129
25	Youth Group	UC	-	731,491,267	700,000,000
Bangladesh-India Friendship Power Company (Pvt.) Ltd.		UC	-	-	-
26	Company (Pvt.) Ltd.	UC	-	-	166,095,148
27	Modern Syntex Limited	UC	-	-	1,203,372,754
28	NDE Group	UC	-	-	2,815,288,125
29	City Group	UC	2,036,736,346	9,959,808	1,885,577,256
30	Meghna Group	UC	898,477,284	208,619,590	576,536,675
31	Fair Group	UC	525,216,259	84,846,512	478,722,836
32	NPoly group	UC	-	-	168,885,259
33	Florance Group	UC	-	-	-
34	Advanced Chemical Industries Limited	UC	1,032,778,667	-	-
35	EPV	UC	277,285,685	1,383,425,412	-
36	Healthcare	UC	82,017,889	589,677,245	-
37	Rak Group	UC	402,520,016	217,287,698	-
38	Renaissance Group	UC	377,594,359	14,000,000	-
<b>Total</b>			<b>19,296,201,047</b>	<b>7,709,565,118</b>	<b>27,005,766,166</b>

#### 7.08 Classification of Loans and Advances/Investments:

##### Unclassified (UC):

Standard	51,880,200,931	50,357,413,459
Special Mention Account (SMA)	890,890,555	965,742,348
<b>Sub total</b>	<b>52,771,091,486</b>	<b>51,323,155,808</b>
<b>Classified:</b>		
Substandard	200,451,979	80,002,366
Doubtful	70,288,388	34,244,808
Bad & Loss	1,820,826,141	1,355,404,284
<b>Sub total</b>	<b>2,091,566,508</b>	<b>1,469,651,458</b>
<b>Total</b>	<b>54,862,657,994</b>	<b>52,792,807,266</b>

#### 7.09 Details of Required Provision for Loans and Advances/Investments

Particulars	Provision Rate	Provision	
		Required	Maintained
<b>Unclassified (UC):</b>			
Standard	0.25%, 1%, 2% & 5%	401,738,705	486,738,705
Special Mention Account (SMA)	0.25%, 1%, 2% & 5%	7,828,110	7,828,110
<b>Sub total</b>		<b>409,566,815</b>	<b>494,566,815</b>
<b>Classified:</b>			
Substandard	5% & 20%	207,469,397	207,469,397
Doubtful	5% & 50%	308,093,758	308,093,758
Bad loan	100%	933,225,033	933,225,033
<b>Sub total</b>		<b>1,448,788,189</b>	<b>1,448,788,189</b>
<b>Total</b>		<b>1,858,355,004</b>	<b>1,943,355,004</b>
<b>Excess/(short) Provision as at December 31, 2023</b>			<b>85,000,000</b>

#### 7.10 Details of Required Provision for Off Balance Sheet Items

Required Provision for Off- Balance Sheet Exposures	104,793,283	112,994,697
Total Provision maintained	104,793,283	112,994,697
<b>Excess/(Short) Provision</b>	<b>-</b>	<b>-</b>

#### 7.11 Suit filed by the Bank

<b>No of Suits file</b>		
Artha Rin Adalat	49	33
N. I Act	33	29
<b>Suit Amount</b>		
Artha Rin Adalat	1,282,113,454	957,114,245
N. I Act	133,141,047	125,965,674

#### 7.12 Geographical location wise loans and advances/investments

<b>Inside Bangladesh</b>		
<b>Urban</b>		
Dhaka Division	46,475,521,800	44,992,833,260
Chittagong Division	6,828,786,197	6,444,323,754
Khulna Division	78,927,033	64,695,974
Rajshahi Division	222,471,695	194,657,962
Mymensingh	-	-
Barisal Division	2,631,668	-
Rangpur Division	33,604,978	2,992,155
Sylhet Division	16,247,617	16,631,185
<b>Total</b>	<b>53,658,190,990</b>	<b>51,716,134,291</b>



	2023 BDT	2022 BDT
<b>Rural</b>		
Dhaka Division	815,457,882	702,180,530
Chittagong Division	116,992,501	109,839,670
Khulna Division	19,416,620	21,915,554
Rajshahi Division	132,031,527	140,202,133
Mymensingh Division	109,776,958	98,445,158
Rangpur Division	10,791,517	4,089,930
Barisal Division	-	-
Sylhet Division	-	-
	<u>1,204,467,004</u>	<u>1,076,672,975</u>
<b>Outside Bangladesh</b>	<u>54,862,657,994</u>	<u>52,792,807,266</u>

## 7.13 Particulars of loans and advances/Investments

(i) Loans & Advances considered good in respect of which the bank is fully secured	23,066,597,594	23,120,372,656
(ii) Loans & Advances considered good against which the bank holds no security other than the debtors' personal guarantee	31,796,060,400	29,672,434,610
(iii) Loans & Advances considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
(iv) Loans adversely classified, provision not maintained thereagainst	-	-
	<u>54,862,657,994</u>	<u>52,792,807,266</u>
(v) Loans & Advances due by directors or officers of the bank or any of them either separately or jointly with any other persons	110,279,956	105,822,405
(vi) Loans & Advances due from companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies, as members	-	-
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the bank or any of them either separately or jointly with any other persons	-	-
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members	-	-
(ix) Due from other banking companies	-	-
(x) Amount of classified loans on which interest has not been charged:		
a. i) (Decrease)/Increase in provision,	465,692,649	499,978,973
ii) amount of loan written off	-	-
iii) amount realised against loan previously written off;	-	-
b. Amount of provision kept against loan classified as 'bad/ loss'	933,225,033	847,912,003
c. Interest creditable to the interest suspense A/c;	1,076,755,986	868,462,210
(xi) Cumulative amount of loans written-off	75,896,067	-
(xii) Amount of loans written-off during the year	75,896,067	-
(xiii) The amount of written off loan for which law suit has been filed	75,896,067	-

7.14 Audited Financial Statements are mandatory documents for any company applying for new loan facility from bank. The bank reviews the Audited Financial Statements while assessing any new credit / Loan facilities to any new customers. In compliance with BRPD Circular Letter No. 04, dated January 04, 2021, the bank obtained audited financial statements while approving any new loan facility and wherever required under Financial Reporting Act'2015. Audited Financial Statements are preserved in the loan files by the bank and during each review latest audited financials are also obtained. However, in some special circumstances where latest Audited Financial Statements is not available and where there is valid reason for delay in submission of latest audited financial, the bank uses Interim Management Accounts for conducting the Internal Credit Risk Rating (ICRR) for the purpose of renewal of any loan facilities as per guidelines of ICRR of Bangladesh Bank. However, from September' 2021 the Bank is verifying the Financial Statements using the Document Verification System (DVS) as per BRPD Circular Letter 35 dated July 06, 2021 and FRC Letter No. 178/FRC/APR/2021/27(28) dated December 08, 2021.

## 8.00 Fixed Asset Including Premises, Furniture & Fixture

**Property, Plant & equipment**  
Computer and Peripherals  
Furniture & Fixture  
Office Equipment  
Motor Vehicles  
Books  
Intangible Assets  
Right of Use Assets  
Land, Building & Construction  
Total Cost  
Less: Accumulated Depreciation  
Book value at the end of the year  
Details are shown in Annex-C

295,849,031	231,166,776
239,670,360	189,421,047
212,721,271	187,706,177
31,125,193	26,094,193
20,260	20,260
108,900,598	64,713,819
833,365,395	768,320,720
-	-
<u>1,721,652,109</u>	<u>1,467,442,993</u>
<u>1,110,902,598</u>	<u>892,773,089</u>
<u>610,749,511</u>	<u>574,669,903</u>





	2023 BDT	2022 BDT	
<b>9.00 Other Asset</b>			
<b>Classification of Other Asset</b>			
A) Income generating Other Asset			
B) Non-Income generating Other Asset :			
Advance Rent (note-9.01)	-	-	
Interest Accrued on Investment but not collected & other income receivable	791,570,009	813,843,823	
Dividend Receivable	45,273,314	33,216,742	
Advance Income Tax (note-9.02)	2,615,351,806	2,050,142,134	
Suspense Account (note-9.03)	53,168,334	101,666,468	
Advance Subscription	490,384	1,137,353	
Advance to Subsidiary Company	6,735,276	-	
Prepaid Insurance	2,737,989	3,251,809	
Stationery, Stamps, Printing materials in stock etc.	11,232,433	2,953,360	
Sundry Assets (note-9.04)	165,815,032	385,492,688	
Stamp in Hand	1,399,106	1,729,686	
Branch Adjustment (note-9.05)	(0)	-	
Deferred Tax Assets (note-9.06)	546,613,862	589,250	
Exchange House	286,814	3,445,479	
Clearing House and BFTN Adjustment	(2,243,897)	150,538	
	<b>4,238,430,461</b>	<b>3,397,619,330</b>	
<b>Total Other Asset (A+B)</b>	<b>4,238,430,461</b>	<b>3,397,619,330</b>	
<b>9.01 Advance Rent adjusted due to IFRS 16.</b>			
<b>9.02 Advance Income Tax</b>			
Opening Balance	2,050,142,134	1,454,662,614	
Less: Adjustment made during the year	-	-	
Add: Payment during the year	565,209,672	595,479,520	
Closing Balance	<b>2,615,351,806</b>	<b>2,050,142,134</b>	
<b>9.03 Suspense account represents advance paid for encashment of PSP,BSP &amp; WEDB, advances for opening of new branches, procurement of equipments, etc. awaiting for adjustment.</b>			
<b>9.04 Sundry Assets</b>			
Security Deposit	1,044,678	364,678	
Stock of Assets	-	-	
Receivable from Bangladesh Bank- Time Loan-WC under stimulus packag	13,086,345	67,915,580	
Receivable from Brokerage House	115,271,918	285,988,315	
Sundry Debtors	4,440,149	13,846,185	
MFS Settlement Account	22,825,839	8,433,264	
OBU Adjustment Account	-	-	
Prepaid Interest	4,984,022	4,913,826	
Prepaid Furniture Allowance	4,162,082	4,030,841	
	<b>165,815,032</b>	<b>385,492,688</b>	
<b>9.05 Branch Adjustment (net)</b>			
<b>Entries</b>	<b>No. of Entries Outstanding as on 31-12-2023</b>	<b>BDT</b>	<b>BDT</b>
Debit entries	-	-	-
Credit entries	-	-	-
	-	-	-
<b>9.06 Deferred tax asset/ (Liability)</b>			
Opening Balance	589,250	(16,977,457)	
Deferred tax Expenses/ (Income)	(546,024,612)	(17,566,707)	
Closing Balance Deferred Tax asset/ (liability)	<b>546,613,862</b>	<b>589,250</b>	
<b>9.06.01 Computation of deferred tax</b>			
Specific Provision for Loans & Advances	1,448,788,189	-	
Accounting written down value- Fixed Assets	300,590,227	172,210,145	
Less: Tax base written down value- Fixed Assets	352,928,575	233,253,240	
<b>Taxable temporary difference</b>	<b>(52,338,348)</b>	<b>(61,043,095)</b>	
Right of Use of Assets	310,159,284	402,459,758	
Lease Obligation	265,236,388	359,214,988	
<b>Taxable temporary difference</b>	<b>(44,922,896)</b>	<b>(43,244,770)</b>	
Book value - Gratuity provision	148,320,300	129,520,300	
Less: Tax base - Gratuity provision	42,210,280	23,661,103	
<b>Deductable temporary difference</b>	<b>106,110,020</b>	<b>105,859,197</b>	
Net deductible temporary difference	1,457,636,964	1,571,332	
Effective tax rate	37.50%	37.50%	
<b>Deferred Tax Assets/(Liability)</b>	<b>546,613,861</b>	<b>589,250</b>	
<b>Deferred Tax (Expenses)/Income</b>			
Closing Deferred Tax Assets	546,613,861	589,250	
Opening Deferred Tax Assets/(Liability)	589,250	(16,977,457)	
<b>Deferred Tax (Expenses)/Income</b>	<b>546,024,612</b>	<b>17,566,707</b>	



# Hoda Vasi Chowdhury & Co

	2023 BDT	2022 BDT
<b>9.07 Classification of Other Asset</b>		
Unclassified	4,201,814,545	3,360,254,368
Substandard	-	-
Doubtful	-	-
Bad/Loss	36,615,916	37,364,962
	<b>4,238,430,461</b>	<b>3,397,619,330</b>
<b>10.00 Non-Banking Assets</b>		
Land at cost (market value of the land at BDT 14.54 million)	12,585,359	12,585,359
	<b>12,585,359</b>	<b>12,585,359</b>
<p>The Bank filed on Artha Rin suit bearing # 539/2017, dated 02.03.2017 against one default customer, A/C : Al-Fahad Air Ticketing &amp; Medical Tourism Limited. The Bank has been awarded the ownership of the mortgage properties according to the verdict of the honorable court in accordance with section 33(5) of "Artharin Adalat 2003". Subsequent approval taken from the Board of Directors of the Bank, the full amount of loan of BDT 12.59 million (market value of the property at BDT 14.54 million) transferred to Non-Banking Assets of the Bank, which will continue to sustain in Bank's Balance Sheet until sale / disposal of the said property acquired by the Bank u/s 33(5) of the Artha Rin Adalat Ain 2003 as mortgagee Bank. As per Bangladesh Bank Guideline, 100% provision has been maintained against this asset during the year.</p>		
<b>11.00 Borrowing From Other Banks, Financial Institutions &amp; Agents</b>		
In Bangladesh	6,317,165,470	8,243,230,054
Outside Bangladesh	-	-
	<b>6,317,165,470</b>	<b>8,243,230,054</b>
<b>11.01 In Bangladesh:</b>		
<b>Borrowing from Bank/Other Institutions:</b>	<b>550,000,000</b>	<b>1,530,000,000</b>
Sonali Bank PLC.	-	200,000,000
Bank Alfalah	450,000,000	-
Bank Al Falah	-	490,000,000
Meghna Bank PLC.	-	200,000,000
Citizens Bank PLC.	-	40,000,000
Eastern Bank PLC.	-	200,000,000
Uttara Bank PLC.	100,000,000	250,000,000
Dhaka Bank PLC.	-	150,000,000
<b>Repo of Treasury Bill/Bond</b>		
Bangladesh Bank (LS)	760,000,000	740,000,000
<b>Refinance from Bangladesh Bank</b>		
Investment Promotion and Financing Facility (IPFF)	454,365,809	1,064,040,110
Borrowing From Bangladesh Bank (EDF)	3,175,898,318	2,702,357,000
	1,376,901,343	2,206,832,945
	<b>5,007,165,470</b>	<b>5,973,230,054</b>
<b>Total</b>	<b>6,317,165,470</b>	<b>8,243,230,054</b>
<b>11.02 Security against Borrowing From Other Banks, Financial Institutions and Agents</b>		
Secured	-	-
Unsecured	6,317,165,470	8,243,230,054
	<b>6,317,165,470</b>	<b>8,243,230,054</b>
<b>11.03 Maturity Grouping of Borrowing From other Banks, Financial Institutions &amp; Agents</b>		
On Demand	555,600,000	1,565,900,000
Up to one month	122,000,000	465,900,000
Not more than three months	145,000,000	368,800,000
More than three months but less than one year	1,292,000,000	940,000,000
More than one year but less than five years	1,013,865,470	1,256,030,054
More than five years	3,188,700,000	3,646,600,000
	<b>6,317,165,470</b>	<b>8,243,230,054</b>
<b>12.00 Deposit and Other Accounts</b>		
From Banks	2,590,614,788	5,213,283,317
From Customers	57,712,109,457	52,549,726,756
	<b>60,302,724,245</b>	<b>57,763,010,073</b>
<b>12.01 Customer Deposit and Other Accounts:</b>		
<b>Current Deposit &amp; Other Accounts :</b>		
Current Deposit	3,051,608,329	3,767,421,973
Foreign Currency Deposit	2,842,509,416	3,578,789,473
Sundry Deposit	2,275,760,127	1,535,443,752
	<b>8,169,877,872</b>	<b>8,881,655,198</b>
<b>Bills Payable :</b>		
Payment Order Issued	465,290,468	293,988,162
Pay Slip Issued	-	-
Demand Draft Payable	-	-
	<b>465,290,468</b>	<b>293,988,162</b>





	2023 BDT	2022 BDT
Short Notice Deposit	6,955,027,629	7,512,112,992
Savings Deposit	5,638,958,266	5,071,243,226
Fixed Deposit	33,068,915,121	30,664,800,460
<b>Deposit Schemes:</b>		
MDB Super Monthly Savings	2,913,460,576	2,627,147,878
MDB Double Benefit	603,500,100	556,439,001
MDB Family Support	1,649,640,870	1,527,182,324
MDB Corporate Support	165,327,685	65,248,653
MDB Shiksha Sanchay Scheme	21,760,737	18,030,577
MDB Millionaire Savings Scheme	263,764,563	215,098,791
MDB Kotipoti	193,162,220	193,436,722
MDB Platinum Savings Scheme	117,716,079	89,906,963
MDB Traveller's Savings Scheme	15,473,507	8,216,509
MDB Saalam Monthly Scheme	43,362,652	28,497,935
MDB Saalam Hajj Savings Scheme	2,214,501	2,360,146
Saalam Digital Monthly Savings Scheme	13,813,219	6,169,863
Saalam Digital Hajj Savings Scheme	1,458,179	1,474,672
<b>Total</b>	<b>60,004,654,888</b>	<b>5,339,210,034</b>
	<b>60,302,724,245</b>	<b>57,763,010,073</b>
<b>12.02 Maturity grouping of Deposit and Other Accounts:</b>		
On Demand	972,380,706	859,000,000
Repayable within one month	14,743,819,294	8,812,100,000
More than one month but within three months	13,876,500,000	90,100,000
More than three months but within one year	15,088,100,000	12,910,200,000
More than one year but within five years	14,951,928,764	34,259,310,073
More than five year but within ten years	669,995,481	832,300,000
	<b>60,302,724,245</b>	<b>57,763,010,073</b>
<b>12.03 Demand &amp; Time Deposit</b>		
<b>a) Demand Deposit</b>	<b>9,142,674,584</b>	<b>9,632,055,250</b>
Current Deposit	3,051,608,329	3,767,421,973
Savings Deposit (9%)	507,506,244	456,411,890
Foreign Currency Deposit (non interest bearing)	2,842,509,416	3,578,789,473
Sundry Deposit	2,275,760,127	1,535,443,752
Bills Payable	465,290,468	293,988,162
<b>b) Time Deposits</b>	<b>51,160,049,661</b>	<b>48,130,954,822</b>
Saving Deposit (91%)	5,131,452,022	4,614,831,336
Fixed Deposit	33,068,915,121	30,664,800,460
Short Notice Deposit	6,955,027,629	7,512,112,992
Deposit Under Scheme	6,004,654,888	5,339,210,034
<b>Total Demand &amp; Time Deposits</b>	<b>60,302,724,245</b>	<b>57,763,010,073</b>
<b>12.04 Sectorwise Deposit</b>		
Government	1,783,568,698	1,331,812,744
Deposit Money Banks	2,590,614,788	5,213,283,317
Other Public	4,079,761,667	2,995,184,525
Foreign Currency	4,009,901,859	5,928,274,760
Private	47,838,877,233	42,294,454,727
	<b>60,302,724,245</b>	<b>57,763,010,073</b>
<b>13.00 Other Liabilities</b>		
Provision for Loans and Advances (Note 13.01)	1,943,355,004	1,407,069,090
Special General Provision -COVID 19 (Note 13.02)	112,324,283	170,865,864
Provision for Outstanding debit entries in NOSTRO Account	-	-
Provision for Off Balance Sheet Items (Note 13.03)	104,793,283	112,994,697
Provision for Good Borrower	-	-
Provision for Other Assets(Note 13.04)	39,623,679	37,364,962
Provision for Income Tax (Note 13.05)	3,077,798,674	2,387,679,130
Interest Payable on Borrowing	192,722,298	100,985,367
Audit fee Payable	345,000	345,250
Bonus Payable	-	-
Accrued Expenses	127,719,727	64,768,852
Unearned Income ( for Investment & placement)	465,663,470	402,922,298
Corporate Social Responsibility (CSR) Payable	-	-
Startup Fund	28,654,585	17,323,519
Deferred Tax Liability	-	-
Lease Liability (note-13.06)	265,236,388	359,214,988
Provision for Gratuity	-	-
Interest Suspense (Note 13.07)	1,076,755,986	868,462,210
Provision for Share, Commercial Paper & Bond (Note 13.08)	161,812,935	242,941,996
Provision for Non-Banking Asset	12,585,359	12,585,359
Other Liabilities	45,926,242	28,562,627
	<b>7,655,316,913</b>	<b>6,214,086,209</b>



# Hoda Vasi Chowdhury & Co

	2023 BDT	2022 BDT
<b>13.01 Provision for Loans and Advances</b>		
<b>For Unclassified</b>		
Opening Balance	452,397,042	643,109,175
Add: Provision made during the year	42,169,773	(190,712,133)
<b>Closing Balance</b>	<b>494,566,815</b>	<b>452,397,042</b>
<b>For Classified</b>		
Opening Balance	954,672,048	454,693,075
Add: Provision made during the year	465,692,649	499,978,973
Add: Provision transfer from Provision for Share, Commercial Paper & Bond	102,100,000	-
Less: Loan written off during the year	73,676,508	-
<b>Closing Balance</b>	<b>1,448,788,189</b>	<b>954,672,048</b>
	<b>1,943,355,004</b>	<b>1,407,069,090</b>
<b>13.02 Special General Provision -COVID 19</b>		
A. Opening Balance	170,865,864	186,290,081
B. Add: Provision made during the year	-	26,365,864
C. Less: Provision release due to recovery	58,541,581	41,790,081
D. Net Provision Charged in Profit & Loss Account [B-C]	(58,541,581)	(15,424,217)
<b>E. Closing Balance [ A+D]</b>	<b>112,324,283</b>	<b>170,865,864</b>
<b>13.03 Provision for Off Balance Sheet Items</b>		
Opening Balance	112,994,697	109,846,794
Add: Provision made during the year	(8,201,414)	3,147,903
Less: Provision transferred to Loans and Advances	-	-
<b>Closing Balance</b>	<b>104,793,283</b>	<b>112,994,697</b>
<b>13.04 Provision for other Assets</b>		
Opening Balance	37,364,962	5,492,125
Add: Provision made during the year	3,712,324	31,872,837
Less: written off during the year	1,453,607	-
<b>Closing Balance</b>	<b>39,623,679</b>	<b>37,364,962</b>
<b>13.05 Provision for Income Tax*</b>		
Opening Balance	2,387,679,130	1,843,445,673
Less: Adjustment made with advance tax during the year	-	-
Less: Adjustment of surplus provision	-	-
Add: Provision made during the year	690,119,544	544,233,456
	<b>3,077,798,674</b>	<b>2,387,679,130</b>
*Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being .		
<b>13.06 Lease liability created due to IFRS 16.</b>		
<b>13.07 Interest Suspense Account</b>		
Opening Balance	868,462,210	658,322,977
Add: Addition during the year	629,584,773	740,957,406
Less: Written off during the year	2,219,559	-
Less: Recovery during the year	419,071,438	530,818,174
<b>Closing Balance</b>	<b>1,076,755,986</b>	<b>868,462,210</b>
<b>13.08 Provision for Share, Commercial Paper &amp; Bond</b>		
Opening Balance	242,941,996	133,713,788
Add: Provision made during the year	20,970,939	109,228,208
Less: Provision transferred to Loans and Advances	102,100,000	-
<b>Closing Balance</b>	<b>161,812,935</b>	<b>242,941,996</b>
<b>14.00 Shareholders' Equity</b>		
Paid up Capital (note 15.02)	6,396,697,530	5,696,697,530
Statutory Reserve (note 16.00)	1,881,769,558	1,626,329,243
Revaluation Reserve on Investment in Securities (note 17.00)	3,337,887	1,155,553
Retained Earnings (note 18.00)	868,857,541	322,357,156
	<b>9,150,662,516</b>	<b>7,646,539,482</b>
<b>15.00 Capital</b>		
<b>15.01 Authorized Capital:</b>		
1,000,000,000 ordinary shares of Tk. 10 each	<b>10,000,000,000</b>	<b>10,000,000,000</b>
<b>15.02 Issued, subscribed and Paid-up Capital:</b>		
639,669,753 Ordinary shares of Taka 10 each Issued for cash.	<b>6,396,697,530</b>	<b>5,696,697,530</b>
	<b>6,396,697,530</b>	<b>5,696,697,530</b>
<b>15.03 The break up of Issued, Subscribed and Paid-up Capital is as follows:</b>		

	December 31, 2023		
	No. of shares	Value of shares BDT	% of holding
Sponsors/Directors	502,970,438	5,029,704,380	78.63%
Institutions	33,387,076	333,870,760	5.22%
Individuals	103,312,239	1,033,122,390	16.15%
	<b>639,669,753</b>	<b>6,396,697,530</b>	<b>100%</b>





		2023 BDT	2022 BDT
<b>15.04 Capital Adequacy Ratio</b>			
In terms of section 13 (2) of the Bank Company Act 1991 and Bangladesh Bank BRPD circular no. 35 dated December 29, 2010, required capital of the Bank at the close of business on December 31, 2023 was 12.50% of Risk-Weighted Assets of BDT 53,122,650,192 i.e. BDT 6,640,331,274 or BDT 4,000,000,000, whichever is higher as against available core capital of BDT 8,578,996,329 and supplementary capital of BDT 599,360,098 making a total capital of BDT 9,178,356,427 thereby showing a surplus capital of BDT 2,538,025,153. Details are given below:			
		2023 BDT	2022 BDT
Total risk weighted assets		53,122,650,192	55,257,430,572
Required Capital : 12.50% of total risk weighted asset or BDT 400 cr, whichever is higher		6,640,331,274	6,907,178,821
<b>Actual capital maintained</b>			
<b>Core Capital (Tier-I) :</b>			
Paid up Capital		6,396,697,530	5,696,697,530
Statutory Reserve		1,881,769,558	1,626,329,243
Retained Earnings		868,857,541	322,357,156
		<b>9,147,324,629</b>	<b>7,645,383,929</b>
<b>Deduction from Tier - I (Core Capital)</b>			
Intangible Assets		52,197,508	14,779,554
Deferred Tax adjustment		516,130,792	-
		<b>8,578,996,329</b>	<b>7,630,604,375</b>
<b>Supplementary Capital (Tier-II) :</b>			
General Provision including Off Balance Sheet items		599,360,098	565,391,739
Revaluation Reserve on Investment in Securities		-	-
		<b>599,360,098</b>	<b>565,391,739</b>
<b>Total Capital (Tier-I+Tier-II)</b>		<b>9,178,356,427</b>	<b>8,195,996,114</b>
<b>Surplus</b>		<b>2,538,025,153</b>	<b>1,288,817,293</b>
<b>Capital to Risk Weighted Asset Ratio (CRAR)</b>		<b>17.28%</b>	<b>14.83%</b>
<b>15.04.01 Capital Requirement</b>			
Particulars	Required	2023 Held	2022 Held
Tier-I	8.50%	16.15%	13.81%
Tier-II	4.00%	1.13%	1.02%
<b>Total</b>	<b>12.50%</b>	<b>17.28%</b>	<b>14.83%</b>
<b>16.00 Statutory Reserve</b>			
Opening Balance		1,626,329,243	1,408,602,127
Add: Transferred during the year (20% of pre-tax profit )		255,440,315	217,727,116
<b>Closing Balance</b>		<b>1,881,769,558</b>	<b>1,626,329,243</b>
<b>17.00 Revaluation Reserve on Investment in Securities</b>			
Opening Balance		1,155,553	2,446,036
Add: Addition during the year		40,269,913	381,713,247
Less: Adjustment of Revaluation Reserve		(38,087,579)	(383,003,729)
<b>Closing Balance</b>		<b>3,337,887</b>	<b>1,155,553</b>
<b>18.00 Retained Earnings</b>			
Opening Balance		322,357,156	296,515,380
Add: Profit made during the year		1,133,106,643	561,968,829
Less: Transferred to Statutory Reserve		(255,440,315)	(217,727,116)
Less: Transferred to CSR		-	(27,945,373)
Less: Transferred to Start Up Fund		(11,331,066)	(5,619,688)
Less: Dividend paid		(319,834,877)	(284,834,877)
<b>Closing Balance</b>		<b>868,857,541</b>	<b>322,357,156</b>
<b>18.01 Retained Surplus Brought Forward</b>			
Opening Balance		322,357,156	296,515,380
Less: Dividend paid		(319,834,877)	(284,834,877)
		<b>2,522,279</b>	<b>11,680,504</b>
<b>19.00 Contingent Liabilities</b>			
<b>19.01 Acceptance and endorsements</b>			
Foreign		136,768,809	24,215,927
Local		2,576,637,135	2,333,508,585
EPZ		17,305,019	14,814,659
		<b>2,730,710,963</b>	<b>2,372,539,171</b>
<b>19.02 Letter of Guarantee</b>			
Foreign		228,773,831	6,700,650
Local		5,691,704,699	5,292,479,286
		<b>5,920,478,530</b>	<b>5,299,179,936</b>
<b>19.02.01 Letter of Guarantee</b>			
Money for which the bank is contingently liable in respect of guarantees given favoring :			
Directors		-	-
Government		-	-
Bank and other Financial Institutions		-	-
Others		-	-
		<b>5,920,478,530</b>	<b>5,299,179,936</b>
		<b>5,920,478,530</b>	<b>5,299,179,936</b>



	2023 BDT	2022 BDT
<b>19.03 Irrevocable Letter of Credit</b>		
Letter of Credit (Sight)	87,866,865	186,180,459
Letter of Credit (Back to Back/Deferred)	1,454,855,425	827,323,122
Letter of Credit (Cash & Others)	2,367,997,614	2,614,247,050
	<b>3,910,719,905</b>	<b>3,627,750,631</b>
<b>19.04 Bills for Collection</b>		
Foreign Bill Collection	494,862,666	302,888,189
Local/Inland Bill Collection	900,147,917	1,072,585,461
	<b>1,395,010,583</b>	<b>1,375,473,650</b>
	<b>13,956,919,981</b>	<b>12,674,943,388</b>
<b>20.00 Income Statement</b>		
<b>Income:</b>		
Interest, Discount and Similar Income	6,014,541,463	5,002,269,771
Dividend Income	101,441,175	110,024,054
Fee, Commission and Brokerage	134,827,519	100,007,306
Gain less losses arising from dealing securities	-	-
Gain less losses arising from investment securities	-	-
Gain less losses arising from dealing in Foreign Currencies	549,248,865	636,378,302
Income from non Banking Asset	-	-
Other Operating Income	132,141,671	98,250,555
Profit less losses on Interest Rate Changes	-	-
	<b>6,932,200,693</b>	<b>5,946,929,988</b>
<b>Expenses</b>		
Interest, Fee and Commission	3,740,456,753	3,201,241,945
Losses on Loans and advances	-	-
Administrative expenses	708,317,991	635,091,994
Other operating expenses	511,428,176	373,167,214
Depreciation on Banking Assets	228,993,508	210,701,684
	<b>5,189,196,428</b>	<b>4,420,202,837</b>
<b>Operating profit</b>	<b>1,743,004,265</b>	<b>1,526,727,151</b>
<b>21.00 Interest Income / Profit on Investment</b>		
Loans and Advances (note-21.01)	4,361,792,672	3,571,940,430
Money at Call and Short Notice	9,775,989	5,076,775
Balance with Other Banks and Financial Institutions (note-21.02)	128,481,137	79,506,671
Bangladesh Bank Foreign Currency Clearing Account	3,407,628	689,648
	<b>4,503,457,426</b>	<b>3,657,213,524</b>
<b>21.01 Interest on Loans and Advances / Profit on Investment</b>		
Term Loan	1,478,335,746	1,263,885,949
Overdraft	735,706,186	627,280,470
Time Loan	1,184,340,019	1,039,945,570
Cash Credit	185,915,799	180,720,804
Trust Receipt	248,768,215	137,559,836
Consumer Loan	112,220,667	82,641,466
Payment Against Documents(PAD)	381,040	2,393,558
Agricultural Credit	3,571,053	2,004,953
EDF Loan	72,129,144	24,795,622
Packing Credit	4,587,011	7,862,465
Staff Loan	5,130,775	4,873,690
Other Loans and Advances	58,768,645	14,279,582
Bill Purchased and Discounted	271,938,373	183,696,465
	<b>4,361,792,672</b>	<b>3,571,940,430</b>
Less: Expenses for Good Borrower	-	-
	<b>4,361,792,672</b>	<b>3,571,940,430</b>
<b>21.02 Interest on Balance with other Bank and Financial Institution</b>		
Interest on Balance with other Bank in Bangladesh	128,481,137	79,506,671
Interest on Balance held with outside Bangladesh	-	-
	<b>128,481,137</b>	<b>79,506,671</b>
<b>22.00 Interest Paid on Deposit &amp; Borrowing, etc.</b>		
Interest/Profit on Deposit and Other Accounts (note-22.01)	2,715,973,205	2,351,933,207
Interest on Borrowing from other Banks and Financial Institutions (note-22.02)	1,008,875,269	834,209,744
Interest Paid for Lease Obligation	15,608,279	15,098,994
	<b>3,740,456,753</b>	<b>3,201,241,945</b>
<b>22.01 Interest/ Profit on Deposits and Other Accounts</b>		
Current Deposit	139,805,844	250,087,743
Special Notice Deposit	217,246,133	248,914,514
Savings Deposits	114,034,910	108,221,726
Fixed Deposits	1,804,950,751	1,388,577,171
Deposit Scheme	439,935,567	356,132,053
	<b>2,715,973,205</b>	<b>2,351,933,207</b>
<b>22.02 Interest on Borrowing from other Banks and Financial Institutions</b>		
Call Deposits	149,253,112	104,231,662
Local Bank Account	347,342,067	335,056,348
Repurchase agreement (REPO)	322,397,008	254,269,250
Refinance	151,137,958	124,864,905



	2023 BDT	2022 BDT
Foreign Bank Account Bangladesh Bank	38,745,124	15,787,579
	<b>1,008,875,269</b>	<b>834,209,744</b>
<b>23.00 Income From Investments</b>		
Interest on Treasury Bill, Bond, Reverse Repo	1,606,454,900	1,350,978,270
Interest on Commercial Paper/Bond	37,352,685	44,209,766
Gain/(Loss) on Investment in shares of quoted companies	1,653,506	57,361,286
Gain on Govt. Security Trading	(134,377,055)	(107,493,076)
Dividend on Investment in Shares	101,441,175	110,024,054
	<b>1,612,525,212</b>	<b>1,455,080,301</b>
<b>23.01 Gain on Govt. Security Trading</b>		
Gain on Govt. Security Trading	1,896,265,906	2,580,753,123
Loss on Govt. Security Trading	(2,030,642,962)	(2,688,246,198)
	<b>(134,377,055)</b>	<b>(107,493,076)</b>
<b>24.00 Commission, Exchange and Brokerage</b>		
Commission (note-24.01)	134,827,519	100,007,306
Exchange	549,248,865	636,378,302
Brokerage	-	-
	<b>684,076,384</b>	<b>736,385,608</b>
<b>24.01 Commission</b>		
Letter of Guarantee	50,020,514	37,300,240
Letter of Credit	41,839,701	31,601,278
Acceptance of Bills	22,078,817	15,858,081
Export Bills	9,676,862	7,415,632
PO, DD & TT	916,614	738,567
OBC/IBC	62,231	97,235
Underwriting Comm. on Treasury Bill/Bond	6,015,790	2,777,665
POS/Easy Pay Commission	4,216,992	4,218,608
	<b>134,827,519</b>	<b>100,007,306</b>
<b>25.00 Other Operating Income</b>		
VISA Charge	34,367,787	31,311,071
Service and other Charges	55,917,090	30,556,362
SWIFT Charge Recoveries	(151,837)	438,997
Charges against cards	6,612,670	5,376,754
Locker Rent	495,050	449,000
Miscellaneous Earnings	27,577,812	23,349,395
LC Charges	7,323,099	6,768,976
	<b>132,141,671</b>	<b>98,250,555</b>
<b>26.00 Salary &amp; Allowances</b>		
Basic Salary	253,391,431	228,004,529
Allowances	325,706,706	298,139,551
Bonus	65,907,141	51,817,639
Gratuity	25,600,000	21,500,000
Provident Fund	18,494,165	17,030,275
	<b>689,099,442</b>	<b>616,491,994</b>
<b>26.01 Managing Director's Remuneration</b>		
Basic	12,200,000	11,150,000
Allowances	3,475,000	3,400,000
Festival Bonus	1,850,000	1,850,000
Incentive Bonus	1,000,000	1,000,000
Provident Fund	693,548	1,200,000
	<b>19,218,548</b>	<b>18,600,000</b>
<b>27.00 Rent, Tax, Insurance, Electricity, etc.</b>		
Rent	-	0
Rates & taxes	30,477,419	28,900,403
Insurance	37,293,050	32,191,302
Power, electricity etc	38,420,860	30,945,334
	<b>106,191,329</b>	<b>92,037,039</b>
<b>28.00 Legal Expense</b>		
Legal Expense	2,330,726	1,690,799
	<b>2,330,726</b>	<b>1,690,799</b>
<b>29.00 Postage, Stamps &amp; Telephone, etc</b>		
Postage, Stamp & Courier Service	3,145,328	1,889,282
On-line and connectivity charges	16,383,853	14,983,916
Telephone	2,905,247	2,685,076
	<b>22,434,428</b>	<b>19,558,274</b>



	2023 BDT	2022 BDT
<b>30.00 Printing, Stationery, Advertisement etc.</b>		
Printing & Stationery	42,570,183	28,360,884
Computer Stationery	5,926,900	8,186,196
Publicity & Advertisement	4,405,457	2,886,192
	<b>52,902,540</b>	<b>39,433,272</b>
<b>31.00 Directors' Fees</b>		
Meeting fee	3,036,000	2,877,600
	<b>3,036,000</b>	<b>2,877,600</b>
The Board of Directors is entitled to BDT 8,000/-(excluding VAT) as Board Meeting fee for attending each Board Meeting as per BRPD Circular Letter # 11 dated October 04, 2015.		
<b>32.00 Audit Fee</b>		
Audit Fee	460,000	460,000
	<b>460,000</b>	<b>460,000</b>
<b>33.00 Depreciation on &amp; Repairs to Bank's property</b>		
Depreciation :		
a) Tangible Assets	<b>64,879,534</b>	<b>66,784,875</b>
Computer and Peripherals	22,929,323	28,904,628
Furniture & Fixture	22,433,480	18,941,452
Office Equipment	17,849,167	16,933,209
Motor Vehicles	1,666,779	2,005,585
Books	785	-
b) Intangible Assets	6,768,826	9,113,464
c) Leased Assets	157,345,149	134,803,345
<b>Total Depreciation (a+b)</b>	<b>228,993,508</b>	<b>210,701,684</b>
Repairs on Bank's property	61,618,361	36,101,968
	<b>290,611,869</b>	<b>246,803,651</b>
<b>34.00 Other Expenditure</b>		
Security & Auxiliary Service	82,996,819	62,794,542
Office Cleaning & Maintenance	59,102	57,679
Car Expense	5,393,010	5,087,633
Entertainment	14,190,245	15,378,200
Travelling	2,093,920	1,974,819
Conveyance	5,849,760	5,018,652
Newspaper & Magazines	1,263,810	1,536,476
Q-Cash, ATM Cards, VISA Cards	61,387,856	37,758,662
Medical Expenses	142,452	324,770
Training Expenses	364,252	149,260
Bank Charges	9,013,035	7,964,923
AGM Expenses	257,304	-
Corporate Social Responsibility (CSR) activities	17,879,055	-
IPO Issue Expenses	27,298,936	5,072,765
Business Development Expense	6,727,904	3,776,921
Subscription & Donation	1,915,146	1,548,409
Miscellaneous Expense	25,622,187	32,564,553
	<b>262,454,792</b>	<b>181,008,263</b>
<b>35.00 Provision Against Loans and Advances</b>		
Provision for Unclassified Loans and Advances	42,169,773	(190,712,133)
Special General Provision -COVID 19	(58,541,581)	(15,424,217)
Provision for Classified Loans & Advances	465,692,649	499,978,973
Provision for Off Balance Sheet Items	(8,201,414)	3,147,903
Provision for diminution in Investments	20,970,939	109,228,208
Provision for Non-Banking Asset	-	-
Provision for Other Assets	3,712,324	31,872,837
<b>Total amount of provision made during the year</b>	<b>465,802,690</b>	<b>438,091,571</b>
<b>36.00 Provision for Tax</b>		
Current tax	690,119,544	544,233,456
Deferred tax* (note 9.06)	(546,024,612)	(17,566,707)
<b>Total</b>	<b>144,094,932</b>	<b>526,666,750</b>
* Deferred tax has been calculated as per "IAS:12 Income Taxes" and it is the timing differences arising between the carrying value of gratuity liability & fixed assets.		
<b>37.00 Statutory Reserve</b>		
Transferred during the year	255,440,315	217,727,116
Add: Adjustment of previous year	-	-
	<b>255,440,315</b>	<b>217,727,116</b>
<b>38.00 Provision for CSR</b>		
Corporate Social Responsibility (CSR) activities	-	27,945,373
	-	<b>27,945,373</b>





	2023 BDT	2022 BDT
<b>39.00 Net Asset Value Per Share (NAV)</b>		
Net Asset Value	9,150,662,516	7,646,539,482
Number of ordinary shares outstanding	<b>639,669,753</b>	<b>639,669,753</b>
<b>Net Asset Value Per Share (NAV)</b>	<b>14.31</b>	<b>11.95</b>
<b>40.00 Earning Per Share (EPS):*</b>		
Net Profit After Tax	1,133,106,643	561,968,829
Number of Ordinary Shares outstanding	<b>639,669,753</b>	<b>639,669,753</b>
<b>Earning Per Share (EPS)</b>	<b>1.77</b>	<b>0.88</b>

\*Earnings per share has been calculated in accordance with IAS-33: Earnings Per Share (EPS).

<b>41.00 Net Operating Cash Flow Per Share</b>		
Net Operating Cash Flow	351,708,108	2,402,403,193
Number of ordinary shares outstanding	<b>639,669,753</b>	<b>569,669,753</b>
<b>Net Operating Cash Flow Per Share</b>	<b>0.55</b>	<b>4.22</b>

<b>42.00 Received from Other Operational Income</b>		
VISA Charge	34,367,787	31,311,071
Service and other Charges	55,917,090	30,556,362
SWIFT Charge Recoveries	(151,837)	438,997
Charges against cards	6,612,670	5,376,754
Locker Rent	495,050	449,000
Miscellaneous Earnings	27,577,812	23,349,395
LC Charges	7,323,099	6,768,976
	<b>132,141,671</b>	<b>98,250,555</b>

<b>43.00 Payment for Other Operational Expenses</b>		
Rent, Tax, Insurance, Electricity	106,191,329	92,037,039
Legal Expense	2,330,726	1,690,799
Postage, Stamps, Telegram & Telephone	22,434,428	19,558,274
Audit fee	460,000	460,000
Printing, Stationery, Advertisement	52,902,540	39,433,272
Directors' Fee	3,036,000	2,877,600
Repair & Maintenance	61,618,361	36,101,968
Other Expenditure	262,454,792	181,008,263
	<b>511,428,176</b>	<b>373,167,214</b>

#### 44.00 Related Party transaction Disclosures of the Bank

i) Name of the Directors together with a list of entities in which they have interest Annexure- D

ii) Significant contracts where Bank is a party and wherein Directors have interest during the year 2023:

Name of the party	Relationship	Nature of transaction	Amount
			Nil

iii) Share issued to Directors and Executives without consideration or exercisable at a discount Nil

iv) Related Party Transaction:

Name	Relationship	Nature of Transaction	Limit	Amount Outstanding Loan
Kazi Shayan Ekramullah	Director	Credit Card	500,000	14,488
A.K.M Badiul Alam	Director	Credit Card	500,000	78,128
Md. Wahid Miah	Director	Credit Card	500,000	318,286
Md Jahangir Miah	Family member of Director	Credit Card	500,000	371,862
Kazi Zafar Ullah	Sponsor Shareholder	Credit Card	500,000	150
Nilufer Zafarullah	Director	Credit Card	500,000	159,320
Anushka Mehreen Zafar	Director	Credit Card	500,000	95,129
Zobaida Mahaboob Latif	Family member of Director	Credit Card	500,000	3,373
Mohammed Jamal Ullah	Director	Credit Card	500,000	203,171
Susmita Sompá	Family member of Director	Credit Card	500,000	410
Sabiha Mahboob	Family member of Director	Credit Card	500,000	294,516
Abdullah Ahmed Yousuf	Sponsor Shareholder	Credit Card	500,000	309,638
Kazi Raihan Zafar	Director	Credit Card	500,000	406,117
Manshood Alam	Family member of Director	Credit Card	500,000	29,393
Md Wazed Jamil	Family member of Director	Credit Card	500,000	49,831
<b>Sub-Total (A)</b>				<b>2,333,811</b>



2023  
BDT

2022  
BDT

v) Lending policies to related parties: Lending to related parties is affected as per requirement of section 27(1) of the Bank company Act 1991.

Loans and advances to concern related to directors:

Name	Relationship	Nature of Transaction	Limit	Outstanding Loan Amount
Sub-Total (B)				-
Total (C=A+B)				2,333,811

vii) Business other than banking business with any related concern of the Directors as per section 18(2) of the Bank Company Act 1991:

Lease agreement made with the Director

Name	Nature of Transaction	Name of Party	Amount
Mrs. Nilufer Zafarullah, Director	Office Rent	Hong Kong Shanghai Tower	27,945,041
Mrs. Lutfia Begum, Director	Office Rent	Helal Tower	1,498,128
Mrs. Lutfia Begum, Director	ATM Booth Rent	Hazrat Amanat Shah Spinning Mills Ltd.	Free of Cost
Mr. A. K.M Badiul Alam, Director	ATM Booth Rent	KASBA Tower	Free of Cost
Mr. A. K.M Badiul Alam, Director	ATM Booth Rent	MAA Tower	Free of Cost
Mr. Rezaul Karim, Director	Collection Booth	Southeast University	Free of Cost

Goods procured from the concern related with the Director

Name	Procurement Type	Company Name	Amount

viii) Investment in securities of Directors and their related concern

	Nil
--	-----

45.00

Number of employees and support staffs

Employee

Regular employee

Contractual employee

Support staff

Security

Messenger and cleaning staff

2023

2022

515

488

292

239

807

727

373

311

156

155

529

466

1336

1193

46.00

Others

46.01

The expenses, irrespective of capital or revenue nature, accrued or due but not paid have been provided for in the books of the Bank.

46.02

Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year without, however, creating any impact on the operating result and value of assets and liabilities as reported in the financial statements for the current year.

46.03

These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

for and on behalf of Board of Directors of Midland Bank PLC.

  
Md. Ahsan-uz Zaman  
Managing Director & CEO

  
Rezaul Karim  
Director

  
Nazimuddin Chowdhury  
Director

  
Nilufer Zafarullah  
Chairman





Balance with other Banks- Out Side Bangladesh (NOSTRO Account)  
 Currency wise position and Exchange rate applied for conversion of Balance with other Banks in Foreign Currency into Local currency as on 31 December 2023

SL	Name of the Bank	Account Type	Currency	2023			2022		
				Foreign Currency Amount	Exchange Rate	BDT	Foreign Currency Amount	Exchange Rate	BDT
1	AB Bank, Mumbai Branch	CD	US\$	635,926.07	110.00	69,951,868	29,456.70	103.29	3,042,662
2	Punjab National Bank	CD	US\$	127,804.19	110.00	14,058,461	387,354.78	103.29	40,010,921
3	Axix Bank Limited	CD	US\$	153,197.54	110.00	16,851,729	53,267.06	103.29	5,502,098
4	National Bank of Pakistan, Tokyo Japan	CD	JPY	2,286,178.00	0.78	1,773,160	2,286,178.00	0.77	1,756,013
5	Mashreq Bank Psc, NY	CD	US\$	(1,210,281.55)	110.00	(133,130,971)	30,726.85	103.29	3,173,859
6	Mashreq Bank Psc, NY OBU	CD	US\$	191,525.47	110.00	21,067,802	286,353.01	103.29	29,578,176
7	Kookmin Bank, South Korea	CD	GBP	95,289.02	140.73	13,410,405	10,506.18	124.09	1,303,665
8	Habib American Bank, NY	CD	US\$	(18,372.42)	110.00	(2,020,966)	145,200.87	103.29	14,998,190
9	NIB Bank, Pakistan	CD	US\$	15,737.65	110.00	1,731,142	4,538	103.29	468,739
10	Aktif Yatirim Bank	CD	US\$	81.22	110.00	8,934	2,251	103.29	232,530
11	Aktif Yatirim Bank	CD	EURO	28,554.64	122.13	3,487,464	57,341	109.57	6,283,038
12	Aktif Yatirim Bank	CD	GBP	2,284.80	140.73	321,549	47,385	124.09	5,879,737
13	Banca UBAE Italy	CD	EURO	14,980.62	122.13	1,829,628	2,472	109.57	270,875
14	Banca UBAE Italy	CD	GBP	-	140.73	-	3,875	124.09	480,855
15	Kookmin Bank, South Korea	CD	US\$	22,719.87	110.00	2,499,186	615	103.29	63,482
16	Sonali Bank	CD	US\$	26.03	110.00	2,863	-	-	-
17	Sonali Bank	CD	EURO	1,080.00	122.13	131,904	-	-	-
						<b>11,974,157</b>			<b>113,044,841</b>





**Midland Bank PLC.**  
**Investment in Quoted Share of the Bank**  
**As at December 31, 2023**

SL	Name of the Company	Face Value Per Share	No. of Shares	Cost Holding (Without Commission)	Average Cost (Without Commission)	Cost Holding (With Commission)	Quoted rate per Share as on December 31, 2023	Total Market Value of Share as at December 31, 2023
<b>Quoted:</b>								
1	AAMRATECH	10	867490	43,430,738	50.06	43,538,826	30.50	26,458,445
2	AAMRANET	10	550,000	42,395,677	77.08	42,485,893	51.30	28,215,000
3	ADNTEL	10	25700	3,430,393	133.48	3,439,992	117.10	3,009,470
4	BATBC	10	74600	41,539,139	556.82	41,641,201	518.70	38,695,020
5	BBS CABLES	10	46,690	3,699,704	79.24	3,712,653	49.90	2,329,831
6	BRACBANK	10	1,722,612	75,431,758	43.79	75,605,135	35.80	61,669,510
7	BSCCL	10	372,615	73,045,603	196.04	73,211,405	218.90	81,565,424
8	CONFIDCEM	10	92,872	13,210,367	142.24	13,240,090	89.00	8,265,608
9	DOREENPWR	10	1915200	128,691,614	67.19	128,994,260	61.00	116,827,200
10	GP	10	96197	38,291,840	398.06	38,390,586	286.60	27,570,060
11	GPHISPAT	10	1224024	58,452,349	47.75	58,598,393	42.70	52,265,825
12	IFADAUTOS	10	247,770	13,594,182	54.87	13,624,769	44.10	10,926,657
13	INTRACO	10	188225	7,283,342	38.69	7,298,637	40.50	7,623,113
14	LHBL	10	1520000	116,523,483	76.66	116,798,924	69.30	105,336,000
15	MARICO	10	4,500	10,325,638	2294.59	10,350,026	2460.70	11,073,150
16	POWERGRID	10	1109000	75,877,202	68.42	76,052,457	52.40	58,111,600
17	PREMIERCCEM	10	60,000	3,963,733	66.06	3,972,056	53.60	3,216,000
18	RENATA	10	5,403	6,029,573	1115.97	6,044,647	1217.90	6,580,314
19	SQURPHARMA	10	255000	58,235,186	228.37	58,376,074	210.30	53,626,500
20	UNIONINS	10	29	290	10.00	290	56.10	1,627
21	UPGDCL	10	3,400	861,438	253.36	863,592	233.70	794,580
<b>Total</b>				<b>814,313,250</b>		<b>816,239,906</b>		<b>704,160,932</b>

Cost Holding of Quoted Share (Without Commission)	814,313,250
Market Value of Quoted Share	704,160,932
Diminution Value in Investment	110,152,317





Midland Bank PLC.  
Investment in Open End Mutual Fund of the Bank  
As at December 31, 2023

SL	Name of Mutual Fund	Face Value	No. of units	Cost Holding (Without Commission)	Average Cost (Without Commission)	Cost Holding (With Commission)	NAV as on December 31, 2023	Total Market Value as at December 31, 2023
1	Ekush Growth Fund	10	2000000	20,000,000	10.00	20,000,000	10.34	20,684,000
2	EDGE High Quality Income Fund	10	2000000	20,000,000	10.00	20,000,000	10.46	20,920,000
3	UCB Taqwa Growth Fund	10	2000000	20,000,000	10.00	20,000,000	10.21	20,420,000
4	UCB Income plus Fund	10	5000000	50,000,000	10.00	50,000,000	10.37	51,826,000
5	Ekush Stable Return Fund	10	429611	4,565,480	10.63	4,565,480	10.68	4,588,245
	<b>Total</b>			<b>114,565,480</b>		<b>114,565,480</b>		<b>118,438,245</b>





## Midland Bank PLC.

## Investment in Quoted Share of the Bank (Under Special Fund)

As at December 31, 2023

Sl	Name of the Company	Face Value Per Share	No. of Shares	Cost Holding (Without Commission)	Average Cost (Without Commission)	Cost Holding (With Commission)	Quoted rate per Share as on December 31, 2023	Total Market Value of Share as at December 31, 2023
1	BERGERPBL	10	9,140	16,121,875	1763.88	16,158,149	1774.00	16,214,360
2	BRACBANK	10	3,585,770	147,704,333	41.19	147,951,690	35.80	128,370,566
3	BSCCL	10	599,240	130,645,123	218.02	130,930,984	218.90	131,173,636
4	BXPHARMA	10	456,000	89,697,146	196.70	89,876,541	146.20	66,667,200
5	GP	10	113,579	37,387,033	329.17	37,500,924	286.60	32,551,741
6	IFADAUTOS	10	277,200	17,586,574	63.44	17,626,143	44.10	12,224,520
7	INTRACO	10	291,000	12,057,800	41.44	12,084,411	40.50	11,785,500
8	ITC	10	1,485,000	64,548,032	43.47	64,696,614	37.00	54,945,000
9	LHBL	10	89,000	6,815,010	76.57	6,830,344	69.30	6,167,700
10	MARICO	10	19,941	44,936,668	2253.48	45,038,095	2460.70	49,068,819
11	SPCL	10	156,000	14,739,026	94.48	14,768,504	65.50	10,218,000
12	POWERGRID	10	200,000	14,329,871	71.65	14,362,113	52.40	10,480,000
13	SINGERBD	10	79,224	13,424,667	169.45	13,460,173	151.90	12,034,126
14	SQRPHARMA	10	517,393	110,778,126	214.11	111,055,612	210.30	108,807,748
	<b>Total</b>			<b>720,771,285</b>		<b>722,340,296</b>		<b>650,708,916</b>

Cost Holding of Quoted Share under special fund (Without Commission)	720,771,285
Market Value of Quoted Share under special fund	650,708,916
Diminution Value in Investment in Quoted Share under special fund	70,062,369





Midland Bank PLC.  
Investment in Open End Mutual Fund of the Bank(Under Special Fund)  
As at December 31, 2023

Sl	Name of Mutual Fund	Face Value	No. of units	Cost Holding (Without Commission)	Average Cost (Without Commission)	Cost Holding (With Commission)	NAV as on December 31, 2023	Total Market Value as at December 31, 2023
1	Ekush First Unit Fund	10	1,786,348	23,088,898	12.9252	23,088,898	12.4380	22,218,596
2	VIPB NLI 1st Unit Fund	10	1,301,985	11,812,606	9.0728	11,835,044	9.5600	12,446,977
3	VIPB Accelerated Income Unit Fund	10	2,275,224	27,500,000	12.0867	27,500,000	11.1100	25,277,739
<b>Total</b>				<b>62,401,504</b>		<b>62,423,942</b>		<b>59,943,312</b>

As per DOS Circular no 01, date February 10, 2020 provision for Diminution Value of investment under special fund is exempted up to February 2025.





Midland Bank PLC.  
Fixed Asset Schedule  
As at 31 December 2023

Annexure-C

Asset Category	Cost			Depreciation			Written down value as at 31.12.2023			
	Balance as at 01.01.2023	Addition during the year	Adjustment/ Disposal	Balance as at 31.12.2023	Rate	Balance as at 01.01.2023		Charged for the year	Adjustment/ Disposal	Balance as at 31.12.2023
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	
<b>Own Assets</b>										
Computer & Peripherals	231,166,776	66,422,011	1,739,756	295,849,031	20%	194,118,026	22,929,323	1,739,688	215,307,661	80,541,371
Furniture & Fixture	189,421,047	53,043,859	2,794,547	239,670,360	10%	103,233,206	22,433,480	2,524,442	123,142,245	116,528,115
Office Equipment	187,706,177	26,664,986	1,649,892	212,721,271	20%	157,622,562	17,849,167	1,649,871	173,821,857	38,899,414
Motor Vehicles	26,094,193	9,981,000	4,950,000	31,125,193	20%	21,984,593	1,666,779	4,949,999	18,701,373	12,423,820
Books	20,260	-	-	20,260	20%	19,475	785	-	20,260	(0)
Intangible Assets	64,713,819	44,186,779	-	108,900,598	20%	49,934,265	6,768,826	-	56,703,090	52,197,508
<b>Sub-Total</b>	<b>699,122,273</b>	<b>200,298,636</b>	<b>11,134,195</b>	<b>888,286,714</b>		<b>526,912,127</b>	<b>71,648,359</b>	<b>10,864,000</b>	<b>587,696,487</b>	<b>300,590,227</b>
Leased Assets										
Right of Use Assets	768,320,720	65,044,675	-	833,365,395		365,860,962	157,345,149	-	523,206,111	310,159,284
<b>Sub-Total</b>	<b>768,320,720</b>	<b>65,044,675</b>	<b>-</b>	<b>833,365,395</b>		<b>365,860,962</b>	<b>157,345,149</b>	<b>-</b>	<b>523,206,111</b>	<b>310,159,284</b>
<b>Grand Total</b>	<b>1,467,442,993</b>	<b>265,343,311</b>	<b>11,134,195</b>	<b>1,721,652,109</b>		<b>892,773,090</b>	<b>228,993,508</b>	<b>10,864,000</b>	<b>1,110,902,598</b>	<b>610,749,511</b>
<b>Total 2022</b>	<b>1,318,750,486</b>	<b>153,030,817</b>	<b>4,338,310</b>	<b>1,467,442,993</b>		<b>685,234,077</b>	<b>210,701,684</b>	<b>3,162,671</b>	<b>892,773,090</b>	<b>574,669,903</b>





**Midland Bank Limited**  
Name of the Directors and their interest in different entities as on 31.12.2023

**Hoda Vasi  
Chowdhury & Co**

Annexure D

Sl.	Name of the Directors	Status with MDB	Entities where they have interest	Designation
1	Mrs. Nilufer Zafarullah	Chairman	Hong Kong Shanghai Manjala Textiles Ltd.	Director
2	Md. Shamsuzzaman	Vice Chairman	<ol style="list-style-type: none"> <li>1. Micro Fibre Limited</li> <li>2. Orient Chem-Tex Limited</li> <li>3. Liberty Knitwear Limited</li> <li>4. Midland Knitwear Limited</li> <li>5. A-One Polar Limited</li> <li>6. Tubingen Chemicals (BD) Limited</li> <li>7. Sungarh Tex Limited</li> <li>8. Micro Trims Limited</li> <li>9. Micro Logistics Limited</li> <li>10. Shahzi Bazar Power Co. Ltd.</li> <li>11. Petromax Refinery Ltd.</li> <li>12. Harmony Chem Limited</li> <li>13. Harmony Colour Limited</li> <li>14. Gulshan Spinning Mills Ltd.</li> <li>15. Mahmuda Hai Chemi Ltd.</li> <li>16. MICLO Bangladesh Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Managing Director</li> <li>2. Managing Director</li> <li>3. Managing Director</li> <li>4. Managing Director</li> <li>5. Managing Director</li> <li>6. Managing Director</li> <li>7. Managing Director</li> <li>8. Managing Director</li> <li>9. Managing Director</li> <li>10. Managing Director</li> <li>11. Sponsor Director</li> <li>12. Managing Director</li> <li>13. Managing Director</li> <li>14. Managing Director</li> <li>15. Managing Director</li> <li>16. Managing Director</li> </ol>
3	Master Abul Kashem	Director	<ol style="list-style-type: none"> <li>1. Mother Steel &amp; Oxygen Limited</li> <li>2. Sea Force Alliance Ltd.</li> <li>3. Mother Steel Limited</li> <li>4. MAK Corporation</li> <li>5. Master Steel Re-Rolling Mills</li> <li>6. AIBL Capital Market Services Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Chairman</li> <li>2. Chairman</li> <li>3. Managing Director</li> <li>4. Managing Partner</li> <li>5. Proprietor</li> <li>6. Shareholder</li> </ol>
5	Mr. Kazi Omar Zafar	Director	<ol style="list-style-type: none"> <li>1. Kalypso Ltd.</li> <li>2. Hong Kong Shanghai Manjala Power Ltd.</li> <li>3. Hong Kong Shanghai Manjala Textiles Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Chairman</li> <li>2. Managing Director</li> <li>3. Director</li> </ol>
6	Mr. Ahsan Khan Chowdhury	Director	<ol style="list-style-type: none"> <li>1. Agricultural Marketing Company Limited</li> <li>2. Rangpur Foundry Limited</li> <li>3. Advance Personal Care Limited</li> <li>4. Kaliganj Agro Processing Limited</li> <li>5. Banga Bakers Limited</li> <li>6. Banga Millers Limited</li> <li>7. Chorka Textile Limited</li> <li>8. Habiganj Agro Limited</li> <li>9. Mymensingh Agro Limited</li> <li>10. PRAN Agro Limited</li> <li>11. PRAN Beverage Limited</li> <li>12. PRAN Dairy Limited</li> <li>13. PRAN Exports Limited</li> <li>14. PRAN Foods Limited</li> <li>15. Packmat Industries Limited</li> <li>16. Sylvan Technologies Limited</li> <li>17. Gonga Foundry Limited</li> <li>18. Get Well Limited</li> <li>19. Allplast Bangladesh Limited</li> <li>20. Banga Building Materials Limited</li> <li>21. RFL Electronics Limited</li> <li>22. Rangpur Metal Industries Limited</li> <li>23. RFL Plastics Limited</li> <li>24. Durable Plastics Limited</li> <li>25. Property Development Limited</li> <li>26. AKC (Pvt.) Limited</li> <li>27. Durable Petro Chemical Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Chairman</li> <li>2. Chairman</li> <li>3. Director</li> <li>4. Director</li> <li>5. Director</li> <li>6. Director</li> <li>7. Director</li> <li>8. Director</li> <li>9. Director</li> <li>10. Director</li> <li>11. Director</li> <li>12. Director</li> <li>13. Director</li> <li>14. Director</li> <li>15. Director</li> <li>16. Director</li> <li>17. Director</li> <li>18. Director</li> <li>19. Director</li> <li>20. Director</li> <li>21. Director</li> <li>22. Director</li> <li>23. Director</li> <li>24. Director</li> <li>25. Director</li> <li>26. Chairman</li> <li>27. Director</li> </ol>
7	Mr. Md. Wahid Miah	Director	<ol style="list-style-type: none"> <li>1. Al-Haj Karim Textiles Ltd.</li> <li>2. Karim Tex Limited</li> <li>3. Abdul Karim Ltd.</li> <li>4. Jobaida Karim Jute Mills Limited</li> <li>5. Wahid Construction Ltd</li> <li>6. Karim Shipping Lines Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Managing Director</li> <li>2. Managing Director</li> <li>3. Managing Director</li> <li>4. Managing Director</li> <li>5. Managing Director</li> <li>6. Managing Director</li> </ol>





**Midland Bank Limited**  
Name of the Directors and their interest in different entities as on 31.12.2023

**Hoda Vasi  
Chowdhury & Co**

Annexure D

Sl.	Name of the Directors	Status with MDB	Entities where they have interest	Designation
			7. Karim Asphalt & Ready Mix Ltd. 8. Karim Dregers Limited 9. Hypoid Composite Knit Ltd. 10. Karim Jute Spinners Ltd. 11. Karim Logistics Limited 12. M/s Md. Wahid Miah 13. Karim Trading 14. Jobaida Filling Station 15. J.K Filling Station 16. Karim Filling Station	7. Managing Director 8. Managing Director 9. Director 10. Director 11. Proprietor 12. Proprietor 13. Proprietor 14. Proprietor 15. Proprietor 16. Proprietor
8	Mr. Rezaul Karim	Director	1. Bangla Tel Ltd. 2. Jibondhara Solutions Ltd. 3. BD Link Communications Ltd. 4. Kohinoor Chemical Co. (BD) Ltd. 5. Reedisha Knitex Ltd. 6. Reedisha Textipe Ltd. 7. Reedisha Spinning Ltd. 8. P.A Knit Composite Ltd. 9. Reedisha Printing and Packaging Ltd. 10. Reedisha Blended Yarn Ltd.	1. Chairman 2. Chairman 3. Chairman 4. Managing Director 5. Managing Director 6. Managing Director 7. Managing Director 8. Managing Director 9. Managing Director 10. Managing Director
09	Mr. A.K.M. Badiul Alam	Director	1. Garments Export Village Ltd. 2. Amranet Ltd. 3. Bravo Apparel Manufacturer Ltd. 4. Shahjibazar Power Co. Ltd. 5. Eden Multicare Hospital Ltd. 6. Petromax Refinery Ltd.	1. Chairman 2. Chairman 3. Director 4. Director 5. Director 6. Director
10	Mr. Md. Kamal Hossain	Director	1. Explore Lingerie Limited 2. Shahzaib Washing & Dying Ltd. 3. Ha-Meem Travel Limited 4. Fauji Chatkal Limited 5. M H Sports Wear Limited 6. M H Design Limited	1. Managing Director 2. Managing Director 3. Shareholder 4. Shareholder 5. Shareholder 6. Shareholder
11	Mrs. Shahnaj Parveen	Director	1. Bango Engineering Co. Ltd. 2. Next Collection Ltd. 3. Next Garments Ltd.	1. Executive Director 2. Shareholder 3. Shareholder
12	Mr. Hafizur Rahman Sarker	Director	1. Legato Service Ltd. 2. Beq Knit Ltd. 3. Beq Sweaters Ltd. 4. Beq Fabrics (Pvt.) Ltd. 5. C.K Sweaters Ltd. 6. Tammam Design Limited 7. Lusaka Fashions Limited 8. Tista Dredgers & Constructions Ltd 9. Hafizur Rahman Sarker	1. Managing Director 2. Managing Director 3. Managing Director 4. Managing Director 5. Managing Director 6. Managing Director 7. Managing Director 8. Managing Director 9. Proprietor
13	Mr. Abdul Momin Mondol, M.P.	Director	1. Eco Intimates Ltd. 2. Montex Fabrics Ltd. 3. Mark Sweater Ltd. 4. Montrims Ltd. 5. Mondol Yarn Dyeing Ltd. 6. Mondol Fabrics Ltd. 7. Cotton Field (BD) Ltd. 8. Mondol Securities Ltd. 9. Mondol Knitwears Ltd. 10. Alim Knit (BD) Ltd. 11. Mondol Knit Tex Ltd. 12. Cotton Club (BD) Ltd. 13. Cotton Clout (BD) Ltd. 14. Trims International (BD) Ltd. 15. Appollo Fashions Ltd. 16. Appollo Packaging (BD) Ltd.	1. Chairman 2. Managing Director 3. Managing Director 4. Managing Director 5. Managing Director 6. Managing Director 7. Managing Director 8. Managing Director 9. Managing Director 10. Managing Director 11. Managing Director 12. Managing Director 13. Managing Director 14. Managing Director 15. Managing Director 16. Managing Director





**Midland Bank Limited**  
Name of the Directors and their interest in different entities as on 31.12.2023

**Hoda Vasi  
Chowdhury & Co**

Annexure D

Sl.	Name of the Directors	Status with MDB	Entities where they have interest	Designation
			17. Appollo Knitwear (BD) Ltd. 18. Mondol & Co. Ltd. 19. Cotton Clothing (BD) Ltd 20. Mondol Intimates Ltd. 21. Mondol Fashions Ltd. 22. Tropical Knittex Ltd. 23. Knitex Dresses Ltd. 24. Mondol Spinning Mills Ltd. 25. Mondol Knit Composite Ltd. 26. Mondol Auto Bricks Limited 27. Uttara Poultry Complex Ltd. 28. Mbrella Ltd. 29. Panama Agro Complex Ltd. 30. Haji-Abdul Majid Mondol Foundation	17. Managing Director 18. Managing Director 19. Managing Director 20. Managing Director 21. Managing Director 22. Managing Director 23. Managing Director 24. Managing Director 25. Managing Director 26. Managing Director 27. Managing Director 28. Managing Director 29. Managing Director 30. Executive Director
14	Dr. Mostafizur Rahman	Director	1. Popular Pharmaceuticals Ltd. 2. Popular Diagnostic Center Ltd. 3. Popular Specialized Hospital Ltd. 4. Popular Medical College and Hospital Ltd.	1. Managing Director 2. Managing Director 3. Managing Director 4. Managing Director
15	Mr. Kazi Raihan Zafar	Director	Hong Kong Shanghai Manjala Textiles Ltd.	Director
16	Ms. Anushka Mehreen Zafar	Director	Hong Kong Shanghai Manjala Textiles Ltd.	Director
17	Mr. Mahbubul Hady Fazle Rab	Independent Director		
18	Mr. Nazim Uddin Chowdhury	Independent Director		
19	Mr. Khandhaker Tanveer Shamsul Islam	Independent Director		
20	Mr. Mohammad Asif-uz-Zaman	Independent Director		





**Name of the Directors and their shareholding as at December 31, 2023**

Sl.	Name	Status	No. of Shares	Percentage
1	Mrs. Nilufer Zafarullah	Chairman	1,27,93,396	2.00%
2	Mr. Md. Shamsuzzaman	Vice Chairman	2,99,07,662	4.68%
3	Mr. Master Abul Kashem	Director	2,63,73,600	4.12%
4	Mr. Kazi Omar Zafar	Director	1,27,93,396	2.00%
5	Mr. Ahsan Khan Chowdhury	Director	2,84,83,488	4.45%
6	Mr. Md. Wahid Miah	Director	2,84,83,488	4.45%
7	Mr. Rezaul Karim	Director	2,84,83,488	4.45%
8	Mr. A.K.M. Badiul Alam	Director	19,208,277	3.00%
9	Mr. Md. Kamal Hossain	Director	2,84,83,488	4.45%
10	Mrs. Shahnaj Parveen	Director	2,84,83,488	4.45%
11	Mr. Abdul Momin Mondol M.P.	Director	2,84,83,488	4.45%
12	Mr. Hafizur Rahman Sarker	Director	2,70,59,313	4.23%
13	Dr. Mostafizur Rahman	Director	2,84,83,488	4.45%
14	Mr. Kazi Raihan Zafar	Director	1,27,93,396	2.00%
15	Mr. Abdullah Ahmed Yousuf	Director	3,13,31,837	4.90%
16	Mr. Mahbul Hady Fazle Rab	Independent Director	-	-
17	Mr. Nazim Uddin Chowdhury	Independent Director	-	-
18	Mr. Khandhaker Tanveer Shamsul Islam	Independent Director	-	-
19	Mr. Mohammad Asif-uz-Zaman	Independent Director	-	-





**Midland Bank PLC.  
Financial Highlights  
For the year ended 31 December 2023**

SLNo.	Items	2023	2022
1	Paid up Capital	6,396,697,530	5,696,697,530
2	Total Capital	9,178,356,427	8,195,996,114
3	Surplus in Capital Fund	2,538,025,153	1,288,817,293
4	Total Asset	83,425,869,144	79,866,865,819
5	Total Deposit	60,302,724,245	57,763,010,073
6	Total Loans and Advances	54,862,657,994	52,792,807,266
7	Total Contingent Liabilities	13,956,919,981	12,674,943,388
8	Lending-Deposit Ratio	84.51%	81.71%
9	Classified Loans as % of Total Loans and Advances	3.81%	2.78%
10	Profit After Provision and Tax	1,133,106,643	561,968,829
11	Total Classified loans and advances	2,091,566,508	1,469,651,458
12	Total Provision Maintained against Classified Loans	1,448,788,189	954,672,048
13	Surplus/(deficit) in Provision against Classified Loans	-	-
14	Cost of Fund	7.83%	6.38%
15	Earning Asset	72,679,819,582	70,816,914,494
16	Non-Interest Earning Asset	10,746,049,562	9,049,951,325
17	Return on Investments (ROI)	13.49%	7.47%
18	Return on Asset (ROA)	1.39%	0.75%
19	Income from Investment	1,612,525,212	1,455,080,301
20	Earnings per Share (BDT)	1.77	0.88
21	Net Income per Share (BDT)	1.77	0.88
22	Price-Earning Ratio (Times)	8.13	N/A





**Midland Bank PLC.  
Balance Sheet of Islami Banking Wing  
As on 31 December 2023**

	Notes	2023 BDT	2022 BDT
<b>Property and Asset</b>			
<b>Cash</b>			
1.00		<b>321,529,134</b>	<b>388,397,473</b>
		In Hand (Including Foreign Currency)	1,609,823
		With Bangladesh Bank and its agent Bank (including Foreign Currency)	319,919,311
2.00		<b>239,369</b>	<b>3,406,935</b>
		In Bangladesh	239,369
		Outside Bangladesh	-
<b>Money at Call and Short Notice</b>			
		-	-
<b>Investments in Shares &amp; Securities</b>			
3.00		<b>620,202,616</b>	<b>216,650,000</b>
		Government	620,202,616
		Others	-
<b>Investments</b>			
4.00		<b>2,545,677,840</b>	<b>2,297,918,314</b>
		General Investment	2,545,677,840
		Bills Purchased and Discounted	-
<b>Fixed Asset including Premises, Furniture &amp; Fixtures</b>			
		<b>296,863</b>	<b>307,648</b>
<b>Other Asset</b>			
5.00		<b>105,565,701</b>	<b>66,095,661</b>
<b>Non-Banking Asset</b>			
		-	-
<b>Total Property and Asset</b>		<b>3,593,511,524</b>	<b>2,972,776,030</b>
<b>Liabilities and Capital</b>			
<b>Borrowing from other Banks, Financial Institutions &amp; Agents</b>			
6.00		<b>3,569,728,330</b>	<b>2,952,893,520</b>
<b>Deposit and Other Accounts</b>			
		Current Deposit & Other Accounts	20,616,610
		Bills Payable	1,790,875
		Short Notice Deposit	298,965,604
		Savings Deposit	243,862,543
		Fixed Deposit	2,942,944,423
		Deposit Scheme	61,548,275
7.00		<b>23,783,194</b>	<b>19,882,511</b>
<b>Other Liabilities</b>			
		<b>3,593,511,524</b>	<b>2,972,776,030</b>
<b>Total Liabilities</b>			
<b>Capital/Shareholders' Equity</b>			
		Paid up Capital	-
		Statutory Reserve	-
		Revaluation Reserve on Investment in Securities	-
		Retained Earnings	-
<b>Total Shareholders' Equity</b>			
		-	-
<b>Total Liabilities and Shareholders' Equity</b>		<b>3,593,511,524</b>	<b>2,972,776,030</b>
<b>Off-Balance Sheet Items</b>			
<b>Contingent Liabilities</b>			
8.00		<b>552,500,000</b>	<b>502,700,000</b>
		Acceptance and endorsements	-
		Letter of Guarantee	552,500,000
		Irrevocable Letter of Credit	-
		Bills for Collection	-
		Other Contingent Liabilities	-
<b>Total Off Balance Sheet Items Including Contingent Liabilities</b>			
		<b>552,500,000</b>	<b>502,700,000</b>



**Midland Bank PLC.  
Profit and Loss Account of Islami Banking Wing  
For the year ended 31 December 2023**

<u>Particulars</u>	<u>Note</u>	<u>2023</u>	<u>2022</u>
		<u>BDT</u>	<u>BDT</u>
Profit on Investment	9.00	207,189,622	191,687,149
Less: Profit Paid on Deposit and Borrowing, etc.	10.00	197,223,550	176,043,141
<b>Net Interest Income</b>		<b>9,966,072</b>	<b>15,644,008</b>
Income from Investment	11.00	9,159,973	9,155,737
Commission, Exchange and Brokerage	12.00	2,220,135	2,011,264
Other Operating Income		622,905	433,680
<b>Total Operating Income</b>		<b>12,003,013</b>	<b>11,600,682</b>
<b>Total Operating Income</b>		<b>21,969,085</b>	<b>27,244,690</b>
<b>Less: Operating Expenditure</b>			
Salary and Allowances	13.00	2,705,807	1,904,419
Rent, Tax, Insurance, Electricity		38,495	42,962
Legal Expense		-	-
Postage, Stamps and Telephone		16,955	10,350
Printing, Stationery, Advertisement	14.00	143,854	87,840
Managing Director's Remuneration		-	-
Directors' Fee		35,200	44,000
Audit Fee		-	-
Depreciation on and Repair to Bank's Property		111,365	71,393
Other Expenditure		344,545	131,188
<b>Total Operating Expenses</b>		<b>3,396,220</b>	<b>2,292,151</b>
<b>Profit Before Provision &amp; Tax</b>		<b>18,572,866</b>	<b>24,952,539</b>





**Midland Bank PLC.  
Notes to the Financial Statements of Islami Banking Wing  
For the year ended 31 December 2023**

	2023	2022
	BDT	BDT
<b>1.00 Cash</b>		
In Hand (Including foreign currency) (note 3.01)	1,609,823	5,207,078
Balance with Bangladesh Bank and its Agent Bank (note 3.02)	319,919,311	383,190,395
	<b>321,529,134</b>	<b>388,397,473</b>
<b>1.01 In Hand (Including foreign currency)</b>		
Local Currency	1,609,823	5,207,078
Foreign Currency	-	-
	<b>1,609,823</b>	<b>5,207,078</b>
<b>1.02 Balance with Bangladesh Bank and its Agent Bank</b>		
With Bangladesh Bank		
Local Currency	319,919,311	383,190,395
Foreign Currency	-	-
With Sonali Bank (as agent of Bangladesh Bank-Local Currency)	-	-
	<b>319,919,311</b>	<b>383,190,395</b>
<b>2.00 Balance with other Banks and Financial Institutions</b>		
In Bangladesh	239,369	3,406,935
Outside Bangladesh	-	-
	<b>239,369</b>	<b>3,406,935</b>
<b>3.00 Investments</b>		
Government (note 3.01)	620,202,616	216,650,000
Others	-	-
	<b>620,202,616</b>	<b>216,650,000</b>
<b>3.01 Investment Classified as per Bangladesh Bank Circular</b>		
Held to Maturity (HTM)	-	-
Held for Trading ( HFT)	-	-
Reverse Repo	-	-
Prize Bond	-	-
Government Securites Encumbered	-	-
Government Securites -SUKUK Bond	196,650,000	196,650,000
Other Investments	423,552,616	20,000,000
	<b>620,202,616</b>	<b>216,650,000</b>
<b>4.00 Investments</b>		
Bai-Murabaha	787,290,004	883,450,122
Bai-Muajjal	2,330,516	19,319,212
Hire Purchase Shirkatul Melk	1,756,057,319	1,392,845,980
Qardh Against Local Bill	-	2,303,000
Bills Purchased and Discounted	-	-
	<b>2,545,677,840</b>	<b>2,297,918,314</b>





# Hoda Vasi Chowdhury & Co

	2023	2022
	BDT	BDT
<b>5.00 Other Asset</b>		
Classification of Other Asset		
Profit receivable on Investment	4,577,869	11,260,824
Advance Tax	4,931,883	717,820
Inter Bank General Account Balance (note 7.01)	96,055,949	54,117,016
Profit receivable on Deposit with Other Bank	-	-
<b>Total Other Asset</b>	<b>105,565,701</b>	<b>66,095,661</b>
<b>6.00 Deposit and Other Accounts</b>		
From Banks	1,647,695	33,059,280
From Customers (note 6.01)	3,566,289,760	2,919,834,240
	<b>3,567,937,455</b>	<b>2,952,893,520</b>
<b>6.01 Customer Deposit and Other Accounts:</b>		
<b>Current Deposit &amp; Other Accounts :</b>		
Current Deposit	14,541,122	25,447,348
Sundry Deposit	6,075,488	19,545,727
	<b>20,616,610</b>	<b>44,993,075</b>
<b>Bills Payable</b>	1,790,875	-
<b>Short Notice Deposit</b>	298,965,604	327,561,504
<b>Savings Deposit</b>	243,862,543	182,618,441
<b>Fixed Deposit</b>	2,942,944,423	2,358,835,634
<b>Deposit Schemes:</b>		
MDB Saalam Monthly Scheme	43,362,652	28,497,935
MDB Saalam Hajj Savings Scheme	2,214,501	2,360,146
MDB Digital Monthly Savings Scheme	13,813,219	6,169,863
MDB Digital Hajj Savings Scheme	1,458,179	1,474,672
MDB Double Benefit Plus Scheme	699,725	382,251
	<b>61,548,275</b>	<b>38,884,867</b>
<b>Total</b>	<b>3,567,937,455</b>	<b>2,952,893,520</b>
<b>7.00 Other Liabilities</b>		
Unearned Income	14,989,583	19,882,511
Compensation	8,793,611	-
Inter Bank General Account Balance (note 7.01)	-	-
	<b>23,783,194</b>	<b>19,882,511</b>
<b>7.01 Inter Bank General Account Balance (net)</b>		
Credit entries	949,704,203	625,699,362
Debit entries	1,045,760,153	679,816,378
	<b>(96,055,949)</b>	<b>(54,117,016)</b>
<b>8.00 Contingent Liabilities</b>		
Acceptance and endorsements	-	-
Letter of Guarantee	552,500,000	502,700,000
Irrevocable Letter of Credit	-	-
Bills for Collection	-	-
Other Contingent Liabilities	-	-
	<b>552,500,000</b>	<b>502,700,000</b>
<b>8.01 Letter of Guarantee</b>		
Foreign	-	-
Local	552,500,000	502,700,000
	<b>552,500,000</b>	<b>502,700,000</b>





# Hoda Vasi Chowdhury & Co

	2023	2022
	BDT	BDT
<b>9.00 Profit on Investment</b>		
General Investment (note 9.01)	188,218,502	190,446,450
Balance with Other Banks and Financial Institutions	18,971,120	1,240,699
	<b>207,189,622</b>	<b>191,687,149</b>
<b>9.01 Profit on Investment</b>		
Income on Saalam Murabaha Local Purchase	58,383,523	69,548,497
Income on Saalam Hire Purchase Shirkat-UI-Melk	124,705,301	117,074,190
Income on Saalam Consumer Finance	1,369,290	599,545
Income on Saalam Home Finance	3,697,115	2,587,169
Income on Saalam SME Bai Muajjal	63,274	637,049
	<b>188,218,502</b>	<b>190,446,450</b>
<b>10.00 Profit paid on Deposits and Other Accounts</b>		
Current Deposit	32,139	25,743
Special Notice Deposit	7,431,234	52,347,747
Savings Deposits	5,072,181	4,056,140
Fixed Deposits	182,470,412	118,274,951
Deposit Scheme	2,217,584	1,338,560
	<b>197,223,550</b>	<b>176,043,141</b>
<b>11.00 Income From Investments</b>		
Profit on Investment in T.Bond, SUKUK Bond	9,159,973	9,155,737
	<b>9,159,973</b>	<b>9,155,737</b>
<b>12.00 Commission, Exchange and Brokerage</b>		
Commission	2,218,590	2,011,000
Exchange	1,545	264
Brokerage	-	-
	<b>2,220,135</b>	<b>2,011,264</b>
<b>13.00 Salary &amp; Allowances</b>		
Basic Salary	1,035,437	837,169
Allowances	1,396,009	922,081
Bonus	274,361	145,169
	<b>2,705,807</b>	<b>1,904,419</b>
<b>14.00 Printing, Stationery, Advertisement etc.</b>		
Printing & Stationery	127,604	87,840
Computer Stationery	16,250	-
Publicity & Advertisement	-	-
	<b>143,854</b>	<b>87,840</b>





Midland Bank PLC.  
Balance Sheet of Off-Shore Banking Unit  
As on 31 December 2023

Notes	2,023		2022	
	USD	BDT	USD	BDT
<b>Property and Asset</b>				
<b>Cash</b>				
In Hand (Including Foreign Currency)	-	-	-	-
With Bangladesh Bank and its agent Bank (including Foreign Currency)	-	-	-	-
<b>Balance with other Banks &amp; Financial Institutions</b>	<b>1.00</b>	<b>191,525</b>	<b>21,067,802</b>	<b>286,968</b>
In Bangladesh	-	-	-	-
Outside Bangladesh	191,525	21,067,802	286,968	29,641,657
<b>Money at Call and Short Notice</b>	-	-	-	-
<b>Investments</b>				
Government	-	-	-	-
Others	-	-	-	-
<b>Loans and Advances</b>	<b>2.00</b>	<b>30,792,536</b>	<b>3,387,178,927</b>	<b>29,096,325</b>
Loans, Cash Credit, Overdrafts, etc.	-	-	-	-
Bills Purchased and Discounted	30,792,536	3,387,178,927	29,096,325	3,005,437,931
<b>Fixed Asset including Premises, Furniture &amp; Fixtures</b>	-	-	-	-
<b>Other Asset</b>	<b>3,889</b>	<b>427,778</b>	-	-
<b>Non-Banking Asset</b>	-	-	-	-
<b>Total Property and Asset</b>	<b>30,987,950</b>	<b>3,408,674,507</b>	<b>29,383,292</b>	<b>3,035,079,588</b>
<b>Liabilities and Capital</b>				
<b>Borrowing from other Banks, Financial Institutions &amp; Agents</b>	<b>3.00</b>	<b>19,850,000</b>	<b>2,183,500,000</b>	<b>6,500,000</b>
<b>Deposit and Other Accounts</b>	<b>4.00</b>	<b>10,500,149</b>	<b>1,155,016,443</b>	<b>22,746,181</b>
<b>Other Liabilities</b>	<b>5.00</b>	<b>637,801</b>	<b>70,158,064</b>	<b>137,111</b>
<b>Total Liabilities</b>	<b>30,987,950</b>	<b>3,408,674,507</b>	<b>29,383,292</b>	<b>3,035,079,588</b>
<b>Capital/Shareholders' Equity</b>				
Paid up Capital	-	-	-	-
Statutory Reserve	-	-	-	-
Revaluation Reserve on Investment in Securities	-	-	-	-
Retained Earnings	-	-	-	-
<b>Total Shareholders' Equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>30,987,950</b>	<b>3,408,674,507</b>	<b>29,383,292</b>	<b>3,035,079,588</b>
<b>Off-Balance Sheet Items</b>				
<b>Contingent Liabilities</b>				
Acceptance and endorsements	-	-	-	-
Letter of Guarantee	-	-	-	-
Irrevocable Letter of Credit	-	-	-	-
Bills for Collection	-	-	-	-
Other Contingent Liabilities	-	-	-	-
<b>Other Commitments</b>				
-	-	-	-	-
<b>Total Off Balance Sheet Items including Contingent Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Midland Bank PLC.  
Profit and Loss Account of Off-Shore Banking Unit  
For the year ended 31 December 2023**

Particulars	Notes	2023		2022	
		USD	BDT	USD	BDT
Interest Income	6.00	2,010,998	221,209,828	1,302,055	134,492,788
Less: Interest Paid on Deposit and Borrowing, etc.	7.00	1,816,976	199,867,344	1,238,313	127,908,699
<b>Net Interest Income</b>		<b>194,023</b>	<b>21,342,485</b>	<b>63,742</b>	<b>6,584,088</b>
Income from Investment		-	-	-	-
Commission, Exchange and Brokerage		-	-	-	-
Other Operating Income		6,552	562,164	35,501	3,666,984
		<b>6,552</b>	<b>562,164</b>	<b>35,501</b>	<b>3,666,984</b>
<b>Total Operating Income</b>		<b>200,575</b>	<b>21,904,649</b>	<b>99,243</b>	<b>10,251,072</b>
<b>Less: Operating Expenditure</b>					
Salary and Allowances		-	-	-	-
Rent, Tax, Insurance, Electricity		-	-	-	-
Other Expenditure		110	12,100	-	-
<b>Total Operating Expenses</b>		<b>110</b>	<b>12,100</b>	<b>-</b>	<b>-</b>
<b>Profit Before Provision &amp; Tax</b>		<b>200,465</b>	<b>21,892,549</b>	<b>99,243</b>	<b>10,251,072</b>





**Midland Bank PLC.  
Notes to the Financial Statements of Off-Shore Banking Unit  
For the year ended 31 December 2023**

	2023		2022	
	USD	BDT	USD	BDT
<b>1.00 Balance with other Banks and Financial Institutions</b>				
In Bangladesh	-	-	-	-
Outside Bangladesh	191,525	21,067,801.70	286,968	29,641,657
	<b>191,525</b>	<b>21,067,802</b>	<b>286,968</b>	<b>29,641,657</b>
<b>2.00 Loans &amp; Advances</b>				
Export Bill Discounting	8,887,877	977,666,470	6,956,335	718,538,640
Import Bill Discounting	21,904,659	2,409,512,457	22,139,989	2,286,899,291
	<b>30,792,536</b>	<b>3,387,178,927</b>	<b>29,096,325</b>	<b>3,005,437,931</b>
<b>3.00 Borrowing from other Banks, Financial Institutions &amp; Agents</b>				
In Bangladesh	19,850,000	2,183,500,000	6,500,000	671,402,550
Outside Bangladesh	-	-	-	-
	<b>19,850,000</b>	<b>2,183,500,000</b>	<b>6,500,000</b>	<b>671,402,550</b>
<b>4.00 Deposit and Other Accounts</b>				
Fixed Deposit	10,500,000	1,155,000,000	22,745,899	2,349,485,288
Sundry Deposit	149	16,442.80	282	29,178
	<b>10,500,149</b>	<b>1,155,016,443</b>	<b>22,746,181</b>	<b>2,349,514,466</b>
<b>5.00 Other Liabilities</b>				
Interest Payable	437,336	48,106,956	37,868	3,911,500
Profit Payable	200,465	22,051,108	99,243	10,251,072
	<b>637,801</b>	<b>70,158,064</b>	<b>137,111</b>	<b>14,162,573</b>
<b>6.00 Interest Income</b>				
Loans and Advances	2,006,554	220,720,940	1,302,055	134,492,788
Balance with Other Banks and Financial Institutions	4,444	488,888	-	-
	<b>2,010,998</b>	<b>221,209,828</b>	<b>1,302,055</b>	<b>134,492,788</b>
<b>7.00 Interest Paid on Deposit and Borrowing, etc.</b>				
Interest Paid on Deposit & Borrowing from Foreign Bank	1,086,469	119,511,545	612,538	63,270,734
Interest Paid on Deposit & Borrowing from Local Bank	730,507	80,355,799	625,775	64,637,966
	<b>1,816,976</b>	<b>199,867,344</b>	<b>1,238,313</b>	<b>127,908,699</b>

