

INDEPENDENT AUDITORS' REPORT



Independent Auditors' Report

To the Shareholders of Islami Bank Bangladesh PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Islami Bank Bangladesh PLC. and its subsidiaries (the “Group”) as well as the separate financial statements of Islami Bank Bangladesh PLC. (the “Bank”), which comprise the consolidated and separate balance sheets as at 31 December 2023, and consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity, and consolidated and separate cash flow statements for the year then ended, and notes to consolidated and separate financial statements, including a summary of significant accounting policies.

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

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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), 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 judgment, were of the most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response and result to key audit matters
Measurement of provision for investments	
<p>The process for estimating the provision for investment portfolios associated with credit risk is significant, judgmental and complex.</p> <p>The process for estimating the provision for investment portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed that deal with voluminous databases, assumptions and estimates.</p> <p>Due to the high level of judgment involved and using the manual process in estimating the provision for investment, we considered this to be a key audit matter.</p> <p>At year end the Group and the Bank reported total net investments of BDT 1,595,265 million (2022: BDT 1,456,365 million) and BDT 1,600,265 million (2022: BDT 1,461,365 million) respectively and provision for investments of BDT 66,672 million (2022: BDT 59,881 million) and BDT 66,672 million (2022: BDT 59,881 million).</p> <p>We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ● Credit appraisal, investment disbursement procedures, monitoring and provisioning process; ● Completeness of appropriate documentation before disbursement of investments as well as recording of investment balance; ● Alternate procedures applied by management to assess new investment/renewal of existing investments where latest audited financial statements of the borrower is not available; ● Identification of loss events, including early warning and default warning indicators; ● Review of quarterly Classification of Investment/Loan (CL); Our substantive procedures in relation to the provision for investments portfolio comprised the following: ● Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; ● Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; ● Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. ● Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.

<p>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 BRPD circular no. 11 dated 20 June 2023; and</p> <p>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;</p> <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p>	<p>Due to long-term impact of COVID-19, the macro-economic global crisis caused by Russia-Ukraine War and many borrowers were adversely impacted during the year. Accordingly, Bangladesh Bank has given certain flexibility from classification requirement for investments vide issuing various circulars such as BRPD 14 dated 22 June 2022, BRPD 51 dated 18 December 2022 and BRPD 11 dated 20 June 2023 whereby Banks are allowed to keep an investment/customer as unclassified subject to the payment of certain percent of quarterly instalment due by 31 December 2023.</p> <p>For the year ended 31 December 2023, the Bank has maintained required provision as per Bangladesh Bank letter No. DBI-6/51 (1)/2024-308 dated 24 April 2024 and also agreed to ensure recovery/regularization of certain investments to avoid future classification.</p> <p>Our results: Based on our procedure, we have concluded that the provision for investments disclosed in the financial statements is adequate.</p>
See notes no. 11 and 17.1 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
Recognition of investment income	
<p>Recognition of Investment income has a significant and wide influence on financial statements. Recognition and measurement of Investment income has involvement of complex IT environments.</p> <p>We identify recognition of Investment income as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in the recognition of Investment income by management to meet specific targets or expectations.</p> <p>At year end the Group and the Bank reported total gross investment income of BDT 104,905 million (2022: BDT 87,878 million) and BDT 105,027 million (2022: BDT 87,984 million).</p>	<p>We tested the design and operating effectiveness of key controls over the recognition and measurement of investment income.</p> <p>We performed tests of operating effectiveness on automated control in place to measure and recognise investment income.</p> <p>We have also performed substantive procedures to check whether investment income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Our results: Based on our procedure performed we have concluded that the recognition investment income disclosed in the financial statements of the Bank is in line with Bangladesh Bank Circulars.</p>
See note no. 24 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
Measurement of deferred tax liabilities (DTL)	
<p>At year end the Group and the Bank reported total deferred tax liabilities of BDT 1,201 million (2022: BDT 1,456 million) and BDT 1,204 million (2022: BDT 1,459 million) respectively and deferred tax income of BDT 184 million (2022: BDT 99 million) and BDT 184 million (2022: BDT 99 million) respectively.</p> <p>Significant judgment is required in relation to deferred tax assets, as their recoverability is dependent on forecasts of future profitability over a number of periods.</p> <p>Accordingly, this area has been considered as key audit matter.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTLs and the assumptions used.</p> <p>We also assessed the completeness and accuracy of the data used. We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTLs.</p> <p>Finally, assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p> <p>Our results: Based on our procedure, we concluded that the deferred tax liabilities disclosed in the financial statements are in line with IAS 12.</p>
See note no. 18 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
Impairment assessment of unquoted investments	
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>We have assessed the processes and controls put in place by the Bank 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>Our results: Based on our procedure, we concluded that the Impairment assessment of unquoted investments disclosed in the financial statements is in line with Bangladesh Bank Circulars.</p>
See note no. 10 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
IT systems and controls	
<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> <p>We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit.</p> <p>We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.</p> <p>Our results: Based on the procedure performed, we have considered the change management, segregation of duties, controls, and outputs in relation to financial accounting and reporting systems to be acceptable.</p>

Description of key audit matters	Our response and result to key audit matters
Legal and regulatory matters	
<p>We focused on legal and regulatory matters because the Group and the Bank operate 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 and other contingent liabilities.</p>	<p>We obtained an understanding of the Group and 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. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provision, 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>Our results: Based on the procedure performed, we have considered the bank's legal affairs and communicated with the legal advisors and panel lawyers to assess the bank's legal & regulatory positions.</p>

Other Matters

The financial statements of the Group and the Bank for the year ended 31 December 2022 were audited by ACNABIN, Chartered Accountants and Howladar Yunus & Co., Chartered Accountants who expressed an unmodified opinion on those statements on 27 April 2023.

Other Information

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

Our opinion on the consolidated and separate 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 consolidated and separate 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Bank.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act 1991 (as amended up to date) and regulations of Bangladesh Bank 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 consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 Group's and the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and 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 Auditors' report to the related disclosures in the consolidated and separate 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 Auditors' report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group 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 (as amended up to date), the Securities and Exchange Rules 2020, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, 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 Auditors' Responsibility section in forming the above opinion on the consolidated 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 Group as disclosed in the financial statements appeared to be not materially adequate as mentioned in Other Matters of this report;
 - 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 Group and its related entities (other than matters disclosed in these financial statements);
- iii) the financial statements for the year ended 31 December 2023 of 02 (two) subsidiaries namely Islami Bank Securities Limited and Islami Bank Capital Management Limited have been audited by K. M. Hasan & Co., Chartered Accountants and Aziz Halim Choudhury, Chartered Accountants respectively and have been properly reflected in the consolidated financial statements;
- iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- ix) adequate provisions have been made for advance and other assets as per Bangladesh Bank's DBI letter No.: DBI-6/51(1)/2024-308 dated 24 April 2024 which are in our opinion, doubtful of recovery;
- x) the information and explanations required by us have been received and found satisfactory;
- xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 15,840 person hours; and
- xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dated: Dhaka
24 April 2024

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrolment No.: 0787
DVC No: 2404240787AS251665

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Mohammad Shaheed, FCA, FCMA
Senior Partner
ICAB Enrolment No.: 1016
DVC No: 2404241016AS734706



FINANCIAL STATEMENTS



Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2023

Particulars	Notes	31.12.2023	31.12.2022
		Taka	Taka
Property and Assets			
Cash in hand	7(a)	117,904,765,300	123,504,817,210
Cash in hand (including foreign currency)	7(a)(i)	35,241,166,165	30,645,839,722
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	7(a)(ii)	82,663,599,136	92,858,977,487
Balance with other banks & financial institutions	8(a)	106,288,372,039	115,248,794,287
In Bangladesh	8(a)(i)	89,236,265,476	91,304,035,057
Outside Bangladesh	8(a)(ii)	17,052,106,564	23,944,759,230
Placement with banks & other financial institutions	9.0	-	-
Investments in shares & securities	10(a)	88,883,831,538	91,390,357,315
Government	10(a)(i)	69,158,974,837	72,173,862,507
Others	10(a)(ii)	19,724,856,701	19,216,494,808
Investments		1,595,265,662,100	1,456,365,497,513
General investments etc.	11.1(a)	1,410,352,159,015	1,321,643,607,786
Bills purchased & discounted	11.2(a)	184,913,503,084	134,721,889,727
Fixed assets including premises	12(a)	15,450,475,777	18,455,370,440
Other assets	13(a)	108,537,991,765	33,740,284,483
Non - banking assets		-	-
Total property and assets		2,032,331,098,519	1,838,705,121,249
Liabilities and Capital			
Liabilities			
Placement from banks & other financial institutions	14(a)	211,378,924,541	187,438,369,400
Deposits & other accounts	15(a)	1,533,352,997,369	1,409,314,554,809
Mudaraba savings deposits		480,045,282,962	445,551,006,782
Mudaraba term deposits		556,859,802,084	512,205,793,676
Other mudaraba deposits		286,150,968,635	288,017,702,760
Al- wadeeah current and other deposit accounts		197,638,708,993	153,251,630,052
Bills payable		12,658,234,695	10,288,421,539
Mudaraba bond	16.0	31,200,000,000	31,000,000,000
Perpetual bond	16.1	11,000,000,000	11,000,000,000
Redeemable subordinated bond	16.2	20,200,000,000	20,000,000,000
Other liabilities	17(a)	182,356,791,053	139,924,699,279
Deferred tax liabilities	18(a)	1,201,461,042	1,456,384,003
Total liabilities		1,959,490,174,005	1,769,134,007,491
Capital/shareholders' equity		72,840,924,514	69,571,113,758
Paid - up capital	19.2	16,099,906,680	16,099,906,680
Statutory reserve	21.0	22,735,466,258	21,735,466,258
Other reserves	22(a)	30,826,540,611	28,772,608,153
Retained earnings	40(a)	3,178,699,604	2,962,834,552
Non-controlling interest	40(b)	311,361	298,115
Total liabilities & shareholders' equity		2,032,331,098,519	1,838,705,121,249

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2023

Particulars	Notes	31.12.2023	31.12.2022
		Taka	Taka
Off-balance sheet items			
Contingent liabilities			
Acceptances & endorsements		-	-
Letters of guarantee	23.0	26,716,961,910	31,062,266,163
Irrevocable letters of credit (including back to back bills)		152,467,299,618	182,573,222,307
Bills for collection		44,514,902,525	54,371,798,351
Other contingent liabilities		8,174,045	8,174,045
Total		223,707,338,098	268,015,460,865
Other commitments			
Documentary credits, short term and trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance, revolving and underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
Total off-balance sheet items including contingent liabilities		223,707,338,098	268,015,460,865

The annexed notes form an integral part of these financial statements.


Director



Director


Director

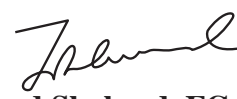

Managing Director & CEO

This is the consolidated balance sheet referred to in our separate report of even date

Signed for & on behalf of
ACNABIN
Chartered Accountants


Md. Moniruzzaman, FCA
ICAB Enrolment no: 0787
DVC No: 2404240787AS251665

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants


Mohammad Shaheed, FCA, FCMA
ICAB Enrolment no: 1016
DVC No: 2404241016AS734706

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Profit & Loss Account

For the year ended 31 December 2023

Particulars	Notes	2023	2022
		Taka	Taka
Operating income			
Investment income	24(a)	104,904,817,711	87,878,348,352
Profit paid on mudaraba deposits	25(a)	(65,614,798,101)	(54,018,484,481)
Net investment income		39,290,019,610	33,859,863,871
Income from investments in shares & securities	26(a)	4,721,044,977	2,988,738,075
Commission, exchange & brokerage income	27(a)	7,592,498,914	9,436,072,988
Other operating income	28(a)	9,277,841,598	6,831,431,761
		21,591,385,489	19,256,242,824
Total operating income		60,881,405,099	53,116,106,695
Operating expenses			
Salary & allowances	29(a)	22,083,985,773	20,303,342,230
Rent, taxes, insurances, electricity etc.	30(a)	2,140,466,195	2,142,549,324
Legal expenses	31(a)	8,889,728	12,532,875
Postage, stamps and telecommunication etc.	32(a)	138,358,108	130,865,549
Stationery, printing and advertisement etc.	33(a)	360,702,298	299,406,016
Chief executive's salary & fees	34.0	18,419,328	18,069,000
Directors' fees & expenses	35(a)	8,345,323	5,366,579
Shari'ah supervisory committee's fees & expenses	36.0	1,556,000	1,713,265
Auditors' fees	37(a)	3,235,750	3,599,500
Depreciation and repair to bank's assets	38(a)	1,751,956,837	1,688,445,675
Zakat expenses	17.8	1,062,913,871	970,999,128
Other expenses	39(a)	10,242,733,125	5,789,485,517
Total operating expenses		37,821,562,336	31,366,374,658
Profit/ (loss) before provision		23,059,842,763	21,749,732,036
Provision for investments & off- balance sheet exposures	17.1.4	5,715,676,548	6,364,930,031
Provision for diminution in value of investments in shares	17.2(a)	219,587,865	483,145,333
Other provisions	17.4	281,901,053	(36,700,445)
Total provision		6,217,165,466	6,811,374,919
Total profit/(loss) before taxes		16,842,677,297	14,938,357,117
Provision for taxation for the year		10,489,346,367	8,771,358,888
Current tax	17.7(a)	10,672,991,971	8,870,670,581
Deferred tax	18(b)	(183,645,604)	(99,311,693)
Net profit/ (loss) after tax		6,353,330,930	6,166,998,229
Net profit after tax attributable to:		6,353,330,930	6,166,998,229
Equity holders of Bank		6,353,317,684	6,166,984,693
Non-controlling interest	40(b)	13,246	13,536
Retained earnings from previous year		2,962,834,552	2,749,579,142
Revaluation reserve of assets/securities transferred to retained earnings		1,530,645,029	30,491,680
Add: Net profit after tax (attributable to equity holders of Bank)		6,353,317,684	6,166,984,693
Add: Excess depreciation on revalued amount of building transferred from assets revaluation reserve to retained earnings	22.2	80,516,221	85,190,953
Profit available for appropriation		10,927,313,486	9,032,246,468
Appropriation:		10,927,313,486	9,032,246,468
Statutory reserve	21.0	1,000,000,000	1,000,000,000
General reserve		4,203,881,689	2,593,011,985
Dividend (previous year)	40.0	1,609,990,668	1,609,990,668
Start-up Fund	17.10	61,141,523	59,234,456
Coupon/dividend on perpetual bond	40(a)	873,600,002	807,174,807
Retained earnings	40(a)	3,178,699,604	2,962,834,552
Consolidated earnings per share	42(a)	3.95	3.83

The annexed notes form an integral part of these financial statements.



Director



Director



Director



Managing Director & CEO

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
DVC No: 2404240787AS251665

Dated: Dhaka, 24 April 2024

This is the consolidated profit & loss account referred to in our separate report of even date

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Cash Flow Statement

For the year ended 31 December 2023

Particulars	Note	2023	2022
		Taka	Taka
Cash flows from operating activities			
Investment income		88,909,870,564	77,238,243,085
Profit paid on mudaraba deposits		(65,364,798,101)	(50,500,370,309)
Income/ dividend receipt from investments in shares & securities		4,708,633,306	461,025,636
Fees & commission receipt in cash		7,592,498,914	9,436,072,988
Recovery from written off investments		287,689,592	244,773,412
Payments to employees		(22,087,325,471)	(20,034,174,646)
Cash payments to suppliers		(480,140,010)	(446,034,682)
Income tax paid		(8,602,411,530)	(6,866,734,554)
Receipts from other operating activities		9,965,082,978	8,085,260,824
Payments for other operating activities		(12,518,139,727)	(8,033,977,394)
(i) Operating profit before changes in operating assets and liabilities		2,410,960,515	9,584,084,359
Changes in operating assets and liabilities			
Increase/(decrease) of statutory deposits		-	-
(Increase)/decrease of net trading securities		(126,856,928)	(126,856,928)
(Increase)/decrease of placement to other banks		-	-
(Increase)/decrease of investments to customers		(133,900,164,587)	(265,192,497,267)
(Increase)/decrease of other assets		(74,785,243,945)	(24,267,823,192)
Increase/(decrease) of placement from other banks		23,940,555,141	150,673,069,400
Increase/(decrease) of deposits from other banks		11,299,593,301	5,130,458,954
Increase/(decrease) of deposits received from customers		111,605,899,975	22,202,491,604
Increase/(decrease) of other liabilities account of customers		-	-
Increase/(decrease) of trading liabilities		-	-
Increase/(decrease) of other liabilities		42,445,205,271	12,347,402,773
(ii) Cash flows from operating assets and liabilities		(19,521,011,772)	(99,233,754,656)
Net cash flows from operating activities (A)=(i+ii)		(17,110,051,257)	(89,649,670,296)
Cash flows from investing activities			
Proceeds from sale of securities/BGIIB/Sukuk		5,109,805,373	10,767,079,949
Payment for purchase of securities/BGIIB/Sukuk		(2,683,196,954)	(6,749,618,542)
Placement to Islamic Refinance Fund Account		-	-
Payment for purchase of securities/membership		-	-
Purchase/sale of property, plants & equipments		1,553,300,579	(1,389,073,900)
Purchase/sale of subsidiaries		-	-
Net Cash flows from investing activities (B)		3,979,908,998	2,628,387,507
Cash flows from financing activities			
Receipts from issue of debt instruments		5,000,000,000	3,824,160,000
Payment for redemption of debt instruments		(4,800,000,000)	(3,600,000,000)
Receipts from issuing ordinary share/ right share		-	-
Dividend paid in cash		(1,609,990,668)	(1,609,990,668)
Net cash flows from financing activities (C)		(1,409,990,668)	(1,385,830,668)
Net increase/(decrease) in cash (A+B+C)		(14,540,132,927)	(88,407,113,457)
Add/(less): effects of exchange rate changes on cash & cash equivalent		(20,341,230)	28,826,224
Add: cash & cash equivalents at beginning of the year		238,753,611,497	327,131,898,729
Cash & cash equivalents at the end of the year	45(a)	224,193,137,340	238,753,611,497

The annexed notes form an integral part of these financial statements.


Director


Director


Director


Managing Director & CEO

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
DVC No: 2404240787AS251665

This is the consolidated cash flow statement referred to in our separate report of even date

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves (*)	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Non-controlling interest	Total
1	2	3	4	5	6	7	8	9	
Balance as at 01 January 2023	16,099,906,680	1,989,633	21,735,466,258	19,563,027,192	9,018,051,329	189,540,000	2,962,834,552	298,115	69,571,113,758
Sale of revalued assets and Deferred tax on revaluation surplus	-	-	-	-	(2,103,769,139)	1,660,000	-	-	(2,102,109,139)
Deferred tax impact on excess depreciation	-	-	-	-	69,617,359	-	-	-	69,617,359
Depreciation adjustment on revalued fixed assets	-	-	-	-	(80,516,221)	-	80,516,221	-	-
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	(16,600,000)	-	-	(16,600,000)
Currency translation differences	-	-	-	(20,341,230)	-	-	-	-	(20,341,230)
Net gain and losses not recognized in the income statement/ Revaluation reserve of fixed assets transferred to retained earnings	-	-	-	-	-	-	1,530,645,029	-	1,530,645,029
Net profit for the year	-	-	-	-	-	-	6,353,317,684	13,246	6,353,330,930
Transfer to (from) reserve	-	-	1,000,000,000	4,203,881,689	-	-	(5,203,881,689)	-	-
Dividend:	-	-	-	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	-	(1,609,990,668)
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(61,141,523)	-	(61,141,523)
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(873,600,002)	-	(873,600,002)
Total shareholders' equity as on 31 December 2023	16,099,906,680	1,989,633	22,735,466,258	23,746,567,651	6,903,383,328	174,600,000	3,178,699,604	311,361	72,840,924,514
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	-	11,000,000,000
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-	20,200,000,000
Add: General provision for unclassified investments and off- balance sheet items (Note-3.14.7)	-	-	-	18,009,428,293	-	-	-	-	18,009,428,293
Less: Yearwise redemption	-	-	-	-	-	-	-	-	(4,800,000,000)
Adjustment for intangible assets	-	-	-	(121,759,287)	-	-	-	-	(121,759,287)
Adjustment for currency translation differences	-	-	-	(26,112,120)	-	-	-	-	(26,112,120)
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	-	(6,903,383,328)	-	-	-	(6,903,383,328)
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-	-	(174,600,000)	-	-	(174,600,000)
Total equity as on 31 December 2023	16,099,906,680	1,989,633	22,735,466,258	41,608,124,537	-	-	3,178,699,604	311,361	110,024,498,073

(*)Note : General / other reserves

Particulars	01.01.2023	01.01.2022
General reserve	19,484,573,841	16,891,561,856
Dividend equalization account	32,000,000	32,000,000
Currency translation differences	46,453,350	17,627,126
Total	19,563,027,191	16,941,188,982

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Non-controlling interest	Total
1	2	3	4	5	6	7	8	9	10(2+3+4+5+6+7+8+9)
Balance as at 01 January 2022	16,099,906,680	1,989,633	20,735,466,258	16,941,188,982	9,071,295,675	126,950,400	2,749,579,142	284,579	65,726,661,349
Deferred tax on revaluation surplus	-	-	-	-	-	(6,954,400)	-	-	(6,954,400)
Deferred tax impact on excess depreciation	-	-	-	-	31,946,607	-	-	-	31,946,607
Depreciation adjustment on revalued fixed assets	-	-	-	-	(85,190,953)	-	85,190,953	-	-
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	69,544,000	-	-	69,544,000
Currency translation differences	-	-	-	28,826,224	-	-	-	-	28,826,224
Net gain and losses not recognized in the income statement/Revaluation reserve of securities transferred to retained earnings	-	-	-	-	-	-	30,491,680	-	30,491,680
Net profit for the year	-	-	-	-	-	-	6,166,984,693	13,536	6,166,998,229
Transfer to (from) reserve	-	-	1,000,000,000	2,593,011,985	-	-	(3,593,011,985)	-	-
Dividend:	-	-	-	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(1,609,990,668)	-	(1,609,990,668)
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(59,234,456)	-	(59,234,456)
Total shareholders' equity as on 31 December 2022	16,099,906,680	1,989,633	21,735,466,258	19,563,027,192	9,018,051,329	189,540,000	2,962,834,552	298,115	69,571,113,758
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	-	11,000,000,000
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-	20,000,000,000
Add: General provision for unclassified investments and off- balance sheet items (Note-3.14.7)	-	-	-	17,806,581,509	-	-	-	-	17,806,581,509
Less: Year wise redemption	-	-	-	-	-	-	-	-	(4,800,000,000)
Adjustment for intangible assets	-	-	-	(176,248,635)	-	-	-	-	(176,248,635)
Adjustment for currency translation differences	-	-	-	(46,453,350)	-	-	-	-	(46,453,350)
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	-	(9,018,051,329)	-	-	-	(9,018,051,329)
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-	-	(189,540,000)	-	-	(189,540,000)
Total equity as on 31 December 2022	16,099,906,680	1,989,633	21,735,466,258	37,146,906,716	-	-	2,962,834,552	298,115	104,147,401,953

The annexed notes form an integral part of these financial statements.


Director

Signed for & on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
DVC No: 2404240787AS251665
Dated: Dhaka, 24 April 2024


Director

This is the consolidated statement of changes in equity referred to in our separate report of even date


Managing Director & CEO

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants


Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Islami Bank Bangladesh PLC.

Balance Sheet

As at 31 December 2023

Particulars	Notes	31.12.2023	31.12.2022
		Taka	Taka
Property and Assets			
Cash in hand	7.0	117,904,723,005	123,504,792,624
Cash in hand (including foreign currency)	7.1	35,241,123,870	30,645,815,136
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	7.2	82,663,599,136	92,858,977,487
Balance with other banks & financial institutions	8.0	101,578,824,230	110,787,004,358
In Bangladesh	8.i	84,526,717,667	86,842,245,128
Outside Bangladesh	8.ii	17,052,106,564	23,944,759,230
Placement with banks & other financial institutions	9.0	-	-
Investments in shares & securities	10.0	88,038,373,421	90,454,663,436
Government	10.1	69,158,974,837	72,173,862,507
Others	10.2	18,879,398,584	18,280,800,929
Investments	11.0	1,600,265,662,100	1,461,365,497,513
General investments etc.	11.1	1,415,352,159,015	1,326,643,607,786
Bills purchased & discounted	11.2	184,913,503,084	134,721,889,727
Fixed assets including premises	12.0	15,435,663,200	18,437,320,088
Other assets	13.0	108,309,536,758	33,530,927,106
Non - banking assets		-	-
Total property and assets		2,031,532,782,714	1,838,080,205,126
Liabilities and Capital			
Liabilities			
Placement from banks & other financial institutions	14.0	211,378,924,541	187,438,369,400
Deposits & other accounts	15.0	1,534,566,006,233	1,410,445,429,339
Mudaraba savings deposits	15.1	480,047,894,909	445,565,352,259
Mudaraba term deposits		558,058,288,511	513,310,226,532
Other mudaraba deposits	15.2	286,154,166,380	288,022,176,295
Al- wadeeah current and other deposit accounts	15.3	197,647,421,738	153,259,252,714
Bills payable	15.4	12,658,234,695	10,288,421,539
Mudaraba bond	16.0	31,200,000,000	31,000,000,000
Perpetual bond	16.1	11,000,000,000	11,000,000,000
Redeemable subordinated bond	16.2	20,200,000,000	20,000,000,000
Other liabilities	17.0	181,991,528,355	139,575,739,102
Deferred tax liabilities	18.0	1,203,537,421	1,458,513,201
Total liabilities		1,960,339,996,550	1,769,918,051,042
Capital/ shareholders' equity		71,192,786,164	68,162,154,084
Paid - up capital	19.2	16,099,906,680	16,099,906,680
Statutory reserve	21.0	22,735,466,258	21,735,466,258
Other reserves	22.0	30,747,422,558	28,716,790,478
Retained Earnings	40.0	1,609,990,668	1,609,990,668
Total liabilities & shareholders' equity		2,031,532,782,714	1,838,080,205,126

Islami Bank Bangladesh PLC.

Balance Sheet

As at 31 December 2023

Particulars	Notes	31.12.2023	31.12.2022
		Taka	Taka
Off-balance sheet items			
Contingent liabilities			
Acceptances & endorsements		-	-
Letters of guarantee	23.0	26,716,961,910	31,062,266,163
Irrevocable letters of credit (including back to back bills)		152,467,299,618	182,573,222,307
Bills for collection		44,514,902,525	54,371,798,351
Other contingent liabilities		8,174,045	8,174,045
Total		223,707,338,098	268,015,460,865
Other commitments			
Documentary credits, short term and trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance, revolving and underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
Total off-balance sheet items including contingent liabilities		223,707,338,098	268,015,460,865

The annexed notes form an integral part of these financial statements.



Director



Director




Director



Managing Director & CEO


This is the balance sheet referred to in our separate report of even date

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment no: 0787
DVC No: 2404240787AS251665

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Mohammad Shaheed, FCA, FCMA
ICAB Enrolment no: 1016
DVC No: 2404241016AS734706

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Profit & Loss Account

For the year ended 31 December 2023

Particulars	Notes	2023	2022
		Taka	Taka
Operating income			
Investment income	24.0	105,027,452,635	87,984,257,253
Profit paid on mudaraba deposits	25.0	(65,692,577,714)	(54,077,050,268)
Net investment income		39,334,874,921	33,907,206,985
Income from investments in shares & securities	26.0	4,568,105,509	2,701,469,616
Commission, exchange & brokerage income	27.0	7,528,442,016	9,397,462,838
Other operating income	28.0	8,909,487,926	6,522,977,186
		21,006,035,451	18,621,909,640
Total operating income		60,340,910,372	52,529,116,625
Operating expenses			
Salary & allowances	29.0	22,023,407,478	20,253,126,623
Rent, taxes, insurances, electricity etc.	30.0	2,132,537,530	2,135,157,124
Legal expenses	31.0	7,577,062	8,480,848
Postage, stamps and telecommunication etc.	32.0	137,773,741	130,172,344
Stationery, printing and advertisement etc.	33.0	360,217,563	298,775,659
Chief executive's salary & fees	34.0	18,419,328	18,069,000
Directors' fees & expenses	35.0	6,629,860	3,587,978
Shari'ah supervisory committee's fees & expenses	36.0	1,556,000	1,713,265
Auditors' fees	37.0	3,086,250	3,450,000
Depreciation and repair to bank's assets	38.0	1,743,712,837	1,680,741,446
Zakat expenses	17.8	1,062,913,871	970,999,128
Other expenses	39.0	10,229,510,546	5,777,435,198
Total operating expenses		37,727,342,066	31,281,708,613
Profit/ (loss) before provision		22,613,568,306	21,247,408,011
Provision for investments & off- balance sheet exposures	17.1.4	5,715,676,548	6,364,930,031
Provision for diminution in value of investments in shares	17.2	114,330,599	326,256,888
Other provisions	17.4	281,901,053	(36,700,445)
Total provision		6,111,908,200	6,654,486,474
Total profit/(loss) before taxes		16,501,660,106	14,592,921,537
Provision for taxation for the year		10,387,507,852	8,669,475,910
Current tax	17.7.1	10,571,206,273	8,768,960,631
Deferred tax	18.0	(183,698,421)	(99,484,721)
Net profit/(loss) after tax		6,114,152,254	5,923,445,627
Retained earnings from previous year		1,609,990,668	1,609,990,668
Revaluation reserve of assets/securities transferred to retained earnings		1,530,645,029	30,451,680
Add: Net profit after tax		6,114,152,254	5,923,445,627
Add: Excess depreciation on revalued amount of building transferred from assets revaluation reserve to retained earnings	22.2	80,516,221	85,190,953
Profit available for appropriation		9,335,304,172	7,649,078,928
Appropriation:		9,335,304,172	7,649,078,928
Statutory reserve	21.0	1,000,000,000	1,000,000,000
General reserve	22.1	4,180,581,312	2,562,688,329
Dividend (previous year)		1,609,990,668	1,609,990,668
Start-up Fund		61,141,523	59,234,456
Coupon/dividend on perpetual bond	17.10	873,600,002	807,174,807
Retained earnings	40.0	1,609,990,668	1,609,990,668
Earnings per share (EPS)	42.0	3.80	3.68

The annexed notes form an integral part of these financial statements.


Director



Director


Director


Managing Director & CEO


This is the profit & loss account referred to in our separate report of even date

Signed for & on behalf of
ACNABIN
Chartered Accountants


Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
DVC No: 2404240787AS251665

Dated: Dhaka, 24 April 2024

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants


Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Islami Bank Bangladesh PLC.

Cash Flow Statement

For the year ended 31 December 2023

Particulars	Note	2023	2022
		Taka	Taka
Cash flows from operating activities			
Investment income		89,027,452,635	77,340,087,047
Profit paid on mudaraba deposits		(65,442,577,714)	(50,558,936,096)
Income/ dividend receipt from investments in shares & securities		4,568,105,509	204,440,149
Fees & commission receipt in cash		7,528,442,016	9,397,462,838
Recovery from written off investments		287,689,592	244,773,412
Payments to employees		(22,041,826,806)	(19,998,248,195)
Cash payments to suppliers		(479,750,727)	(445,477,207)
Income tax paid		(8,484,602,539)	(6,752,481,846)
Receipts from other operating activities		9,581,864,535	7,743,934,108
Payments for other operating activities		(12,470,545,452)	(7,987,245,396)
(i) Operating profit before changes in operating assets and liabilities		2,074,251,049	9,188,308,813
Changes in operating assets and liabilities			
Increase/(decrease) of statutory deposits		-	-
(Increase)/decrease of net trading securities		-	-
(Increase)/decrease of placement to other banks		-	-
(Increase)/decrease of investments to customers		(138,900,164,587)	(270,192,497,267)
(Increase)/decrease of other assets		(74,778,609,651)	(24,228,468,461)
Increase/(decrease) of placement from other banks		23,940,555,141	150,673,069,400
Increase/(decrease) of deposits from other banks		11,300,560,101	5,131,425,754
Increase/(decrease) of deposits received from customers		112,820,016,793	23,334,474,088
Increase/(decrease) of other liabilities account of customers		-	-
Increase/(decrease) of trading liabilities		-	-
Increase/(decrease) of other liabilities		46,191,994,507	16,438,211,091
(ii) Cash flows from operating assets and liabilities		(19,425,647,696)	(98,843,785,395)
Net cash flows from operating activities (A)=(i+ii)		(17,351,396,647)	(89,655,476,581)
Cash flows from investing activities			
Proceeds from sale of securities/BGIB/Sukuk		2,416,290,015	4,364,737,030
Payment for purchase of securities/BGIB/Sukuk		-	-
Placement to Islamic Refinance Fund Account		-	-
Payment for purchase of securities/membership		-	-
Purchase/sale of property, plants & equipments		1,557,188,784	(1,379,952,705)
Purchase/sale of subsidiaries		-	-
Net cash flows from investing activities (B)		3,973,478,799	2,984,784,325
Cash flows from financing activities			
Receipts from issue of debt instruments		5,000,000,000	3,824,160,000
Payment for redemption of debt instruments		(4,800,000,000)	(3,600,000,000)
Receipts from issuing ordinary share/ right share		-	-
Dividend paid in cash		(1,609,990,668)	(1,609,990,668)
Net cash flows from financing activities (C)		(1,409,990,668)	(1,385,830,668)
Net increase/(decrease) in cash (A+B+C)		(14,787,908,516)	(88,056,522,924)
Add/(Less): effects of exchange rate changes on cash & cash equivalent		(20,341,230)	28,826,224
Add: cash & cash equivalents at beginning of the year		234,291,796,982	322,319,493,681
Cash & cash equivalents at the end of the year	45.0	219,483,547,236	234,291,796,982

The annexed notes form an integral part of these financial statements.


Director


Director


Director



Managing Director & CEO

Signed for & on behalf of
ACNABIN
Chartered Accountants


Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
DVC No: 2404240787AS251665

This is the cash flow statement referred to in our separate report of even date

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants


Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Statement of Changes in Equity

For the year ended 31 December 2023

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves ^(*)	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Total
1	2	3	4	5	6	7	8	9 (2+3+4+5+6+7+8)
Balance as at 01 January 2023	16,099,906,680	1,989,633	21,735,466,258	19,507,209,516	9,018,051,329	189,540,000	1,609,990,668	68,162,154,084
Sale of revalued assets and Deferred tax on revaluation surplus	-	-	-	-	(2,103,769,139)	1,660,000	-	(2,102,109,139)
Deferred tax impact on excess depreciation	-	-	-	-	69,617,359	-	-	69,617,359
Depreciation adjustment on revalued fixed assets	-	-	-	-	(80,516,221)	-	80,516,221	-
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	(16,600,000)	-	(16,600,000)
Currency translation differences	-	-	-	(20,341,230)	-	-	-	(20,341,230)
Net gain and losses not recognized in the income statement/ Revaluation reserve of fixed assets transferred to retained earnings	-	-	-	-	-	-	1,530,645,029	1,530,645,029
Net profit for the year	-	-	-	-	-	-	6,114,152,254	6,114,152,254
Transfer to (from) reserve	-	-	1,000,000,000	4,180,581,312	-	-	(5,180,581,312)	-
Dividend:	-	-	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	(1,609,990,668)
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(61,141,523)	(61,141,523)
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(873,600,002)	(873,600,002)
Total shareholders' equity as on 31 December 2023	16,099,906,680	1,989,633	22,735,466,258	23,667,449,598	6,903,383,328	174,600,000	1,609,990,668	71,192,786,164
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	11,000,000,000
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	20,200,000,000
Add: General provision for unclassified investments and off- balance sheet items (Note-3.14.7)	-	-	-	18,009,428,293	-	-	-	18,009,428,293
Less: Yearwise redemption	-	-	-	-	-	-	-	(4,800,000,000)
Adjustment for intangible assets	-	-	-	(121,404,642)	-	-	-	(121,404,642)
Adjustment for currency translation differences	-	-	-	(26,112,120)	-	-	-	(26,112,120)
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	-	(6,903,383,328)	-	-	(6,903,383,328)
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-	-	(174,600,000)	-	(174,600,000)
Total equity as on 31 December 2023	16,099,906,680	1,989,633	22,735,466,258	41,529,361,129	-	-	1,609,990,668	108,376,714,368

(*)Note : General / other reserves

Particulars	01.01.2023	01.01.2022
General reserve	19,428,756,166	16,866,067,837
Dividend equalization account	32,000,000	32,000,000
Currency translation differences	46,453,350	17,627,126
Total	19,507,209,516	16,915,694,963

Islami Bank Bangladesh PLC.

Statement of Changes in Equity

For the year ended 31 December 2022

(Amount in Taka)

Particulars	2	3	4	5	6	7	8	Total
	Paid-up capital	Share premium	Statutory reserve	General/ other reserves(*)	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	
1								9 (2+3+4+5+6+7+8)
Balance as at 01 January 2022	16,099,906,680	1,989,633	20,735,466,258	16,915,694,963	9,071,295,675	126,950,400	1,609,990,668	64,561,294,277
Deferred tax on revaluation surplus	-	-	-	-	-	(6,954,400)	-	(6,954,400)
Deferred tax impact on excess depreciation	-	-	-	-	31,946,607	-	-	31,946,607
Depreciation adjustment on revalued fixed assets	-	-	-	-	(85,190,953)	-	85,190,953	-
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	69,544,000	-	69,544,000
Currency translation differences	-	-	-	28,826,224	-	-	-	28,826,224
Net gain and losses not recognized in the income statement/Re-valuation reserve of securities transferred to retained earnings	-	-	-	-	-	-	30,451,680	30,451,680
Net profit for the year	-	-	-	-	-	-	5,923,445,627	5,923,445,627
Transfer to (from) reserve	-	-	1,000,000,000	2,562,688,329	-	-	(3,562,688,329)	-
Dividend:	-	-	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	(1,609,990,668)
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(59,234,456)	(59,234,456)
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(807,174,807)	(807,174,807)
Total shareholders' equity as on 31 December 2022	16,099,906,680	1,989,633	21,735,466,258	19,507,209,516	9,018,051,329	189,540,000	1,609,990,668	68,162,154,084
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	-
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-
Add: General provision for unclassified investments and off-balance sheet items (Note-3.14.7)	-	-	-	-	-	-	-	-
Less: Year wise redemption	-	-	-	17,806,581,509	-	-	-	20,000,000,000
Adjustment for intangible assets	-	-	-	-	-	-	-	-
Adjustment for currency translation differences	-	-	-	(176,248,635)	-	-	-	(176,248,635)
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	(46,453,350)	-	-	-	(46,453,350)
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-	-	(189,540,000)	-	(189,540,000)
Total equity as on 31 December 2022	16,099,906,680	1,989,633	21,735,466,258	37,091,089,040	-	-	1,609,990,668	102,738,442,279

The annexed notes form an integral part of these financial statements.


Director


Director


Director


Managing Director & CEO

Signed for & on behalf of
ACNABIN
Chartered Accountants

This is the statement of changes in equity referred to in our separate report of even date

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
DVC No: 2404240787AS251665
Dated: Dhaka, 24 April 2024



Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Islami Bank Bangladesh PLC.

Liquidity Statement

Assets & Liabilities Analysis

As at 31 December 2023

		Amount in taka					
Particulars	Up to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 years	More than 5 years	Total 31.12.2023	Total 31.12.2022
1	2	3	4	5	6	7=(2+3+4+5+6)	8
ASSETS							
Cash in hand	58,156,272,005	-	-	-	59,748,451,000	117,904,723,005	123,504,792,624
Balance with other banks & financial institutions (Note-8.2)	83,416,648,230	13,165,000,000	3,610,000,000	-	1,387,176,000	101,578,824,230	110,787,004,358
Placement with Banks & other Financial Institutions	-	-	-	-	-	-	-
Investments (in shares & securities) (Note-10.4)	791,524,837	800,000,000	7,906,150,000	3,941,600,000	74,599,098,584	88,038,373,421	90,454,663,436
General investments etc. (Note-11.1.1)	209,383,234,881	150,695,235,303	514,149,376,945	219,868,891,116	321,255,420,770	1,415,352,159,015	1,326,643,607,786
Bills purchased & discounted (Note-11.2.1)	110,948,101,850	55,474,050,925	18,491,350,309	-	-	184,913,503,084	134,721,889,727
Fixed assets including premises (land & building), furniture and fixtures (Note-12.3)	-	-	-	-	15,435,663,200	15,435,663,200	18,437,320,088
Other assets (Note-13.1)	-	-	-	-	-	-	-
Non - banking assets	-	-	-	-	108,309,536,758	108,309,536,758	33,530,927,106
Total Assets	462,695,781,804	220,134,286,228	544,156,877,255	223,810,491,116	580,735,346,311	2,031,532,782,714	1,838,080,205,126
LIABILITIES							
Placement from banks & other financial institutions	70,150,759,911	72,899,229,343	48,454,715,169	11,985,464,055	7,888,756,063	211,378,924,541	187,438,369,400
Deposits (Note-15.5)	290,813,398,251	449,355,285,438	383,267,509,504	326,182,513,040	84,947,300,000	1,534,566,006,233	1,410,445,429,339
Other accounts	-	-	-	-	-	-	-
Provision & other liabilities (Note-17.11)	8,986,999,179	9,077,776,948	27,233,330,843	18,155,553,895	118,537,867,490	181,991,528,355	139,575,739,102
Deferred tax liability/(assets)	59,926,548	60,531,867	181,595,600	121,063,733	780,419,673	1,203,537,421	1,458,513,201
Mudaraba perpetual bond	-	-	-	-	11,000,000,000	11,000,000,000	11,000,000,000
Mudaraba redeemable subordinated bond	-	-	4,800,000,000	12,200,000,000	3,200,000,000	20,200,000,000	20,000,000,000
Total Liabilities	370,011,083,889	531,392,823,596	463,937,151,116	368,644,594,723	226,354,343,226	1,960,339,996,550	1,769,918,051,042
Net Liquidity Gap	92,684,697,915	(311,258,537,368)	80,219,726,139	(144,834,103,607)	354,381,003,085	71,192,786,164	68,162,154,084



Director



Director



Director



Managing Director & CEO

Signed for & on behalf of
ACNABIN
Chartered Accountants

This is the liquidity statement referred to in our separate report of even date

Signed for & on behalf of
Khan Wahab Shafique Rahman & Co.
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Md. Moniruzzaman, FCA
ICAB Enrolment No: 0787
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Mohammad Shaheed, FCA, FCMA
ICAB Enrolment No: 1016
DVC No: 2404241016AS734706

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC. and its Subsidiaries

Notes to the financial statements

As at and for the year ended 31 December 2023

1.0 The Bank and its activities

1.1 Introduction

Islami Bank Bangladesh PLC [IBBPLC] (hereinafter referred to as “the Bank”) was established as a public limited banking company in Bangladesh in 1983 as the first Shari’ah based scheduled commercial bank in the South East Asia. Naturally, its modus operandi is substantially different from those of other conventional commercial banks. The Bank conducts its business on the Shari’ah principles of Mudaraba, Musharaka, Bai-Murabaha, Bai-Muajjal, Hire Purchase under Shirkatul Melk, Bai-Salam, Bai-as-Sarf and Ujarah etc. There is a Shari’ah Supervisory Committee in the Bank which ensures that the activities of the Bank are being conducted on the precepts of Islam.

The shares of the Bank are listed with both Dhaka Stock Exchange (DSE) PLC. and Chittagong Stock Exchange (CSE) PLC. The Bank carries out its business activities through its Head Office in Dhaka, 16 Zonal Offices, 394 Branches including 76 Authorised Dealer (AD) Branches, 237 Sub Branches, 2771 Agent Banking Outlets and 3 Off-shore Banking Units (OBUs) in Bangladesh. The Principal place of business is the Registered Office of the Bank situated at Islami Bank Tower, 40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh. These financial statements as at and for the year ended 31 December 2023 include the consolidated and separate financial statements of the Bank. The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries (mentioned in Note - 1.4, together referred to as “the Companies”). The current number of employees are 20,809 (in 2022: 20,792).

1.2 Nature of business/ Principal activities of the Bank

1.2.1 Commercial banking services

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Shari’ah, the provisions of the Bank Company Act, 1991 as amended, Bangladesh Bank’s directives and directives of other regulatory authorities.

1.2.2 Islamic micro-finance

Islamic micro-finance represents micro-finance of the Islamic finance industry. Under Islamic micro-finance, major focus is given on improvement of living standard of poor people. The projects are closely monitored so that the members are really benefited. The Bank provides this services under the umbrella of Rural Development Scheme (RDS) and Urban Poor Development Scheme (UPDS).

1.2.3 Mobile financial services -“mCash”

The bank has launched mobile financial services on 27 December 2012 under the name “Islami Bank mCash” as per Bangladesh Bank approval (reference no. DCMPS/PSD/37/(W)/2012-321 dated 14 June 2012). Islami Bank mCash offers different services through Mobile phone that include deposit and withdrawal of cash money, fund transfer from one account to another, receiving remittance from abroad, knowing account balance and mini-statement, giving and receiving salary, mobile recharge and payment of utility bill, merchant bill payment etc.

1.3 Off-shore banking unit (OBU)

Bangladesh Bank has approved the operation of Off-Shore Banking Unit (OBU) of Islami Bank Bangladesh PLC located at Head Office Complex Branch- Dhaka, Uttara Branch- Dhaka and Agrabad Branch- Chattogram through letter no. BRPD (P-3)744(111)/2010-1032 dated 28 March, 2010. The Bank commenced the operation of its Off-shore Banking Unit from 08.02.2011 at Head Office Complex Branch, Dhaka, from 27.09.2011 at Agrabad Branch, Chattogram and from 01.06.2015 at Uttara Branch, Dhaka. Due to having different functional currency (Note 2.4), the operation of OBU has been considered as “foreign operation” and accordingly relevant financial reporting standards have been applied consistently that mentioned in note 3.15.3. The financial statements of the OBU are included in the separate financial statements of the Bank and eventually in the consolidated financial statements. The separate financial statements of OBU are shown in the functional currency (i.e. USD) as well as the presentation currency i.e. BDT of the Bank (i.e. BDT) in **Annexure - F**.

1.4 Subsidiaries of the Bank

1.4.1 Islami Bank Securities Limited (IBSL)

As per Bangladesh Securities and Exchange Commission’s (BSEC) Letter No. SEC/Reg/CSE/MB/2009/444 dated 20.12.2009 and approval of Bangladesh Bank through Letter No. BRPD (R-1)717/2010-47 dated 07.02.2010; the Bank established a subsidiary Company named “Islami Bank Securities Limited” to operate stock broker and stock dealer activities.

The share capital of Islami Bank Securities Ltd. is Tk. 2,700,000,000/- divided into 2,700,000 shares of Tk.1,000/- each out of which share capital of the bank is Tk.2,699,846,000/- divided into 2,699,846 shares of Tk.1,000/- each which represent 99.995% of total share of the subsidiary company.

IBSL was incorporated on 22 March 2010 and date of commencement of business was 23 May 2010. Required capital was transferred to IBSL on 25 May 2010, which is operating business under the license issued by the Bangladesh Securities & Exchange Commission (BSEC). As a stock broker, IBSL acts as an agent in the purchase and sale of Shari'ah approved listed securities and realizes commission on transactions in accordance with approved commission schedule.

1.4.2 Islami Bank Capital Management Limited (IBCML)

As per Bangladesh Bank BRPD Circular No. 12 dated 14.10.2009 and approval of Bangladesh Bank through Letter No. BRPD (R-1)717/2010-47 dated 07.02.2010, the Bank established another subsidiary Company named "Islami Bank Capital Management Limited" to operate portfolio management, underwriting, issue management etc.

The share capital of Islami Bank Capital Management Ltd. is Tk. 300,000,000/- divided into 300,000 shares of Tk.1,000/- each, out of which share capital of the bank is Tk. 299,993,000/- divided into 299,993 shares of Tk. 1,000/- each which represent 99.998% of total share of the subsidiary Company. The company has obtained Merchant Banker Registration Certificate on 31.03.2019 from Bangladesh Securities & Exchange Commission (BSEC) to operate the activities of Issue Manager/Underwriting/Portfolio manager.

1.4.3 IBBL Exchange Singapore Pte. Ltd.

'IBBL Exchange Singapore Pte. Ltd.' has been incorporated in Singapore, as a subsidiary of Islami Bank Bangladesh PLC. for remittance services and things incidental thereto under the Companies Act, CAP. 50 of the Republic of Singapore. The company is now being closed under the concern jurisdiction maintaining all regulatory formalities duly. Therefore, the financial statements of IBBL Exchange Singapore Pte. Ltd has not been prepared and accordingly not consolidated with that of the parent i.e. the bank.

2.0 Basis of preparation of financial statements

2.1 Reporting framework and compliance thereof

The Bank and its subsidiaries are being operated in strict compliance with the rules of Islamic Shari'ah. The financial statements (consolidated & separate) have been prepared in accordance with the guidelines of Islamic banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009. The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as banks hence International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991 as amended, the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules, 2020, Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as a member of that organization. Where the reporting guidelines issued by Bangladesh Bank and Bank Companies Act differ with those of IFRS, the requirements of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. As such the Bank has departed from those requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

I. Presentation of financial statements

IFRS

As per IAS-1 "Presentation of Financial Statements", financial statements shall comprise statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows, notes to the financial statements comprising summary of accounting policies and other explanatory information and retrospective restatement of items in the earlier financial statement, where applicable. Furthermore, IAS-1 states that, an entity shall present its current and non-current assets and liabilities, as separate classifications in its statement of financial position.

Bangladesh Bank

The financial statements and certain disclosures therein are presented in a prescribed format (i.e. balance sheet, profit and loss account, cash flows statement, statement of changes in equity, liquidity statement) in accordance with the guidelines of the 'First Schedule' (section 38) of the Bank Company Act 1991 as amended and BRPD circular no. 15 dated 09 November, 2009 and other subsequent guidelines of BB. In the prescribed format of BB there is no component of other comprehensive income and accordingly the elements of other comprehensive income and the tax thereon (if any) is recognized directly in the statement of changes in equity. The assets and liabilities are presented in accordance with the prescribed format of BB and accordingly not classified as current and non-current classification as required by IAS-1.

II. Name of the Components of Financial Statements

IFRS

As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes comprising a summary of significant accounting policies and other explanatory information.

Bangladesh Bank

The forms of financial statements and directives for preparation thereof of the Islamic banking companies in Bangladesh are guided by BRPD circular no. 15 dated 09 November 2009 Bangladesh Bank. BRPD circular no. 15 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account.

III. Other Comprehensive Income**IFRS**

As per IAS-1 “Other Comprehensive Income (OCI)” is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income (OCI).

Bangladesh Bank

Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the Other Comprehensive Income statement. However, elements of OCI, if any, are shown in the statement of changes in equity.

IV. Disclosure of Appropriation of Profit**IFRS**

IFRS do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank

As per BRPD circular no. 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, an appropriation of profit should be disclosed on the face of profit and Loss Account.

V. Investments in shares and securities**IFRS**

As per requirements of IFRS-9 “Financial Instruments”, investment in shares and securities are generally classified either at fair value through profit or loss or at fair value through other comprehensive income and measured initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. However in the case of financial assets classified and measured at fair value through profit or loss, transactions costs are immediately recognised in profit or loss. Change in the fair value of shares and securities measured at fair value through profit or loss is recognised in the statement of profit or loss and changes in the fair value of shares and securities measured at fair value through other comprehensive income is recognised in the other comprehensive income and are never reclassified to profit or loss.

Bangladesh Bank

As per BRPD circular no. 14 dated 25 June 2003, investments in shares and securities are classified under held to maturity (HTM) or held for trading (HFT) “and measured at cost. Transaction costs that are directly attributable to the acquisition added to the initial fair value except for financial assets classified as HFT where they should be recognised in profit or loss.

After initial recognition, HFT govt. securities are measured according to DOS circular no. 05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009, where amortization loss is charged to profit and loss account, mark-to-market loss on revaluation is charged to profit and loss account, but any unrealized gain on such revaluation is recognized in revaluation reserve account. HTM govt. securities are measured at amortized cost and increase/decrease related to amortization is recognized in equity.

As per BRPD circular no. 14 dated 25 June 2003 and DOS circular No.4 dated 24 November 2011, investments in quoted and unquoted shares are revalued at the year-end at market price and at Book Value of last audited balance sheet respectively. As such, provision is made against the diminution in value of investments considering netting off gain/loss. Investment in mutual fund (open-end) is revalued at lower of cost and higher of (market value and 95% of NAV) as per instruction of DOS circular No. 03 dated 12 March 2015 and closed end mutual fund is revalued at lower of cost and higher of (market value and 85% of NAV) as per DOS circular No. 10 dated 28 June 2015. As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognized at costs.

VI. Provision for investments**IFRS**

As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition. For those loans and advances for which the credit risk has not been increased significantly since initial recognition, an entity shall measure the impairment allowance at an amount equal to 12 months expected credit losses.

Bangladesh Bank

As per BRPD Circular no. 14 dated 23 September 2012, BRPD Circular no. 04 dated 29 January 2015, BRPD Circular no. 08 dated 02 August 2015, BRPD Circular No.12, dated 20 August, 2017, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular no. 03 dated 21 April 2019, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no.51& 53 dated 30 December 2021, BRPD Circular no. 14 dated 22 June 2022, BRPD Circular no. 51 dated 18 December 2022, BRPD Circular no. 53 dated 22 December 2022, BRPD Circular no. 11 dated 20 June 2023 and BRPD Circular no. 20 dated 21 June 2023 general provision at 0.25% to 2% under different categories of unclassified investments (good/standard investments) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard, doubtful and bad & loss investments have to be provided at 20%, 50% and 100% respectively and sub-standard 5%, doubtful 20% and bad & loss 100% for CMSME investment (except short-term agricultural and micro-credits where 1% for all unclassified investment (irregular & regular) 5% for sub-standard and doubtful investments and 100% for bad & loss investments) depending on the duration of overdue. “

VII. Provision for Off-balance sheet items**IFRS**

There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for making provision or disclosure of off-balance sheet items on the face of the statement of financial position.

Bangladesh Bank

As per BRPD circular No.14 dated 25 June 2003 and BRPD circular no- 15 dated 09 November 2009, off balance sheet items (e.g. Letter of credit, Letter of guarantee, Bills for collection etc.) must be disclosed separately on the face of the balance sheet. Furthermore, as per BRPD Circular No.14 dated 23 September 2012, BRPD Circular No.19 dated 27 December 2012, BRPD Circular No.7 dated 21 June 2018 and BRPD Circular No.13 dated 18 October 2018 and BRPD Circular No.03 dated 02 February 2023 a general provision at 1% is required to be provided for all off-balance sheet exposures except Bills for Collection received by the bank on behalf of its customers and issued guarantees. Mentionable that Provision against guarantees issued by Bank is to be kept in different rates @ nil, 0.50%, 0.75% & 01% considering the BB rating grade equivalence of the bank providing the counter guarantee.

VIII. Recognition of investment income in suspense**IFRS**

Investment to customers (loans and receivables) are generally classified at amortized cost as per IFRS 9 “Financial Instruments” and investment income is recognised by using the effective interest rate method over the term of the investment. Once an investment is impaired, the entity shall apply the effective interest rate to the amortised cost of these investments.

Bangladesh Bank

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

IX. Financial instruments – presentation and disclosure

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

X. Financial guarantees**IFRS**

As per IFRS-9, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently measured at the higher of: the amount of the loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, the cumulative amount of income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank

As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items.

XI. Cash and Cash Equivalents**IFRS**

Cash and Cash Equivalent items should be reported as cash items as per IAS-7 “Statement of Cash Flows”.

Bangladesh Bank

Some cash and cash equivalent items such as ‘money at call and on short notice’, Treasury bills, Bangladesh Bank bills and Prize bond are not shown as cash and cash equivalent. Money at call and on short notice presented on the face of the balance sheet, and Treasury bills, Prize bonds are shown in investments.

XII. Balance with Bangladesh Bank: (Cash Reserve Requirement)

IFRS

Balance with Bangladesh Bank that are required to be kept as part of cash reserve requirement, should be treated as other asset as it is not available for use in day to day operations as per IAS-7 “Statement of Cash Flows”.

Bangladesh Bank

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

XIII. Cash flow statement

IFRS

The Cash flow statement can be prepared using either the direct method or the indirect method. 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 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, cash flow statement is to be prepared following a mixture of direct and indirect methods.

XIV. Non-banking assets

IFRS

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

Bangladesh Bank

As per BRPD 14 dated 25 June 2003, BRPD 15 dated 09 November 2009 and BRPD 22 dated 20 September 2021, there must exist a face item named Non-banking assets.

XV. Presentation of intangible asset

IFRS

An intangible asset must be identified and recognised, and the disclosure must be given as per IAS-38 “Intangible Assets”.

Bangladesh Bank

There is no regulation for intangible assets in BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009.

XVI. Off-balance sheet items

IFRS

As per IFRS, 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 and BRPD 15 dated 09 November 2009, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

XVII. Investments net off provision

IFRS

Investments should be presented net off provision.

Bangladesh Bank

As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, provision on investments are presented separately as liability and can not be netted off against investments.

XVIII. Revenue

As per IFRS 15, revenue should be recognized on accrual basis but due to the unique nature of Islamic Banks, income from investment under Mudaraba, Musharaka, Bai-Salam, Bai-as-Sarf and Ujarah modes (Khidmah Card) is accounted for on realization basis as per AAOIFI and Bangladesh Bank guidelines.

XIX. Charges on tax on retained earnings, reserve, surplus as per Income Tax Act (ITA) 2023

As per section 22 of the Income Tax Act 2023, Listed companies should disclose proposed dividend in the balance sheet as “amount to be distributed as dividend”. However there is no provision for this in BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009 and IFRS also restricts to disclose such presentation in the balance sheet.

2.2 Measurement of elements in the financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the financial statements. The measurement basis adopted by the Bank is historical cost except for land, building and few of the financial assets which are stated in accordance with the policies mentioned in the respective notes.

2.3 Basis of consolidation

The group financial statements include the financial statements of the Bank and its subsidiaries that it controls. The Bank prepares consolidated financial statements using uniform accounting policies for similar transactions and other events in similar circumstances. Consolidation of an investee shall begin from the date the investor obtains control of the investee and cease when the investor loses control of the investee.

The Bank presents non-controlling interests in the consolidated statement of financial position (Balance Sheet) within equity, separately from the equity of the owners of the Bank. Changes in the Bank ownership interest in a subsidiary that do not result in losing control of the subsidiary are equity transactions (i.e. transactions with owners in their capacity as owners).

2.3.1 Consolidation procedures

> combining line items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

> offsetting (eliminating) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

> eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets [property, plant & equipment], are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

2.3.2 Investment in subsidiaries in the Bank separate financial statements

When the Bank prepares separate financial statements, it accounts for investments in subsidiaries at cost.

2.4 Functional and presentation currency

The consolidated and separate financial statements of the Bank are presented in Bangladeshi Taka which is the functional currency of the Bank and its subsidiaries except for Off-shore Banking Unit (OBU) where the functional currency is US Dollar (USD). All financial information presented in Taka (BDT) has been rounded to the nearest integer, except otherwise indicated.

2.5 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, post employment benefits liabilities, accruals, taxation and provision.

2.6 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.7 Going concern

When preparing financial statements, management makes an assessment of the Bank's ability to continue as a going concern. The Bank prepares financial statements on a going concern basis.

2.8 Accrual basis of accounting

The Bank prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Bank recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

2.9 Materiality and aggregation

The Bank presents separately each material class of similar items. The Bank presents separately items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

2.10 Offsetting

The Bank does not offset assets and liabilities or income and expenses, unless required or permitted by BB guidelines or IFRS.

2.11 Reporting period

These financial statements of the Bank and its subsidiaries cover one calendar year from 01 January 2023 to 31 December 2023.

2.12 Authorization of the financial statements for issue

The consolidated financial statements and the separate financial statements of the Bank were reviewed by the Audit Committee of the Board in its 544th meeting on 24 April 2024 and was subsequently authorized for issue by the Board of Directors in its 335th meeting held on the same date.

2.13 Cash flow statement

Cash Flow Statement is prepared in accordance with IAS-7 “Statement of Cash Flows” as well as the guidelines for islamic banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 and BRPD Circular No.14 dated 25.06.2003. The Statement shows the structure of changes in cash and cash equivalents during the year.

2.14 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS-1 “Presentation of Financial Statements” as well as the guidelines for islamic banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 and BRPD Circular No.14 dated 25.06.2003.

2.15 Liquidity statement

Liquidity Statement has been prepared based on the residual/remaining maturity of assets and liabilities as on 31 December 2023 as per the guidelines for islamic banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 and BRPD Circular No.14 dated 25.06.2003 as follows:

- i) Balance with other banks and financial institutions, etc. are on the basis of their respective maturity term;
- ii) Investments in shares & securities are on the basis of their respective maturity;
- iii) General investments are on the basis of their recovery/repayment schedule;
- iv) Fixed assets [property, plant & equipment] are on the basis of their useful lives;
- v) Other assets are on the basis of their realization/amortization;
- vi) Deposits and other accounts are on the basis of their maturity and payments;
- vii) Provisions and other liabilities are on the basis of their adjustment/settlement;
- viii) Due to perpetual in nature/maturity, Mudaraba Perpetual Bond (MPB) is reported under maturity more than 5 (five) years.
- ix) Mudaraba Redeemable Subordinated Bond is reported under maturity within 1 (one) year for Tk. 480 (Four hundred eighty) crore, 1 (one) to 5 (five) years for Tk. 1,220 (One thousand two hundred and twenty) crore and more than 5 (five) years for Tk. 320 (Three hundred and twenty) crore.

2.16 Changes in accounting policies

The Bank changes its accounting policy only if the change is required by IFRS or Bangladesh Bank Guidelines or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the Bank’s financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

2.16.1 IFRS-16: Lease

In January 2016, the International Accounting Standards Board (IASB) issued IFRS-16. IFRS-16 replaces IAS-17, IFRIC 4, SIC 15 and SIC 27 which sets out the principles for recognition, measurement, presentation and disclosure of leases which is effective from annual reporting periods beginning on or after 01 January 2019. IBBPLC has applied IFRS-16 Leases for the first time with the date of initial application of 01 January 2019. As IFRS-16 supersedes IAS-17 Lease, the bank has made recognition, measurement and disclosure in the financial statements-2023 both as Lessee and Lessor as per IFRS-16.

Bank as lessee:

“The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the bank consider the contract as a lease contract. The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The bank recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets. If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease period as short term in line with the recognition threshold of ROU assets as per policy of the bank. The Bank determine incremental borrowing rate to calculate the ROU assets and depreciate the asset over the useful life by straight line method. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Bank, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is premeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients.

Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities.

Right-of-use assets (ROU):

“The bank recognises the right-of-use (ROU) assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term.

The bank assessed all lease contracts live in 2023 and recognised as ROU of assets of all leases, except short term and low value of assets as guided by Banks’ own policy set as per IAS-16 and IFRS-16. The ROU assets are presented in the Note 12.1 of these financial statements.”

Lease Liabilities (Bank as a lessee):

“At the commencement of the lease, the bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees.

In 2023, the bank reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2020. The lease liabilities are presented in the Note 17.0 of these financial statements.”

Bank as a lessor:

“Leases where the bank does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets. Rental income is recorded as earned based on the contractual term of the lease. However, the Bank did not hold any such assets in 2023.”

Recognition of consideration made under contract in exchange of use of rental premises/assets:

“As per IFRS 16, when consideration is made by the bank under contract in exchange of use of rental premises or assets for a period not exceeding a period of twelve months, and or, the present value of the obligation plus initial payment under contract does not exceed the threshold limit of the bank, and substantially all the risk and benefit of ownership of those rental premises/ assets does not transfer to the bank, then the bank considers the payment (other than advance payment) as rental expense under IFRS 15 Revenue from contracts with customers. “

Therefore, in 2023, IBBPLC recognised those payments against contracts that do not qualify as lease item under IFRS-16 as rental expense which is presented in Note 30.0 of the financial statements for the year ended 31 December 2023.

Particulars	Amount in Tk.
Depreciation charge for right-of-use (ROU) assets by class of underlying asset	275,247,816
Finance charge on lease liabilities	62,562,661
Total cash outflows	294,082,985
Carrying amount of right of use assets at the end of the reporting year	870,976,598
Lease obligation on ROU assets as at end of the reporting year	918,346,332

2.17 Changes in accounting estimates

Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account.

2.18 Verification of financial statements through Document Verification System (DVS)

As per BRPD Circular Letter No. 4 dated 04 January 2021, it has been ensured that latest available audited financials are preserved in the investment file of all our clients. In addition to that as per BRPD Circular Letter No. 35 dated 06 July 2021, we have been granted access in DVS by The Institute of Chartered Accountants of Bangladesh (ICAB) which we have implemented verification of financials through DVS 100% for all our clients which are listed with Stock Exchanges. We have also performed verification of 7% which non listed/not listed with Stock Exchanges.

3.0 Summary of significant accounting policies

Accounting policies are determined by applying the relevant guidelines of Bangladesh Bank as well as the relevant IFRS. Where there is no available guidelines of BB and IFRS, management uses its judgment in developing and applying an accounting policy that results in information that is relevant and reliable. The Bank selects and applies its accounting policies for a period consistently for similar transactions, other events and conditions, unless IFRS or Bangladesh Bank guidelines specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all periods presented in these consolidated financial statements:

3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand and at ATM, balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions which are not ordinarily susceptible to change in value.

3.2 Investment in shares and securities

Investment in shares and securities (other than Investment in Bangladesh Government Islamic Investment Bond) are initially recognised at cost and subsequently measured and accounted for depending on their classification criteria as either held to maturity or held for trading. Transaction costs that are directly attributable to the acquisition added to the initial cost except for the investment classified as held for trading where they should be recognised in profit or loss.

Investment in Bangladesh Government Investment Sukuk is reported at cost price.

Investments in quoted and unquoted shares are revalued at the year-end at market price and at net assets value (NAV) of last audited balance sheet respectively. As such, provision is made against the diminution in value of investments netting off gain / loss arises from the market of the securities.

Investment in mutual fund is revalued is mentioned in Note-3.2.3. As such, provision is made for any loss arising from diminution in value of investments (portfolio basis).

Investment in Government securities (other than investment in Bangladesh Shipping Corporation) are measured both initially and subsequently at cost as the Bank is not allowed to invest in interest bearing government securities like T-bond, T-bill etc. So the instructions and circulars related to the recognition and measurement of those instruments are not applicable for the Bank.

Investment in Bangladesh Shipping Corporation was initially recognized at cost. Transaction costs directly attributable to the acquisition added to the cost. After initial recognition investments are measured at the year end market price and change in the market price is recognized in equity under the head revaluation surplus.

Investment in subordinated bond is measured both initially and subsequently at cost.

Investment in Mudaraba Perpetual Bond is reported at cost price. As per Bangladesh Bank DOS circular no. 04 dated 24 November 2011, provision for diminution in value of investment in Mudaraba Perpetual Bond was made by netting off unrealised gain/loss of shares from market price less cost price.

3.2.1 Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as 'Held to Maturity' (HTM). These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Premiums are amortized and discounts are accredited, using the effective or historical yield. Any increase in value of such investments is booked to equity but decrease to profit and loss account.

3.2.2 Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked to market and any decrease in the present value is recognized in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account as per DOS Circular no. 05 dated 28 January 2009.

3.2.3 Investment- Initial recognition and subsequent measurement

Investment class	Initial Recognition	Measurement after initial recognition	Recording of Changes
Govt. treasury securities - BGIIB/Sukuk	Cost	Cost	None
Debenture/Bond	Cost	Cost	None
Shares (Quoted)	Cost	Lower of cost or market value (overall portfolio)	Loss (net off gain) to profit and loss account but no unrealized gain booking.
Shares (Unquoted)	Cost	Lower of cost or Net Asset Value (NAV) of last audited financial statements	Loss to profit and loss account but no unrealized gain booking.
Mutual fund (Open-end)	Cost	If, average cost price (CP) > Surrender Price then the shortfall amount is required as provision.	Loss (net) to profit and loss account but no unrealized gain booking.
Mutual fund (Close-end)	Cost	Lower of cost or market value (overall portfolio)	Loss (net) to profit and loss account but no unrealized gain booking.

3.3 Investments

Investments are recognized at gross amount on the date on which they are originated. After initial recognition investments are stated in the Balance Sheet net off profit receivable and unearned income. However, provision for investments are not net-off with investments.

Profit Receivable – the amount of unexpired portion of profit charged on Bai-Murabaha investment at the time of sale of goods/ services to customer/client.

Unearned Income - the amount of unrealized portion of profit/value addition of fixed assets [property, plant & equipment] under Hire Purchase Under Shirkatul Melk (HPSM) investment for gestation period.

3.4 Fixed assets [Property, plant & equipment and intangibles]

3.4.1 Property, plant and equipment

3.4.1.1 Recognition

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits will flow to the Bank and the cost of the item can be measured reliably.

3.4.1.2 Measurement at recognition

An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost. The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. The cost of a self-constructed asset is determined using the same principles as for an acquired asset.

3.4.1.3 Elements of costs and subsequent costs

Cost includes purchase price (including import duties and non-refundable purchase taxes), directly attributable costs to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Costs of day to day servicing (repairs and maintenance) are recognized as expenditure as incurred. Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

3.4.1.4 Measurement of property, plant & equipment after recognition

Cost model

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Revaluation model

The revaluation model requires an asset, after initial recognition, to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in equity under the heading of revaluation surplus. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in equity to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in equity reduces the amount accumulated under the heading of revaluation surplus.

The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognized. However, some of the surplus is transferred as the asset is used by the Bank. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

3.4.1.5 Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognized.

3.4.1.6 Asset retirement obligations (ARO)

Asset retirement obligations (ARO) are recognized when there is a legal or constructive obligation as a result of past event for dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognized as part of the cost of the related property, plant and equipment. The amount recognized is the estimated cost of decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The periodic unwinding of the discount is recognized in the statement of profit or loss as a finance cost as it occurs.

3.4.1.7 Depreciation

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is installed and available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate.

Depreciation is calculated based on the cost/revalued amount of items of fixed assets [property, plant & equipment] less their estimated residual values using either of Straight-Line Method (SLM) or Reducing balance method (RBM) over their estimated useful lives and recognized in profit and loss. Land is not depreciated. Rates of depreciation considering the useful life of respective assets are as follows:

Items	Method	Rates
Building	Reducing Balance	2.5% on Book Value
Furniture and fixtures-Steel	-Do-	05% on Book Value
Furniture and fixtures-other than Steel	-Do-	10% on Book Value
Mechanical appliances	-Do-	20% on Book Value
ATM	-Do-	10%-25% on Book Value
Books	-Do-	25.00% on Book Value
Motor vehicles	Straight-line	16.67% - 20.00% on Original Cost
Computers	-Do-	25% on Original Cost

3.4.2 Capital work in progress

Fixed assets that is being under construction/acquisition is accounted for as capital work in progress until construction/acquisition is completed and measured at cost. The work in progress is transferred to cost of that fixed assets when the construction is completed and it becomes available for use.

3.4.3 Intangible assets

3.4.3.1 Recognition

The recognition of an item as an intangible asset requires the Bank to demonstrate that the item meets the definition of an intangible asset and the recognition criteria. An intangible asset is recognized as an asset if, and only if, it is probable that expected future economic benefits that are attributable to the asset will flow to the Bank and the cost of the item can be measured reliably.

3.4.3.2 Measurement

An intangible asset is measured at cost less any accumulated amortizations and any accumulated impairment losses. Subsequent expenditures are likely to maintain the expected future economic benefits embodied in an existing intangible asset rather than meet the definition of an intangible asset and the recognition criteria. Therefore, expenditure incurred after the initial recognition of an acquired intangible asset or after completion of an internally generated intangible asset is usually recognized in profit or loss as incurred. The rates used for amortizing intangible assets is 25.00%.

3.4.3.3 Amortization

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. An intangible asset with an indefinite useful life is not amortized.

3.5 Impairment of Fixed assets [property, plant & equipment and intangibles]

Recognizing and measuring impairment loss

Where the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on a non-revalued asset is recognized in profit or loss. However, an impairment loss on a revalued asset is recognized directly in equity to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

The Bank assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Bank estimates the recoverable amount of the asset. Irrespective of whether there is any indication of impairment, the Bank tests an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually.

3.6 Other assets

Other assets include all other financial assets, other income receivable, advance against expenses etc.

3.7 Non-banking assets

Non-banking assets are acquired on account of the failure of a client to repay the investment in time after receiving the decree from the court regarding the right and title of the mortgaged property.

3.8 Placement from banks and other financial institutions

Placement from banks and other financial institutions are stated in the financial statement at principal amount of the outstanding balance.

3.9 Deposits and other accounts

Deposit and other accounts include Al Wadeah current deposit as well as savings, term and other Mudaraba deposits. Deposits by customers and banks are recognized when the Bank enters into contractual agreements with the counterparties. These items are brought to Financial Statements at the gross value of the outstanding balance.

3.10 Mudaraba Bond

3.10.1 Mudaraba Perpetual Bond

Mudaraba Perpetual Bond (MPB) was issued by the Bank under the mudaraba principles of Islamic Shari'ah as per approval of Bangladesh Bank Letter No. BRPD (P-1)661/14(a)/2006-1437 dated 07.05.2006 and Bangladesh Securities and Exchange Commission Letter No. SEC/CI/CPLC-118/2006/385 & SEC/CI/RPO-01/2007/386 both dated 10.06.2007. The Investment Corporation of Bangladesh (ICB) is the Trustee of the MPB. The MPB is listed with Dhaka Stock Exchange PLC. & Chittagong Stock Exchange PLC. and trading of the same started from 25 November 2007. It is treated as a component of Additional Tier-I Capital (AT-I). The instrument subordinated to the claims of other creditors and depositors. In the case of liquidation, the subordinated debtholders would be paid just before paying to the shareholders assuming there are assets to distribute after all other liabilities and debts have been paid. The Mudaraba Perpetual Bond (MPB) is perpetual in nature i.e. infinite maturity. Profit paid against Mudaraba Perpetual Bond is the final profit rate of 8 (eight) years Mudaraba Savings Bond and an additional amount equivalent to 10.00% of the rate of dividend declared for the respective year.

3.10.2 Mudaraba Perpetual Contingent Convertible Bond

IBBL 2nd Perpetual Mudaraba Bond of Tk. 800 crore, BASEL III compliant Perpetual Debt Instrument, was issued as per approval of Bangladesh Bank letter no. BRPD (BFIS) 661/14B (P)/2021/7134 dated 22 August, 2021 and as per consent of Bangladesh Securities and Exchange Commission letter no.BSEC/CI/DS-153/2021/508 dated September 05, 2021. Total issue size Tk. 800 crore, out of which Tk. 717.584 crore was received as subscription in the year 2021 and remaining Tk.82.416 crore was received during the year 2022 (Tk. 80 crore through Public Offer and Tk. 720 crore through Private Placement). The public offer portion is listed with Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. This bond is Perpetual, Floating rate, Unsecured, Contingent Convertible on pre-specified trigger point, Coupon/Profit Discretion, Subordinated, Non-Cumulative and the claims of the bondholders are to be subordinated to the claims of depositors and general creditors of the Bank and the Bank has full discretion at all times to cancel distributions/payments to the bondholder/ investors subject to common equity holders' dividend stopper clause.

IBBL 2nd Perpetual Mudaraba Bond was issued for the purpose of augmenting Additional Tier 1 (AT-I) Capital, strengthening Bank's capital adequacy and for enhancing its long-term resources in accordance with Bangladesh Bank Guidelines.

Coupon/Profit Rate:

The Rate of return/profit (coupon rate) of this bond is calculated based on the latest available published deposit rate in Bangladesh Bank website. The average of yearly deposit rate (1 year but < 2 year) of scheduled Islamic banks (1st Generation, 2nd Generation and 3rd Generation banks only) will be considered, excluding foreign Islamic banks and any Z-category Islamic Banks enlisted in capital market, for Benchmark Profit Rate fixation plus additional 2.50% per annum. Furthermore, if any Islamic bank goes into OTC Market/ delisted, that will be excluded from rate of return calculation as well.

3.10.3 Mudaraba Redeemable Subordinated Bonds

Five (05) floating rate Mudaraba Redeemable Unsecured Non-convertible Subordinated 7 years Bonds were issued for inclusion in Tier 2 Capital of the Bank in pursuance of "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" on Basel III capital regulations issued by Bangladesh Bank vide BRPD Circular No- 18 dated December 21, 2014. The IBBPLC Mudaraba Redeemable Non-convertible Subordinated Bond of Tk. 500 crore, IBBPLC 2nd Mudaraba Redeemable Non-convertible Subordinated Bond of Tk. 700 crore, 1st Tranche Issue of Tk. 600 crore of IBBL 3rd Mudaraba Redeemable Non-convertible Subordinated Bond and 2nd Tranche Issue of Tk. 600 crore of IBBPLC 3rd Mudaraba Redeemable Non-convertible Subordinated Bond were issued in the year 2017, 2018, 2019 and 2020 respectively covering the criteria for inclusion of debt instruments in Regulatory Capital (specific eligibility criteria outlined by the Bangladesh Bank for subordinated debt to qualify as Tier 2 capital). Principal redemption was made Tk.100 crore for IBBPLC Mudaraba Redeemable Non-convertible Subordinated Bond of Tk. 500 crore, Tk.140 crore for IBBPLC 2nd Mudaraba Redeemable Non-convertible Subordinated Bond of Tk. 700 crore and by Tk. 120 crore for 1st Tranche Issue of Tk. 600 crore of IBBPLC 3rd Mudaraba Redeemable Non-convertible Subordinated Bond during the year 2022. IBBPLC 4th Mudaraba Redeemable Non-

convertible Subordinated Bond of BDT 800 crore has been issued during the year 2022-2023 and Tk.300 crore only has been subscribed by the investors and the remaining Tk.500 crore will be issued during the year 2023. The claims of the subordinated bondholders are junior to the claims of the depositors and the other creditors.

3.10.4 Usage of IBBL 2nd Perpetual Mudaraba Bond

The fund raised is not meant for financing any particular project. The Bank utilizes the proceeds of the issue for its regular business activities to extend the investment facility to the existing clients and to extend investment facility to the new clients in different sectors for sustainable business growth.

3.11 Provisions

3.11.1 Provision for investments

Provision for investments is made on the basis of quarter-end review by the management and instructions contained in BRPD Circular no. 14 dated 23 September 2012, BRPD Circular no. 04 dated 29 January 2015, BRPD Circular no. 08 dated 02 August 2015, BRPD Circular No.12, dated 20 August, 2017, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular no. 03 dated 21 April 2019, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no.51& 53 dated 30 December 2021, BRPD Circular no. 14 dated 22 June 2022, BRPD Circular no. 51 dated 18 December 2022, BRPD Circular no. 53 dated 22 December 2022 and BRPD Circular no. 03 dated 02 February 2023. Details are given below:

Particulars		Classification/Percentage (%) of provision requirement									
		2023					2022				
		UC	SMA	SS	DF	BL	UC	SMA	SS	DF	BL
Cottage, Micro, & Small Investments Under CMSME		0.25%	0.25%	5%	20%	100%	0.25%	0.25%	5%	20%	100%
Medium Enterprise Financing under SMEF		0.25%	0.25%	20%	50%	100%	0.25%	0.25%	20%	50%	100%
Consumer	Investment for Housing Finance	1%	1%	20%	50%	100%	1%	1%	20%	50%	100%
	Investment for Professionals	2%	2%	20%	50%	100%	2%	2%	20%	50%	100%
	Other than Investment for Housing Finance & Professionals	2%	2%	20%	50%	100%	2%	2%	20%	50%	100%
All Other (Except Short-term Agricultural and Micro-Credits)		1%	1%	20%	50%	100%	1%	1%	20%	50%	100%
Short-term Agricultural and Micro-Credits		1%		5%		100%	1%		5%		100%
Investment to Stock Dealers & Stock Broker		1%		20%	50%	100%	2%		20%	50%	100%

3.11.2 Provision for diminution of value of shares and securities

Provision for diminution of value of shares and mutual funds, placed under other liability, has been made on portfolio basis (gain/loss net off) following DOS circular No.04 dated 24 November 2011, DOS circular No.03 dated 12 March 2015 and DOS circular No. 10 dated 28 June 2015 respectively. Details are stated in **Note 17.2** of these financial statements.

3.11.3 Provision for off-balance sheet exposures

In compliance with BRPD circular No. 14 dated 23 September 2012, BRPD Circular No.7 dated 21 June 2018 and BRPD Circular No.13 dated 18 October 2018 the Bank has been maintaining provision against off-balance sheet exposures (mainly contingent assets/liabilities) **Note-2.1.VII**.

3.11.4 Provision for other assets

Provision for other assets is made as per the instructions made in the BRPD circular No. 04 dated 12 April 2022 and other instructions made by Bangladesh Bank. (Note- 17.3.1).

3.11.5 Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per BRPD circular No. 04 dated 12 April 2022. 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.

3.11.6 Other provisions, accruals and contingencies

3.11.6.1 Recognition of provisions, accruals and contingencies

A provision is recognized when the Bank has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; a reliable estimate can be made of the amount of the obligation. Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

Contingent liabilities are not recognized in the financial statements. Disclosure on contingent liabilities has been made on the face of balance sheet under 'Off-balance Sheet Items' as per BRPD circular No. 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009.

3.11.6.2 Measurement of provision

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

3.11.6.3 Changes and uses of provisions

Provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. A provision is used only for expenditures for which the provision was originally recognized. Only expenditures that relate to the original provision are set against it. Setting expenditures against a provision that was originally recognized for another purpose would conceal the impact of two different events.

3.12 Post employment benefits

The Bank provides various long-term and short-term benefits to the employees under different schemes. Details of the benefits plans are given below:

3.12.1 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plan are recognized as personnel expense in profit or loss in the periods during which related services are rendered by employees. The Bank maintains one funded defined contribution plan for its regular employees - Provident fund.

3.12.1.1 Provident fund

The Commissioner of Income Tax, Dhaka (North) has approved the provident fund as a recognized provident fund within the meaning of section 2 (52) read with the provision of part – B of the First Schedule of Income Tax Ordinance 1984. The Provident Fund is for the regular and confirmed employees who works for a minimum period of 5(five) years at the Bank and it came into force with effect from 1st day of March 1986. The Fund is operated by a separate Board of Trustee. The fund receives contributions @ 10% of the basic pay both from employees and employer. Subsidiaries of the Bank also operate separate provident funds for its regular employees funded by both the employees and employee equally.

3.12.2 Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Bank's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The Bank has two funded defined benefit plans - Gratuity fund and Superannuation fund.

3.12.2.1 Gratuity fund

The National Board of Revenue has approved the gratuity fund as a recognized gratuity fund on December 27, 1995. The Gratuity Fund for the regular and confirmed employees of the Bank was established on 01 March 1986. The employees who served at least 7 (seven) years, served for minimum 12 (twelve) years & served for 20 (twenty) years at the Bank are entitled to get gratuity equivalent to 1(one) month's basic pay, 1.5 (one and a half) months' basic pay & entitled to get 2 (two) months' basic pay respectively for each completed years of service and fraction thereof. The fund is operated by a Board of Trustee. Adequate contributions have been made as per the recommendation of actuarial valuation report during the year.

3.12.2.2 Superannuation fund

The Fund came into force with effect from the 19 June, 2008. It was established for financial help to the members of the Bank Employees' Superannuation Fund and their families in case of retirement, death, physical disability of employee while in service or of any incidence of like nature acceptable to the Board of Trustees and retirement from the service.

3.12.3 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Companies has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.12.4 Other employee benefits

Other employee benefits include which are not included in short-term employee benefits, post-employment benefits and other termination benefits.

3.12.4.1 Benevolent fund

The Benevolent Fund for the regular and confirmed employees of the Bank was established in the year 1986. This Fund is mainly used for payment of grant to meet some unexpected and specific needs of the staffs of the Bank like accident, clinical treatment, marriage ceremony of the employees and their dependents, burial expenses of employees' death, scholarship/cash award to the meritorious students among the children of the Bank's officers and sub-staff and allow short term guard/etc.

3.12.5 Workers' Profit Participation Fund (WPPF)

As per Bangladesh Labour Act, 2006 as amended in 2013 all companies fall within the scope of WPPF (which includes Bank) are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. The Bank obtained opinion from its legal advisor regarding this issue which stated that the Bank is not required to make provision for WPPF as the provision of Bangladesh Labour Act 2006 as amended contradicts with that of the Bank Company Act 1991. As such consistent with widely accepted industry practice as well lawyer opinion the Bank did not make any provision during the year for WPPF.

3.13 Taxation

The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the income statement, except in the case it relates to items recognized directly in equity. In this case, the tax is also recognized directly in equity.

3.13.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years. Provision for current income tax has been made as per the prescribed rate in the Income Tax Act 2023 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". Provision for current income tax has been made on taxable income of the Bank as per following rates:

Type of income	2023	2022
Business income	37.50%	37.50%
Capital gain	10% to 15%	10% to 15%
Other Income (Dividend income)	20.00%	20.00%

3.13.2 Deferred tax

Principle of recognition

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with directly in equity is recognized directly in equity.

Recognition of taxable temporary difference

A deferred tax liability is recognized for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Recognition of deductible temporary difference

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax on revaluation

The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. An upward revaluation will therefore give rise to a deferred tax liability. IBBPLC recognizes the underlying revaluation directly in equity, so the deferred tax thereon is also recognized as part of tax relating to equity. IBBPLC transfers each year from revaluation surplus to retained earnings an amount equal to the difference between the depreciation based on the cost of that asset. The amount transferred is net off any related deferred tax.

3.14 Share capital and reserves

3.14.1 Capital

Authorized Capital

Authorized Capital is the maximum amount of share capital that the Bank is authorized to raise as per its Memorandum and Articles of Association.

Paid-up Capital

Paid-up Capital represents total amount of shareholders' capital that has been paid in full by the shareholders. Shareholders are entitled to receive dividend as approved from time to time in the Annual General Meeting.

3.14.2 Share Premium

Share premium arose from sale of some un-subscribed Right Share for the year 1996 at above the par value and can be utilized as per section 57 of the Companies Act, 1994.

3.14.3 Statutory reserve

As per section 24 of the Bank Company Act, 1991 as amended, at least 20% of the net profit before tax is transferred to statutory reserve each year until the cumulative balance of the reserve equal to the paid-up capital.

3.14.4 Assets revaluation reserve

This represents the difference between the book value and the re-valued amount of premises (Land and Building) of the Bank as assessed by professional valuers in the year 2000, 2002, 2003, 2004, 2005, 2006, 2009 and 2012 which were reviewed by the then statutory auditors. To calculate Capital to Risk Weighted Assets Ratio (CRAR), 50% of the same was considered as a component of supplementary capital as per Bangladesh Bank BRPD Circular No. 24 dated 03 August 2010 up to 2014. However, as per BRPD circular 18 dated December 21, 2014, the revaluation reserve for Fixed assets [property, plant & equipment] already have been deducted from Tier-2 capital with a phase in manner from 2015 to 2019.

3.14.5 Revaluation reserve of securities

Investment in shares of Bangladesh Shipping Corporation qualified for Statutory Liquidity Reserve (SLR) as per Bangladesh Bank Letter No. BCD (P)744(23)(II)/1030 dated 08.11.1983, BRPD Circular No.15 dated 31.10.2005, DOS Circular Letter No.10 dated 11.09.2006, BRPD Circular No. 03 dated 12.03.2008 and DOS Circular Letter No.05 dated 26.05.2008. The shares have been revalued as on 30.12.2017 on the basis of closing market price of Dhaka Stock Exchange PLC. (DSE). The surplus is credited to Revaluation Reserve on securities account and 50% of the revaluation reserve upto 2014 has been taken as a component of Supplementary Capital as per Bangladesh Bank BRPD Circular No. 24 dated 03 August 2010. and shown in the Statement of Changes in Equity as per Bangladesh Bank guidelines up to 2014. As per BRPD circular 18 dated December 21, 2014, the revaluation reserve for securities has been deducted from Tier-2 capital from 2015 to 2019.

3.14.6 Non-controlling interest

Non-controlling interest is the equity in the subsidiaries that is not attributable, directly or indirectly to the parent. The Bank attributes the profit or loss and each component of equity to the owners of the parent and to the non-controlling interests. When the proportion of the equity held by non-controlling interests changes, the Bank adjusts the carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiaries.

The Bank presents non-controlling interests in the consolidated statement of financial position (Balance Sheet) within equity, separately from the equity of the owners of the Bank. Changes in the Bank ownership interest in a subsidiary that do not result in losing control of the subsidiary are equity transactions (i.e. transactions with owners in their capacity as owners).

3.14.7 Regulatory capital in line with Basel-III

Till December 2014, as per Revised Regulatory Capital Framework in line with Basel III, full amount of general provision for unclassified investments and off-balance sheet items & Mudaraba Subordinated Bond as capital gone-concern. However, as per Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III), BRPD No.18, dated 21 December 2014, Assets Revaluation Reserve and Revaluation Reserve of Securities has gradually been deducted in a transitional arrangement starting from January 2015 to December 2019 (20% each year). Accordingly regulatory capital for the period has been calculated complying with all of these changes as per Revised Regulatory Capital Framework for Banks in line with Basel-III.

3.15 Foreign currency transactions

3.15.1 Initial recognition

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

3.15.2 Subsequent measurement

A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities is translated into the Bank's functional currency at each reporting date. However, translation depends on whether the assets or liabilities are monetary or non-monetary items:

Monetary items

Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

Non-monetary items

Non-monetary items carried at historic cost are translated using the exchange rate at the date of the transaction when the asset arose (historical rate). They are not subsequently retranslated in the individual financial statements of the Bank. Non-monetary items carried at fair value are translated using the exchange rate at the date when the fair value was determined.

When a gain or loss on a non-monetary item is recognized in equity, any exchange component of that gain or loss is recognized in equity. Conversely, when a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

3.15.3 Translation of foreign currency financial statement

The assets and liabilities of foreign operations (Note- 1.3) are translated into presentation currency in the current statement of financial position using the closing rate at the reporting date. The income and expenses of foreign operations are translated at spot exchange rates at the date of transactions as long as practicable; otherwise average rate of exchange has been used. Foreign currency differences arising on translation are recognized in equity under the head translation reserve.

3.16 Income

3.16.1 Investment income

Income from general investments is accounted for on accrual basis except for investments under Musharaka, Mudaraba, Bai-Salam, Bai-as-Sarf and Ujarah (Khidmah Card) modes of Investment where the investment income is accounted for on realization basis. The Bank does not charge any rent during the gestation period of investment against Hire Purchase under Shirkatul Melk (HPSM) mode of investment but it fixes the sale price of the assets at a higher level in such a way to cover its expected rate of return. Such income is recognized on realization basis.

Profit/Rent/Compensation accrued on classified investments are suspended and accounted for as per circulars issued by Bangladesh Bank in this regard from time to time. At the time of recovery or regularization of those investments the related income which was suspended and shown as a liability is taken as investment income (except compensation) as per circulars issued by Bangladesh Bank. As a result, all the transferred amount to investment income from suspense during the year has already been included in the investment income of the Bank.

Profit on deposits with other banks & financial institutions is accounted for on accrual basis.

3.16.2 Sharing of investment income

In case of investment, Mudaraba fund gets preference over cost free fund. The investment income earned through deployment of Mudaraba Fund is shared by the Bank and the Mudaraba depositors at the pre-agreed ratio.

3.16.3 Income from investment in Bangladesh Government Islamic Investment Bond (BGIIB)

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

3.16.4 Income from investment in subordinated bond

Profit from investment in subordinated bond is accounted for on an accrual basis.

3.16.5 Fees, commission and exchange income

Fees, commission and exchange income on services provided by the Bank are recognized as and when the related services are rendered. Commission charged to customers on letter of credit and letter of guarantee are credited to Income at the time of effecting the transactions.

3.16.6 Dividend income

Dividend income from investments is accounted for when the right to receive income is established.

3.17 Expenses

3.17.1 Management and other expenses

Expenses incurred by the Bank are recognized on actual and accrual basis.

3.17.2 Profit paid on deposits

As per agreement between the Mudaraba depositors and the Bank in line with Mudaraba Principle, the Mudaraba depositors are entitled to get minimum 65% of the investment income earned through deployment of Mudaraba Fund as per weightage assigned to each type of Mudaraba deposit. In the year 2023, the Bank paid 65% of Investment Income earned through deployment of Mudaraba Fund. Mudaraba Depositors do not share any income derived from various banking services where their fund is not involved and any income derived from Investing Bank's Equity and other Cost Free Fund. Al-Wadeeah Depositors do not share any income of the Bank. Profit is paid/provided to Mudaraba Deposit accounts at provisional rate on half-yearly/yearly/ anniversary basis considering overall projected growth, performance and profitability of the Bank during the year. Final Rates of profit of any accounting year are declared after finalization of Shari'ah Inspection report and certifying the Investment Income of the Bank by the statutory auditors.

3.17.3 Zakat

Zakat is paid by the Bank at the rate of 2.58% (instead of 2.50% as the Bank maintains its financial statements following Gregorian Year) and calculated on the closing balances of Share Premium, Statutory Reserve, General Reserve and Dividend Equalization Accounts. Zakat is charged in the Profit & Loss Account of the Bank as per "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009. Zakat on Paid up Capital and Deposits is not paid by the Bank, since it is the responsibility of the Shareholders and Depositors respectively.

3.18 Dividend payments

Final dividend is recognized when it is approved by the shareholders in Annual General Meeting (AGM). The proposed dividend for the year 2023, therefore, has not been recognized as a liability however disclosed in the balance sheet in accordance with IAS-10 “Events after the Reporting Period”. Dividend payable to the Bank’s shareholders is recognized as a liability and deducted from the shareholders’ equity in the period in which the shareholders’ right to receive the dividend is established.

3.19 Revenue, gains, expenses & losses prohibited by Shari’ah

Income (doubtful, compensation & other earnings) which is prohibited by Shari’ah are not being included in the distributable income of the Bank.

3.19.1 Doubtful income

Doubtful income which is prohibited by Shari’ah due to lapses in compliance of Shari’ah principles for investment as per Shari’ah Supervisory Committee report is included in the investment income of the Bank and appropriate amount of corporate tax is provided on it accordingly on these whole amount whether realized or not. It is not distributed to either depositors or shareholders of the Bank rather the amount net off corporate tax is transferred to an account titled “Doubtful income account” under other liabilities of the Bank (**Note-17.3.2**). Only realized amount of doubtful income (on which corporate tax has already been paid due to inclusion in investment income) is then expended for charitable purposes.

From the year 2014, the Bank has decided to introduce a separate account for doubtful income after providing corporate income tax. Accordingly, net off corporate tax amount of doubtful income has been transferred to “doubtful income account” as a charge in profit & loss account under other provisions (**Note 17.3.2**).

3.19.2 Compensation

Bank charges compensation on overdue investments under Bai-modes. The amount of compensation is not included in investment income rather kept separately under other liabilities (**Note-17.5**) titled as “compensation account” Applicable tax on the amount is provided/paid from those account. Realized amount of compensation on which corporate tax has already been provided are expended for charitable purposes.

3.19.3 Other earnings

Interest received from the balances held with foreign banks and from foreign currency clearing account with Bangladesh Bank are not credited to income, since it is not permissible as per Shari’ah. These are expended for charitable purposes after payment of corporate income tax thereon.

3.20 Inter-branch transactions

Transactions with regard to inter-branches and units are reconciled regularly and efforts are taken to minimize the unreconciled entries at the end of the year.

3.21 Earnings per share (EPS)

Measurement

Basic EPS

The Bank calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period. The company calculates earnings per share (EPS) in accordance with IAS 33, “Earnings Per Share” which has been shown on the face of the Profit and Loss Account.”

Diluted EPS

The Bank calculates diluted earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. For the purpose of calculating diluted earnings per share, the Bank adjusts profit or loss attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods. Hence no Diluted EPS has been calculated. Consolidated basic EPS has also been calculated and presented in the same manner.

Presentation

The Bank presents basic and diluted earnings per share in the statement of profit or loss. The Bank presents basic and diluted earnings per share with equal prominence for all periods presented. The Bank presents basic and diluted earnings per share, even if the amounts are negative (i.e. a loss per share).

3.22 Segment reporting

As per IFRS 8 An operating segment is a component of the Bank that engages in business activities from which it may earn revenues and incur expenses and whose operating results are regularly reviewed by the Bank’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Bank reports separately information about each operating segment that has been identified as an operating segment and exceeds the quantitative thresholds.

Quantitative thresholds

The Bank reports separately information about an operating segment that meets any of the following quantitative thresholds:

- Its reported revenue, including both external customers and inter segment, is 10 percent or more of the combined revenue, internal and external, of all operating segments.
- The absolute amount of its reported profit or loss is 10 percent or more of the greater, in absolute amount, of (i) the combined reported profit of all operating segments that did not report a loss and (ii) the combined reported loss of all operating segments that reported a loss.
- Its assets are 10 percent or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if Management believes that information about the segment would be useful to users of the financial statements.

3.23 Events after the reporting period

All material events after the reporting period that provide additional information about the Companies'/Bank's position at the balance sheet date are reflected in the financial statements as per IAS-10 "Events after the Reporting Period". Events after the reporting period that are not adjusting events are disclosed in the notes when material (Note - 41.0).

All other material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS-10 "Events after the reporting period".

Board's recommendation for dividend distribution is a common item presented in the Note 41.0.

3.24 Risk management

The Bank Company Act, 1991 as amended 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.

The risk of a bank is defined as the possibility of losses, financial or otherwise. BRPD circulars No.17 dated 07 October 2003, BRPD circular No. 04 dated 05 March 2007 and DOS circular No. 2 dated 15 February 2012 require banks to put in place an effective risk management system. The Risk Management of the Bank covers 6 (six) Core Risk Areas of Banking industry i.e. Investment (Credit) Risk, Foreign Exchange Risk, Asset-Liability Management Risk, Money Laundering Risk, Internal Control & Compliance Risk and Information & Communication Technology Risk. The risk management procedures in the core risk areas have been devised in line with the core risk management guidelines of Bangladesh Bank. All the Risk Management Guidelines are periodically reviewed by the Bank and Bangladesh Bank periodically inspects the implementation status of these guidelines and as per the reports of Bangladesh Bank, the Bank is well compliant in Core Risk Management activities.

In line with instruction of Bangladesh Bank, the Bank formed a Risk Management Wing (RMW) to formulate risk assessment and management policies, methodologies, guidelines and procedures for risk identification, risk measurement, risk monitoring, deciding acceptable level of risk and risk controlling. Risk management function involves identification, assessing, taking mitigating steps, preparing Risk Management Paper (RMP), conducting monthly risk management meeting, stress testing and reporting the competent authority from time to time. It also reports to Bangladesh Bank on quarterly basis along with the RMP, minutes of the monthly meeting and all other required supporting papers. Moreover, in compliance with the "Bank Company Act 1991 as amended", Section 15 (Kha) and BRPD Circular No. 11 dated 27 October, 2013 of Bangladesh Bank, the Bank has constituted a Risk Management Committee comprising of 5 (five) directors from the Board to formulate risk management policies, procedures and oversee the risk management activities of the Bank.

The prime objective of the Risk Management is that the Bank takes well calculative Business Risk Policy for safeguarding the Bank's capital, its financial resources and profitability from various risks. In this context, the Bank implemented all the guidelines of Bangladesh Bank as under:

3.24.1 Internal Control and Compliance

Operational loss may arise from errors and fraud due to lack of internal control and compliance. With a view to overcome such lapses and verification of asset quality, ensure quality of customer service, overall security arrangement, operational efficiency and compliance of regulatory issues as guided through different circulars, manuals from Head Office and other regulatory bodies. Bank organizes its management through Internal Control & Compliance Wing (ICCW) which consists of three Divisions namely (I) Audit & Inspection Division, (II) Compliance Division and (III) Monitoring Division.

I. Audit & Inspection Division

Internal Audit & Inspection Division undertakes periodical and special audit of Branches, Divisions and Departments of Head Office of the Bank, its subsidiaries and Foundation to review operational effectiveness and internal & external compliance requirements. The Bank has introduced Risk Based Internal Audit of the branches. The Audit Committee of the Board subsequently reviews the lapses identified by Audit and Inspection Division. The Audit Committee also reviews Bangladesh Bank Inspection Reports and other issues indicated in the guidelines prescribed by Bangladesh Bank. Necessary steps/measures are taken on the basis of observations & suggestions of the Committee.

The Audit & Inspection Division conducts investigations against complaints received from customers, anonymous persons, management & others and submits the reports to the competent authority. Periodical Inspection reports of Zonal Heads, Shari'ah Inspections & Branch Manager's self Audit are also reviewed by the Division regularly and necessary guidance and suggestions are given with continuous follow-up there against.

II. Compliance Division

The Compliance Division handles the 'regulatory issues of Bangladesh Bank as well as other regulatory bodies' and submits 'status report on regulatory compliance' quarterly to the Audit Committee as per BRPD Circular No.12 dated 23.12.2002.

The Compliance Division ensures that the Bank complies with all regulatory requirements while conducting its day to day business. The Compliance Division maintains liaison with the regulatory bodies for any regulatory changes and notify the same to all concerned.

III. Monitoring Division

This Division performs the following:

- i) Assesses the risk of the functional areas of the Branches described in the Departmental Control Function Checklist (DCFCL) and determines the frequency of Audit/Inspection under risk based approach of the branches based on the gravity of risks involved.
- ii) Monitors the Internal Control Functions through the Quarterly Operations Report (QOR) and other mechanisms.
- iii) Checks the completion/execution of Investment Documentation.

3.24.2 Foreign Exchange Risk Management

Foreign Exchange Risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. The Bank is exposed to profit rate risk and settlement risk on account of its foreign exchange business. Foreign Exchange business includes trading of foreign currencies relating to import, export, remittances and other ancillary services. The Bank is dealing with a substantial volume of foreign trade and remittance business of the country which exposes the Bank to foreign exchange risk. The Bank has adopted foreign exchange risk manual through which the foreign exchange operations are dealt with.

Foreign Exchange risks are measured and monitored by the Treasury Division. Treasury Division consists of separate Front Office, Back Office and Mid Office. The Treasury Front Office (Dealing Room) independently performs the deals and the Treasury Back Office is responsible for verification of the deals and passing of their entries in the books of account.

The Foreign Exchange Risk is minimized through proper market analysis, real time pricing of Foreign Exchange, fixation of different market related limits (daylight, overnight, stop loss and management action trigger) and counter parties credit limits set by the management and ensure adherence to the limits by the Treasury Front Office. All Foreign Exchange transactions are revalued at weighted average exchange rate as provided by Bangladesh Bank at the end of each month. All Nostro Accounts are reconciled regularly and outstanding entries are reviewed by the management for its settlement/recompilation. The open position maintained by the Bank at the end of the day remains within the stipulated limit prescribed by the Bangladesh Bank.

3.24.3 Investment (Credit) Risk Management

Investment (Credit) risk is one of the major risks faced by the Bank. This can be described as potential loss arising from the failure of counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness or inability of the counter party in discharging his/her financial obligation. Therefore, Bank's Investment (Credit) Risk Management activities have been designed to address all these issues. The Bank has designed its own operational manuals for each modes and products. It has also designed its own investment risk management guideline which is compatible with the regulatory guideline and Islamic modes of finance. There is a dedicated committee namely "Investment Risk Management Committee" which periodically reviews the operational manuals and risk management guidelines and ensures compliance of the same. The prime objective of the risk management is that the Bank undertakes well calculated business risks to safeguard its capital, financial resources and growth of sustainable profitability

3.24.4 Asset Liability Management

The Asset Liability Committee (ALCO) of the Bank monitors balance sheet risk, liquidity risks, investment deposit ratio (IDR), deposit mix, investment mix, gap analysis etc. under the leadership of MD & CEO of the Bank. Asset Liability Committee (ALCO) reviews liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and investment pricing strategy, sensitivity of assets and liabilities, management indicators/ratios and the liquidity contingency plan. The primary objective of the ALCO is Liquidity management, Fund management and Assets-Liabilities matching. The committee also monitors and averts significant volatility in Net Investment Income (NII), investment value and exchange earnings.

3.24.5 Money Laundering Risk

Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, Islami Bank Bangladesh PLC. has formed 10 (ten) members Central Compliance Committee (CCC) under the leadership of a Deputy Managing Director of the Bank as the Chief Anti Money Laundering Compliance Officer (CAMLCO) at Head Office. Apart from that, Branch Compliance Units (BCU) and Zone Compliance Units (ZCU) are also functioning under the leadership of Branch Anti Money Laundering Compliance Officer (BAMLCO) at branch level and Zone Anti Money Laundering Compliance Officer (ZAMLCO) at Zonal Offices.

The Bank has introduced a comprehensive AML Policy namely “POLICY AND GUIDELINES FOR PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING RISK MANAGEMENT” under the light of local Laws, Rules & Regulations as well as international best AML practices duly approved by the Board of Directors, IBBPLC.

As per approved Policy, IBBPLC has been conducting many time-befitting programs to prevent Money Laundering & Terrorist Financing which include among others (a) Central Customer On-boarding, (b) Electronic Know Your Customer (e-KYC), (c) KYC Remediation including all Legacy Accounts, (d) Automated Transaction Monitoring and filing of Suspicious Transaction Report (STR)/Suspicious Activity Report (SAR) to Bangladesh Financial Intelligence Unit (BFIU), (e) Electronic Record Keeping, (f) Building of employee awareness and skill on prevention of Money Laundering & Terrorist Financing round the year through training-seminar-symposium, workshop held both home and abroad, (g) Maintaining Self-Assessment Report by every branch, (h) Conducting Independent Testing by the Internal Auditors of the Bank to assess the correctness and accuracy of the activities of the branches on AML & CFT as instructed by BFIU, the local AML & CFT regulator of Bangladesh and so on.

3.24.6 Information and Communication Technology Risk Management

The Bank has adequately addressed Information and Communication Technology (ICT) Risk Management. It is an in-depth exercise and continual process. The ICT Risk Management exercise mainly includes minimizing financial and image loss to the institution in all events such as natural disasters, technological failures, human errors etc. The Bank uses own developed Core Banking Software to perform all types of transactions including local/ online/ internet in a secured way. To take care of its core banking system, a separate security module has been incorporated in the software which manages different roles/privileges for different users. All financial transactions can be tracked for future audit purposes.

The Bank uses Central Data Centre to replicate transactions in branches in case of data failure or inconsistencies. Data travelling through network uses encryption and decryption mechanism.

In line with the Bangladesh Bank directives, the Bank has approved its own ICT policies for its operations and services. Under these policy guidelines, a security policy has also been worked out. To abide by and adhere to what is laid down in the policy; the implementation has been made through Active Directory Services (ADS), Password Policy, Kerberos Policy, Audit Policy, Group Policy, User Rights, Permission Policy etc. In order to secure network resources from public network, the Bank has introduced Virtual Private Network (VPN), Access Control List (ACL), IP filtering and TCP/UDP service blocking through router and firewall devices. It has already centralized the administrative control to access the network, mailing system and internet. The Bank has introduced Business Continuity Plan (BCP) for its entire network and trained the officials to cope up with any contingencies.

3.24.7 Internal audit

Internal Audit is used as an important element to ensure good governance of the Bank. Internal Audit activity of the Bank is effective and it provides senior management with a number of important services. These include detecting and preventing fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/ guidelines of regulatory authority etc.

During the year 2023, Audit & inspection Division of Internal Control & Compliance Wing conducted inspection on all of the Branches/ Divisions of Head Office of the Bank and submitted reports presenting the findings of the audits/ inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports. The reports or key points of the reports have also been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the said Committee for correct functioning of Internal Controls & Compliance.

3.24.8 Fraud and forgeries

Fraud means willful or criminal deception intended to result in financial or personal gain. It will never be possible to eliminate all fraud and no system is completely fraud proof, since many fraudsters are able to bypass control systems put in place. The Bank continuously pays attention to implement and improve the anti-fraud internal controls for prevention of fraud and forgery. The Bank assesses /evaluates the effectiveness of its Anti-Fraud Internal Control measures on quarterly basis as per the items/ areas mentioned in the prescribed checklist of Bangladesh Bank. During the year 2023, no fraud has been detected by the Bank.

3.25 Credit rating report

Emerging Credit Rating Limited (ECRL) was engaged by the Bank for the purpose of rating the Bank since 2022 as per Bangladesh Bank BRPD Circular No.06 dated 5 July 2006. ECRL assigned AAA (Triple A) rating in the long term (indicates exceptionally strong capacity) and ST-1 in the short term (highest certainty of timely repayment) to the Bank based on the financials up to 31 December 2022.

3.26 Impact on COVID-19

On 11 March 2020, World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease commonly called as COVID-19. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. While the overall effect of COVID-19 global pandemic on Bank's business in the past years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The board and management are regularly monitoring the potential impact of the pandemic on the Bank as the situation continues to deteriorate but are assured that any foreseeable adverse impact can be reasonably managed.

The management of the Bank assessed the going concern and found no uncertainty regarding this for the foreseeable future due to COVID-19. The global economy including Bangladesh has been seriously affected since March 2020 due to the outbreak of COVID-19 that has caused disruption in Export and Import business.

3.27 Regulatory and legal compliance

Among others, the Bank complied with the requirements of the following circular, rules and regulations:

- a) The Bank Company Act, 1991 as amended
- b) The Company Act, 1994 as amended
- c) BRPD Circular No. 14 dated 25.06.2003 and "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009
- d) Other circulars, rules and regulations issued by Bangladesh Bank from time to time
- e) The Securities and Exchange Rules, 2020
- f) The Securities and Exchange Ordinance, 1969
- g) The Securities and Exchange Commission Act, 1993
- h) Income Tax Act, 2023
- i) Value Added Tax and Supplementary Duty Act and Rules, 2012
- j) The Financial Reporting Act, 2015
- k) Standards issued by AAOIFI
- l) The Stamp Act-1899
- m) The Customs Act-1969
- n) The Money Laundering Prevention Act, 2012
- o) The Anti Terrorism (Amendment) Act, 2009 etc.

4.0 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Companies/Bank complied, as per Para 12 of Securities & Exchange Rule 1987, with the following International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Bank subject to departure described in note - 2.1, where we have followed Bangladesh Bank guidelines:

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Not Applicable
2	2	Share-based Payment	Not Applicable
3	3	Business Combinations	Not Applicable
4	4	Insurance Contracts	Not Applicable
5	5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
6	6	Exploration for and Evaluation of Mineral Resources	Not Applicable
7	7	Financial Instruments: Disclosures *	Complied
8	8	Operating Segments	Complied
9	9	Financial Instruments *	Complied
10	10	Consolidated Financial Statements	Complied
11	11	Joint Arrangements	Not Applicable
12	12	Disclosure of Interests in other Entities	Complied
13	13	Fair Value Measurement	Complied
14	14	Regulatory deferral accounts	Not Applicable
15	15	Revenue from contracts with customers	Complied
16	16	Lease	Complied

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Not Applicable
3	7	Statement of Cash Flows *	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	19	Employee Benefits	Complied
9	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
10	21	The Effects of Changes in Foreign Exchange Rates	Complied
11	23	Borrowing Costs	Not Applicable
12	24	Related Party Disclosures	Complied
13	26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
14	27	Separate Financial Statements	Complied
15	28	Investments in Associates and Joint Ventures	Not Applicable
16	29	Financial Reporting in Hyperinflationary Economics	Not Applicable
17	32	Financial Instruments: Presentation	Complied
18	33	Earnings Per Share	Complied
19	34	Interim Financial Reporting **	Complied
20	36	Impairment of Assets	Complied
21	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	38	Intangible Assets	Complied
23	40	Investment Property	Not Applicable
24	41	Agriculture	Not Applicable

(*) Subject to departure disclosure in Note no. 2.1

(**) Complied while the quarterly and half-yearly interim financial reports were prepared during the year as per regulations of Bangladesh Securities and Exchange Commission (BSEC).

5.0 Audit committee

The Audit Committee of the Board was duly formed by the Board of Directors of the Bank in accordance with BRPD circular No.11, dated 27 October 2013 of Bangladesh Bank. Pursuant to the BSEC notification no. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, on Corporate Governance, the current committee is constituted with the following 5 (five) members of the Board:

Sl. No.	Name of the Member	Status with the Bank	Status with the Committee	Educational Qualification	Remarks
1	Mohammad Solaiman FCA	Independent Director	Chairman	B.Com., FCA	
2	Khurshid Ul Alam	Director	Member	B.A (Hons.) & M.A in Economics	
3	Mohammed Nasir Uddin FCMA	Director	Member	M. Com in Accounting, FCMA	
4	Syed Abu Asad	Director	Member	B.Com (Hons.) & M. Com in Finance	
5	Borhan Uddin Ahmed	Independent Director	Member	BSS (Hons.) & MSS in Economics, LLB	

04 (four) meetings were held for reviewing the Financial Statements out of total 09 (nine) meetings held in the year 2023. The Audit Committee reviewed the Financial Statements of 2023 on 24 April 2024.

6.0 Related party disclosures

As per IAS-24 “Related Party Disclosures”, a related party is a person or entity that is related to the entity (i.e. IBBPLC) that is preparing its financial statements. Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged as per IAS-24.

Related Parties include the Bank’s Directors, key management personnel, associates, companies under common directorship etc. as per IAS-24 “Related Party Disclosures”. All transactions involving related parties arising in the normal course of business are conducted at arm’s length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible.

6.1 Lending policy for transactions with Bank related person/related parties

Transactions with Bank related person/related parties including Directors are made as per rules and regulations of the Bank Company Act, 1991 as amended and as per circulars issued by Bangladesh Bank time to time including the following general rules:

- Terms & conditions for financial transaction with bank related person/related parties will not be easier than other persons i.e. other investment clients.
- Prior approval from the majority of Board of Directors shall be required for all financial transactions with bank related person/related parties.
- The Bank shall not allow funded facilities exceeding 10% of Tier-I capital to the Bank related persons/related parties; real investment facilities shall be considered deducting encashable securities from funded investment.

6.2 The Name of Directors along with all related Firms/ Companies/ Institutions/ Parties: As at 31.12.2023

Sl. No	Name of the Directors	Status with the Bank	Name of the related Firms/ Companies/ Institutions/ Parties etc.	Remarks
1	Ahsanul Alam	Chairman Board & Chairman EC	JMC Builders Ltd., Norinco Engineering Ltd., Hasan Abasan (Pvt) Ltd., Affinity Assets Ltd., Wesco Limited, Marina Assets Ltd., Kraft Holding Co. Ltd., Artsy Holdings Ltd., Shining Assets Ltd. and Genesis Textiles Accessories & Apparels Ltd.	
2	Yousif Abdullah Al-Rajhi	Vice-Chairman	BTA Finance Ltd. And GM, Al-Rajhi Co. for Industry & Trade	Foreign Director
3	Tanveer Ahmad	Vice-Chairman	Managing Director, Paradise International Limited and Director, Infinia Composite Textile Ltd.	
4	Mohammad Solaiman	Chairman, Audit Committee	Public Accountant, M Solaiman & Co., Chartered Accountants; Ex-President, Taxes Appellate Tribunal, Internal Resources Division, Ministry of Finance, Govt. of Bangladesh	Independent Director
5	Dr. Mohammad Saleh Jahur	Chairman, Risk Management Committee	Professor of Accounting and Finance, University of Chittagong, Chittagong, Bangladesh	Independent Director
6	Mohammad Sirajul Karim	Director	Excel Dyeing & Printing Ltd., Professor, Primeasia University, Banani, Dhaka	
7	Mohammad Joynal Abedin	Director	ABC Ventures Limited, Ex Deputy Managing Director, Bangladesh Krishi Bank	
8	Dr. Qazi Shahidul Alam	Director	Platinum Endeavors Limited, Professor Orthopedic Surgery, A.K. Modern Medical College	
9	Syed Abu Asad	Director	Excelsior Impex Company Limited, Ex Managing Director, Rajshahi Krishi Unnayan Bank	
10	Mohammad Quamrul Hasan	Director	Grand Business Limited, Ex Managing Director & CEO, Jamuna Oil Co. Ltd., Chattogram	
11	Md Fashiul Alam	Director	Ex Vice Chancellor, Feni University & Dean, Faculty of Business Studies, Port City International University	Independent Director
12	Khurshid Ul Alam	Director	Lionhead Business Resources Ltd. & Ex Independent Director and Chairman of Audit Committee, Pubali Bank Limited, Ex DMD, Pubali Bank Limited and Ex Executive Director, Bangladesh Bank	
13	Mohammed Nasir Uddin FCMA	Director	BLU International Limited	
14	Borhan Uddin Ahmed	Director	Retired District & Sessions Judge	Independent Director
15	Abu Sayeed Mohammad Quasem	Director	Armada Spinning Mills Limited and Partner Alliance Laws	
16	Showkat Hossain FCA	Director	Kingsway Endeavors Limited and Senior Partner, HodaVasi Chowdhury & Co.	
17	Jamal Mostafa Chowdhury	Director	Uniglobe Business Resources Limited, Chairman of J. M. C. Builders (Pvt.) Ltd., Chairman of J. M. C. Shipping Lines (Pvt.) Ltd., Managing Director of Moon Express (Pvt.) Ltd., Proprietor of M/s. Mostafa Brothers, Proprietor of M/s. J. M. Chowdhury Complex and Proprietor of M/s. J. M. C. Trading	
18	Mohammed Monirul Moula	Managing Director & CEO	Islami Bank Bangladesh PLC.	Ex-Officio Director

6.3 Related party balances and transactions

6.3.1 Related party balances

a) Nature and type of balances and transactions of related parties (Directors) of the Bank are as follows:

Amount in Taka

SL. No.	Name of the Account/ Firm/Trust etc.	Name of the Director	Relationship of the Director with the Firm/Trust etc.	Purpose	Classified Position	Outstanding balance as on 01.01.2023	Disbursement/charged during the year 2023	Realised during the year 2023	Outstanding balance as on 31.12.2023	Provision required & maintained	Particulars of value of securities
1	2	3	4	5	6	7	8	9	10=7+8-9	11	12
				Nil							
Total						-	-	-	-	-	

(b) Other type of balances of related parties of the Bank are as follows:

Amount in Taka

SL. No.	Name of the related parties	Nature of relationship	Nature of transactions	Closing balance	
				31.12.2023	31.12.2022
1	Islami Bank Securities Limited (IBSL)	Parent- subsidiary	Investment in share capital by IBBPLC.	2,699,846,000	2,699,846,000
			Bank balance	2,611,947	14,345,477
			MTDR balance	750,000,000	680,000,000
			Quard balance	-	-
			Profit receivable	50,056,858	35,603,537
			Mudaraba investment	4,700,000,000	4,700,000,000
			Accounts payable	10,332,792	46,533,599
			Bank charge payable	-	-
			Dividend payable	-	-
2	Islami Bank Capital Management Limited (IBCML)	Parent- subsidiary	Investment in share capital by IBBPLC.	299,993,000	299,993,000
			Bank balance	3,331,378	4,604,825
			MTDR balance	448,486,427	424,432,856
			Mudaraba investment	300,000,000	300,000,000
			Dividend payable	-	-

6.3.2 Related party transactions

Related party transaction is a transfer of resources, services, or obligations among related parties, regardless of whether a price is charged as per IAS 24 'Related Party Disclosures', Bangladesh Bank & BSEC guidelines. Nature and type of related party transactions of the Bank during the year 2023 are as follows:

Amount in Taka

SL. No.	Name of the related party	Nature of relationship	Nature of transaction	2023
1	Islami Bank Securities Limited (IBSL)	Parent- Subsidiary	Deposit to Savings account maintained with IBBPLC.	1,577,906,791
			Withdraw from Savings account maintained with IBBPLC.	1,589,640,320
			Bank charge paid to IBBPLC.	10,524
			Payment against office rent	933,751
			Tax deduction at source against MTDR	6,152,607
			Profit paid on investment against MTDR	50,056,858
			Profit withdrawn against MTDR	41,707,628
2	Chief Executive Officer	Key Management Personnel	Short-term employee benefits (Salary and allowance)	2,976,186
3	Islami Bank Capital Management Limited (IBCML)	Parent- Subsidiary	Payment of interim dividend to IBBPLC.	-
			Profit against MTDR	27,696,445
			Profit against MSND	26,310
4	Directors of the Bank	Director	Fees, TA/DA/hotel fare and other expenses	4,130,980

6.4 Other related party disclosures

1. There was no contracts of significance wherein a director has interests subsisted at any time during the year or at the end of the year.
2. Investment to related parties is effected as per requirement of Section 27 of Bank Company Act, 1991 as amended.
3. Share issued to Directors and Executives without consideration or exercisable at discount is Nil.
4. Other disclosures are not applicable as required by BRPD Circular No. 14 dated 25 June, 2003 and BRPD Circular No. 15 dated 09 November, 2009.

	31.12.2023 Taka	31.12.2022 Taka
7.0 Cash in hand		
Cash in hand (including foreign currency) (Note. 7.1)	35,241,123,870	30,645,815,136
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency) (Note. 7.2)	82,663,599,136	92,858,977,487
Total	117,904,723,005	123,504,792,624
7.1 Cash in hand (including foreign currency)		
In local currency	35,168,504,840	30,624,295,167
In foreign currency	72,619,030	21,519,969
Total	35,241,123,870	30,645,815,136
7.2 Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)		
(a) Balance with Bangladesh Bank		
In local currency	76,156,227,392	87,540,125,982
In foreign currency	4,566,239,477	1,723,689,006
Sub-total	80,722,466,869	89,263,814,987
(b) Balance with Sonali Bank PLC. (as agent of Bangladesh Bank)		
In local currency	1,941,132,267	3,595,162,500
In foreign currency	-	-
Sub-total	1,941,132,267	3,595,162,500
Total (a+b)	82,663,599,136	92,858,977,487
7.3 Cash Reserve Requirement (CRR) & Statutory Liquidity Ratio (SLR)		
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 25 & 33 of the Bank Company Act, 1991 as amended and the Instruction of Bangladesh Bank Order 1972, Article 36, clause (1).		
7.3.1 Cash Reserve Requirement (CRR)		
The Cash Reserve Requirement (CRR) of the Bank was 4.00% of average total demand and time liabilities on bi-weekly basis with a provision of minimum 3.50% on daily basis as per Bangladesh Bank MPD Circular No. 03 dated 09 April 2020.		
Position of Cash Reserve Requirement (CRR)		
Required CRR (4.00% of average total time and demand liabilities including 2.00% of OBU)	59,748,451,000	60,625,786,000
Actual reserve held with Bangladesh Bank in local currency (Note 7.2) *	76,128,227,392	87,512,125,982
Excess/(shortfall)	16,379,776,392	26,886,339,982
* Lien against TT discounting facilities of Tk. 28,000,000 has not been considered as CRR.		
7.3.2 Statutory Liquidity Ratio (SLR)		
The requirement of Statutory Liquidity Ratio (SLR) of the Bank was 5.50% on daily basis excluding CRR wherein the excess CRR amount shall be included while calculating SLR from 01.02.2014 as per DOS Circular No. 01 dated 19 January 2014.		
Position of Statutory Liquidity Ratio (SLR)		
Required Reserve (5.50% of average total time and demand liabilities including OBU)	82,847,707,000	84,380,664,000
Actual reserve maintained (Note- 7.3.2.1)	90,990,535,160	101,572,420,250
Excess/(shortfall)	8,142,828,160	17,191,756,250

		31.12.2023 Taka	31.12.2022 Taka
7.3.2.1 Components of Statutory Liquidity Ratio (SLR)			
Cash in hand including foreign currency (Note- 7.1)		35,241,123,870	30,645,815,136
Excess CRR amount (Note- 7.3.1)		16,379,776,392	26,886,339,982
Balance with Sonali Bank PLC. as Agent Bank of BB (Note- 7.2.b)		1,941,132,267	3,595,162,500
Balance with Islamic Refinance Fund A/c (Note- 9)		-	-
Unencumbered approved securities:			
Bangladesh Shipping Corporation (Note -10.1)		214,000,000	230,600,000
Bangladesh Government Islamic Investment Bond (Note -10.1)		37,000,000,000	40,000,000,000
Bangladesh Government Sukuk Bond (Islamic Bond)		214,502,632	214,502,632
Total		90,990,535,160	101,572,420,250
7(a) Consolidated cash in hand			
7(a)(i) Cash in hand (including foreign currency)			
Islami Bank Bangladesh PLC.		35,241,123,870	30,645,815,136
Islami Bank Securities Limited		-	19,000
Islami Bank Capital Management Limited		42,295	5,586
Sub total		35,241,166,165	30,645,839,722
7(a)(ii) Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)			
Islami Bank Bangladesh PLC.		82,663,599,136	92,858,977,487
Islami Bank Securities Limited		-	-
Islami Bank Capital Management Limited		-	-
Sub total (ii)		82,663,599,136	92,858,977,487
Total (i+ii)		117,904,765,300	123,504,817,210
8.0 Balance with other banks & financial institutions			
8.i In Bangladesh			
In current account		846,631,867	739,890,409
OBU's balance with treasury division, IBBPLC. (Note-2.0 _OBU)		45,047,621	260,151,791
In Mudaraba savings & MTDR account with other islamic banks/financial institutions		83,680,085,800	86,102,354,719
Sub total		84,571,765,288	87,102,396,919
Less: OBU's balance with treasury division, IBBPLC.		45,047,621	260,151,791
Sub total (i)		84,526,717,667	86,842,245,128
8.ii Outside Bangladesh (Note 8.1)			
In current account		17,052,106,564	23,944,759,230
In Mudaraba savings & MTDR account with other islamic banks/financial institutions		-	-
Sub total (ii)		17,052,106,564	23,944,759,230
Grand total (i+ii)		101,578,824,230	110,787,004,358

8.1 Currency-wise amount and exchange rate of Balance with other banks & financial institutions outside Bangladesh

Foreign currency	Amount in F.C	Exchange rate	31.12.2023	31.12.2022
US Dollar	98,722,677.96	110.000	10,859,494,576	22,848,152,057
Great Britain Pound (GBP)	993,606.10	140.767	139,866,950	120,177,808
Saudi Riyal	1,353,345.01	29.330	39,693,880	19,012,252
EURO	11,417,925.57	122.144	1,394,631,101	378,728,738
YEN	17,059,460.00	0.776	13,231,317	11,047,439
Canadian Dollar	30,888.18	83.277	2,572,261	2,704,833
Swiss Franc	111,500.55	130.517	14,552,751	17,617,260
Singapore Dollar	396,977.39	83.321	33,076,434	8,192,328
China Currency (CNY)	39,216,991.05	15.403	604,063,235	85,669,536
ACU Dollar	5,983,562.34	110.000	658,191,857	145,081,331
AED	109,953,457.21	29.947	3,292,732,202	308,375,648
Total			17,052,106,564	23,944,759,230

		31.12.2023 Taka	31.12.2022 Taka
8.2	Maturity - wise classification balance with other banks & financial institutions		
	Repayable on demand	-	192,104,358
	With a residual maturity of		
	Up to 1 Month	83,416,648,230	89,599,900,000
	Over 1 month but not more than 3 months	13,165,000,000	18,715,000,000
	Over 3 months but not more than 1 year	3,610,000,000	2,280,000,000
	Over 1 year but not more than 5 years	-	-
	More than 5 years	1,387,176,000	-
	Total	101,578,824,230	110,787,004,358
8(a)	Consolidated Balance with other banks & financial institutions		
8(a)(i)	In Bangladesh		
	Islami Bank Bangladesh PLC.	84,526,717,667	86,842,245,128
	Islami Bank Securities Limited	5,472,358,915	5,202,537,715
	Islami Bank Capital Management Limited	451,817,805	429,037,681
	Inter-company balances	(1,214,628,911)	(1,169,785,467)
	Sub-total (i)	89,236,265,476	91,304,035,057
8(a)(ii)	Outside Bangladesh		
	Islami Bank Bangladesh PLC.	17,052,106,564	23,944,759,230
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Sub-total (ii)	17,052,106,564	23,944,759,230
	Total (i+ii)	106,288,372,039	115,248,794,287
9.0	Placement with banks & other financial institutions		
	Placement to OBU by Treasury Division, IBBPLC. (Note-6.0 _OBU)	165,591,122,268	89,273,462,812
	Placement to AD Branches for MDB in FC by OBU (Note-3.0 _OBU)	-	267,278,973
	Placement to Islamic Refinance Fund Account	-	-
		165,591,122,268	89,540,741,785
	Less: Placement to OBU by Treasury Division, IBBPLC.	1 65,591,122,268	89,540,741,785
	Less: Placement to AD Branches for MDB in FC by OBU	-	267,278,973
	Total	-	-

10.0 Investments in shares & securities

Particulars		As at December 2023					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
10.1	Government						
	Bangladesh Shipping Corporation (BSC)	2,000,000	107.00	214,000,000	214,000,000	-	Quoted
	MPETROLEUM	62,175	216.35	13,451,415	12,347,955	(1,103,460)	Quoted
	BSCCL	527,800	208.56	110,080,536	115,535,420	5,454,884	Quoted
	TITASGAS	100,000	43.50	4,350,232	4,090,000	(260,232)	Quoted
	Karmasangsthan Bank	100,000	100.00	10,000,000	10,000,000	-	Un-Quoted
	Central Depository Bangladesh Ltd.	2,284,721	2.75	6,277,770	6,277,770	-	Un-Quoted
	Bangladesh Government Sukuk Bond (Islamic Bond)	3,179,345	10,000.00	31,793,450,000	31,793,450,000	-	Un-Quoted
	Bangladesh Government Islamic Investment Bond (Islamic Bond)	-	-	37,000,000,000	37,000,000,000	-	Un-Quoted
	Sub total	8,254,041		69,151,609,954	69,155,701,145	4,091,191	
	Government- Special Fund						
	BSCCL	19,000	228.70	4,345,295	4,159,100	(186,195)	Quoted
	MPETROLEUM	15,000	201.31	3,019,588	2,979,000	(40,588)	Quoted
	Sub total	34,000		7,364,883	7,138,100	(226,783)	
	Total Government	8,288,041		69,158,974,837	69,162,839,245	3,864,408	

Particulars	As at December 2023					
	No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
10.2 Other than Government						
i) Subsidiary Companies						
Islami Bank Securities Limited	2,699,846	1,000.00	2,699,846,000	2,699,846,000	-	Un-Quoted
Islami Bank Capital Management Limited	299,993	1,000.00	299,993,000	299,993,000	-	Un-Quoted
Sub total (i)	2,999,839		2,999,839,000	2,999,839,000	-	
ii) Mutual Funds						
SEML IBBL Shari'ah Fund	50,000,000	10.00	500,000,000	445,000,000	(55,000,000)	Quoted
UFS-IBBL Shari'ah Unit Fund	50,000,000	10.00	500,000,000	459,500,000	(40,500,000)	Un-Quoted
CAPM IBBL Shari'ah Fund	44,500,000	10.00	445,000,000	582,950,000	137,950,000	Quoted
NAM IBBL Islamic Mutual Fund	10,357,611	9.99	103,462,038	88,143,270	(15,318,768)	Un-Quoted
AT Capital Shari'ah Unit Fund	5,010,020	9.98	50,000,000	54,759,519	4,759,519	Un-Quoted
Capitec Padma PFS Unit Fund	10,000,000	10.00	100,000,000	101,600,000	1,600,000	Un-Quoted
UFS-Padma Life Islami Unit Fund	15,000,000	10.00	150,000,000	140,250,000	(9,750,000)	Un-Quoted
Capitec IBBL Shariah Unit Fund	3,750,000	10.00	37,500,000	34,050,000	(3,450,000)	Un-Quoted
Sub total (ii)	188,617,631		1,885,962,038	1,906,252,789	20,290,751	
iii) Foreign Share						
APIF of IsDB	1,011	972,513.65	983,211,300	983,211,300	-	Un-Quoted
Sub total (iii)	1,011		983,211,300	983,211,300	-	
iv) SUKUK Bond						
BBML Sukuk Al Ijarah	70,000	5,000.00	350,000,000	350,000,000	-	Un-Quoted
Sub total (iv)	70,000		350,000,000	350,000,000	-	
v) Subordinated Debt						
Mudaraba Subordinated Debt of Union Bank Ltd.	60	10,000,000	600,000,000	600,000,000	-	Un-Quoted
Mudaraba Subordinated Debt of First Security Islami Bank (2 nd)	48	10,000,000	480,000,000	480,000,000	-	Un-Quoted
Mudaraba Subordinated Debt Social Islami Bank Ltd (3 rd)	120	10,000,000	1,200,000,000	1,200,000,000	-	Un-Quoted
Mudaraba Subordinated Debt Social Islami Bank Ltd (4 th)	100	10,000,000	1,000,000,000	1,000,000,000	-	Un-Quoted
Mudaraba Subordinated Debt of First Security Islami Bank (3 rd)	195	10,000,000	1,950,000,000	1,950,000,000	-	Un-Quoted
SIBL Mudaraba Perpetual Bond	1,500	1,000,000	1,500,000,000	1,500,000,000	-	Un-Quoted
EXIM Bank Mudaraba Perpetual Bond	1,800	1,000,000	1,800,000,000	1,800,000,000	-	Un-Quoted
FSIBL Mudaraba Perpetual Bond	1,800	1,000,000	1,800,000,000	1,800,000,000	-	Un-Quoted
Sub total (v)	5,623		10,330,000,000	10,330,000,000	-	
vi) Others						
Bangladesh Aroma Tea Co	1,570	-	157,000	-	-	De-listed
ACMELAB	895,000	101.59	90,921,999	76,075,000	(14,846,999)	Quoted
ACTIVEFINE	1,593,000	30.54	48,643,133	30,744,900	(17,898,233)	Quoted
AMANFEED	170,000	39.94	6,789,431	5,695,000	(1,094,431)	Quoted
ACI	84,000	274.74	23,078,030	21,856,800	(1,221,230)	Quoted
ADNTEL	290,723	140.24	40,771,990	34,043,663	(6,728,327)	Quoted
AIL	90,000	83.38	7,503,920	6,714,000	(789,920)	Quoted
ALIF	519,970	14.34	7,454,631	6,915,601	(539,030)	Quoted
AFC AGRO	129,030	41.27	5,325,416	3,032,205	(2,293,211)	Quoted
AAMRATECH	215,500	42.97	9,261,071	6,572,750	(2,688,321)	Quoted
APOLOISPAT	500,000	10.67	5,333,252	4,100,000	(1,233,252)	Quoted
AMCL(PRAN)	19,500	363.43	7,086,817	4,914,000	(2,172,817)	Quoted

Particulars		As at December 2023					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
BATASHOE		9,600	1278.82	12,276,674	9,282,240	(2,994,434)	Quoted
BBS		901,419	36.80	33173690	19470650	(13,703,040)	Quoted
BBSCABLES		876,750	66.09	57,943,514	43,749,825	(14,193,689)	Quoted
BERGERPBL		3,000	1770.26	5,310,776	5,322,000	11,224	Quoted
BEACONPHAR		245,000	262.58	64,331,962	60,025,000	(4,306,962)	Quoted
BPPL		200,000	44.18	8,835,672	5,860,000	(2,975,672)	Quoted
BSRMSTEEL		492,334	84.40	41,555,229	31,460,143	(10,095,086)	Quoted
BXPHERMA		50,000	182.00	9,099,797	7,310,000	(1,789,797)	Quoted
BEXIMCO		233,500	139.39	32,547,812	26,992,600	(5,555,212)	Quoted
CONFIDCEM		471,450	131.32	61,912,826	41,959,050	(19,953,776)	Quoted
DOREENPOWER		75,040	70.43	5,285,068	4,577,440	(707,628)	Quoted
DSSL		200,000	18.53	3,706,668	3,400,000	(306,668)	Quoted
FEKDIL		550,000	21.13	11,623,224	9,460,000	(2,163,224)	Quoted
ESQUIRENIT		119,000	39.39	4,687,327	4,105,500	(581,827)	Quoted
EXIMBANK		2,000,000	12.41	24,821,831	20,800,000	(4,021,831)	Quoted
GP		271,700	357.18	97,044,607	77,869,220	(19,175,387)	Quoted
GENNEXT		1,391,500	10.03	13,952,950	8,488,150	(5,464,800)	Quoted
GPHISPAT		899,387	58.20	52,342,825	38,403,825	(13,939,000)	Quoted
GENEXIL		72,800	87.59	6,376,584	4,761,120	(1,615,464)	Quoted
HEIDELBCEM		94,174	520.48	49,015,521	22,554,673	(26,460,848)	Quoted
IBNSINA		130,000	292.77	38,060,271	37,258,000	(802,271)	Quoted
IFADAUTOS		1,006,614	70.01	70,473,088	44,391,677	(26,081,411)	Quoted
IBP		229,030	28.86	6,610,288	4,328,667	(2,281,621)	Quoted
ISLAMICFIN		100,000	33.77	3,376,740	1,970,000	(1,406,740)	Quoted
ITC		54,000	41.52	2,242,059	1,998,000	(244,059)	Quoted
INTRACO		115,000	44.23	5,086,658	4,657,500	(429,158)	Quoted
LHBL		1,220,000	85.58	104,407,948	84,546,000	(19,861,948)	Quoted
LINDEBD		14,519	1426.36	20,709,377	20,293,206	(416,171)	Quoted
MJLBD		600,100	102.45	61,482,877	52,028,670	(9,454,207)	Quoted
NPOLYMAR		290,000	65.45	18,981,594	14,790,000	(4,191,594)	Quoted
NORTHERNINS		88,000	63.41	5,579,812	3,766,400	(1,813,412)	Quoted
OLYMPIC		272,812	250.67	68,385,050	41,467,424	(26,917,626)	Quoted
ORIONPHARM		460,000	125.95	57,939,070	36,616,000	(21,323,070)	Quoted
POWERGRID		981,988	65.04	63,864,634	51,456,171	(12,408,463)	Quoted
PTL		446,040	83.62	37,298,774	34,345,080	(2,953,694)	Quoted
QUEENSOUTH		202,254	30.96	6,261,451	4,712,518	(1,548,933)	Quoted
RAKCERAMIC		390,000	45.74	17,838,545	16,731,000	(1,107,545)	Quoted
RDFOOD		200,000	48.89	9,777,421	7,240,000	(2,537,421)	Quoted
ROBI		200,000	46.58	9,316,224	6,000,000	(3,316,224)	Quoted
RINGSHINE		7,688	11.20	86,096	75,342	(10,754)	Quoted
RUNNERAUTO		2,058,716	42.86	88,230,686	99,641,854	11,411,168	Quoted
RECKITBEN		212	5839.70	1,238,016	1,009,268	(228,748)	Quoted
SAPORTL		312,160	44.14	13,780,284	8,490,752	(5,289,532)	Quoted
SAIFPOWER		800,000	39.58	31,661,950	23,760,000	(7,901,950)	Quoted
SHASHADNIM		122,475	49.22	6,027,932	3,306,825	(2,721,107)	Quoted
SIBL		2,838,848	16.35	46,419,232	33,214,522	(13,204,710)	Quoted
SIMTEX		270,000	19.67	5,311,569	4,995,000	(316,569)	Quoted

Particulars		As at December 2023					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
	SINGERBD	60,000	177.40	10,644,190	9,114,000	(1,530,190)	Quoted
	SQURPHARMA	345,000	213.05	73,501,302	72,553,500	(947,802)	Quoted
	SQUARETEXT	100,000	69.45	6,944,819	6,750,000	(194,819)	Quoted
	SUMITPOWER	155,500	45.94	7,143,759	5,287,000	(1,856,759)	Quoted
	TALLUSPIN	244,528	15.58	3,809,976	2,420,827	(1,389,149)	Quoted
	WALTON	25,193	1317.35	33,188,043	26,394,706	(6,793,337)	Quoted
	Sub Total (vi)	28,005,624		1,783,850,983	1,412,125,265	(371,725,718)	
	vii) Others- Special Fund						
	ACI	94,500	267.84	25,310,586	24,588,900	(721,686)	Quoted
	ADNTEL	171,245	142.03	24,322,718	20,052,790	(4,269,928)	Quoted
	BXPHARMA	236,000	192.53	45,436,971	34,503,200	(10,933,771)	Quoted
	CONFIDCEM	893,233	133.51	119,254,859	79,497,737	(39,757,122)	Quoted
	DOREENPOWER	375,170	67.78	25,430,373	22,885,370	(2,545,003)	Quoted
	EXIMBANK	700,000	12.56	8,794,933	7,280,000	(1,514,933)	Quoted
	GP	160,000	347.99	55,678,608	45,856,000	(9,822,608)	Quoted
	GPSPAT	576,029	48.97	28,206,911	24,596,438	(3,610,473)	Quoted
	LHBL	210,000	74.85	15,719,200	14,553,000	(1,166,200)	Quoted
	OLYMPIC	65,000	162.54	10,565,071	9,880,000	(685,071)	Quoted
	POWERGRID	776,600	64.25	49,899,190	40,693,840	(9,205,350)	Quoted
	PTL	50,000	79.16	3,957,900	3,850,000	(107,900)	Quoted
	SHAHJABANK	22,314	18.49	412,664	408,346	(4,318)	Quoted
	SQURPHARMA	363,696	222.72	81,004,153	76,485,269	(4,518,884)	Quoted
	SQUARETEXT	46,418	71.41	3,314,690	3,133,215	(181,475)	Quoted
	SUMITPOWER	384,716	45.24	17,403,652	13,080,344	(4,323,308)	Quoted
	UPGDCL	114,461	278.02	31,822,785	26,749,536	(5,073,249)	Quoted
	Sub Total (vii)	5,239,382		546,535,263	448,093,985	(98,441,279)	
	Total Other than Government (i to vii)	224,939,110		18,879,398,584	18,429,522,338	(449,876,246)	
	Total (10.1+10.2)	233,227,151		88,038,373,421	87,592,361,583	(446,011,838)	

10.0 Investments in shares & securities

Particulars		As at December 2022					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
10.1	Government						
	Bangladesh Shipping Corporation (BSC)	2,000,000	115.30	230,600,000	230,600,000	-	Quoted
	MPETROLEUM	69,000	213.89	14,758,673	13,703,400	(1,055,273)	Quoted
	BSCCL	527,800	208.56	110,080,537	115,535,420	5,454,883	Quoted
	TITASGAS	100,000	43.50	4,350,232	4,090,000	(260,232)	Quoted
	Karmasangsthan Bank	100,000	100	10,000,000	10,000,000	-	Un-Quoted
	Central Depository Bangladesh Ltd.	2,284,721	3	6,277,770	6,277,770	-	Un-Quoted
	Bangladesh Government Sukuk Bond (Islamic Bond)	3,179,345	10,000	31,793,450,000	31,793,450,000	-	Un-Quoted
	Bangladesh Government Islamic Investment Bond (Islamic Bond)	10	4,000,000,000	40,000,000,000	40,000,000,000	-	Un-Quoted
	Sub total (i)	8,260,876		72,169,517,212	72,173,656,590	4,139,378	
	Government- Special Fund						
	BSCCL	19,000	228.70	4,345,295	4,159,100	(186,195)	Quoted
	Total Government	8,279,876		72,173,862,507	72,177,815,690	3,953,183	
10.2	Other than Government						
	i) Subsidiary companies						

Particulars		As at December 2022					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
	Islami Bank Securities Limited	2,699,846	1,000.00	2,699,846,000	2,699,846,000	-	Un-Quoted
	Islami Bank Capital Management Ltd.	299,993	1,000.00	299,993,000	299,993,000	-	Un-Quoted
	Sub total (i)	2,999,839		2,999,839,000	2,999,839,000	-	
	ii) Mutual Funds						
	SEML IBBL Shari'ah Fund	50,000,000	10.00	500,000,000	425,000,000	(75,000,000)	Quoted
	UFS-IBBL Shari'ah Unit Fund	50,000,000	10.00	500,000,000	459,500,000	(40,500,000)	Un-Quoted
	CAPM IBBL Shari'ah Fund	44,500,000	10.00	445,000,000	614,100,000	169,100,000	Quoted
	NAM IBBL Islamic Mutual Fund	10,651,731	9.99	106,399,998	90,859,265	(15,540,733)	Un-Quoted
	AT Capital Shari'ah Unit Fund	5,010,020	9.98	50,000,000	54,759,519	4,759,519	Un-Quoted
	Capitec Padma PFS Unit Fund	10,000,000	10.00	100,000,000	104,000,000	4,000,000	Un-Quoted
	UFS-Padma Life Islami Unit Fund	15,000,000	10.00	150,000,000	140,250,000	(9,750,000)	Un-Quoted
	Capitec IBBL Shariah Unit Fund	3,750,000	10.00	37,500,000	38,812,500	1,312,500	Un-Quoted
	Sub Total (ii)	188,911,751		1,888,899,998	1,927,281,284	38,381,286	
	iii) Foreign Share						
	APIF of IsDB	1,011	972,513.65	983,211,300	983,211,300	-	Un-Quoted
	Sub total (iii)	1,011		983,211,300	983,211,300	-	
	iv) Subordinated Debt						
	Mudaraba Subordinated Debt of Union Bank Ltd.	80	10,000,000	800,000,000	800,000,000	-	Un-Quoted
	Mudaraba Subordinated Debt of First Security Islami Bank (2 nd)	480	1,000,000	480,000,000	480,000,000	-	Un-Quoted
	Mudaraba Subordinated Debt Social Islami Bank Ltd (3 rd)	120	10,000,000	1,200,000,000	1,200,000,000	-	Un-Quoted
	Mudaraba Subordinated Debt of First Security Islami Bank (3 rd)	260	10,000,000	2,600,000,000	2,600,000,000	-	Un-Quoted
	SIBL Mudaraba Perpetual Boad	1,500	1,000,000	1,500,000,000	1,500,000,000	-	Un-Quoted
	EXIM Bank Mudaraba Perpetual Boad	1,800	1,000,000	1,800,000,000	1,800,000,000	-	Un-Quoted
	FSIBL Mudaraba Perpetual Boad	1,800	1,000,000	1,800,000,000	1,800,000,000	-	Un-Quoted
	Sub total (iv)	6,040		10,180,000,000	10,180,000,000	-	
	v) Others						
	Bangladesh Aroma Tea Co	1,570	-	157,000	-	-	De-listed
	ACMELAB	855,000	102.34	87,500,435	72,675,000	(14,825,435)	Quoted
	ACTIVEFINE	1,593,000	30.54	48,643,133	30,744,900	(17,898,233)	Quoted
	AMANFEED	170,000	39.94	6,789,431	5,695,000	(1,094,431)	Quoted
	ACI	84,000	274.74	23,078,030	21,856,800	(1,221,230)	Quoted
	ALIF	719,970	14.21	10,231,556	9,575,601	(655,955)	Quoted
	AFC AGRO	129,030	41.27	5,325,416	3,032,205	(2,293,211)	Quoted
	AAMRATECH	285,500	42.28	12,071,503	11,420,000	(651,503)	Quoted
	APOLOISPAT	500,000	10.67	5,333,252	4,100,000	(1,233,252)	Quoted
	AMCL(PRAN)	19,500	363.43	7,086,817	5,179,200	(1,907,617)	Quoted
	BATASHOE	9,600	1,278.82	12,276,674	9,142,080	(3,134,594)	Quoted
	BBS	901,419	36.80	33,173,690	19,470,650	(13,703,040)	Quoted
	BBSCABLES	876,750	66.09	57,943,514	43,749,825	(14,193,689)	Quoted
	BERGERPBL	2,800	1,779.40	4,982,320	4,823,280	(159,040)	Quoted
	BEACONPHAR	160,000	256.89	41,102,483	45,760,000	4,657,517	Quoted
	BPPL	200,000	44.18	8,835,672	5,860,000	(2,975,672)	Quoted
	BSRMSTEEL	492,334	84.40	41,555,229	31,460,143	(10,095,086)	Quoted
	BXPHERMA	50,000	182.00	9,099,797	7,310,000	(1,789,797)	Quoted

Particulars		As at December 2022					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
	BEXIMCO	233,500	139.39	32,547,812	26,992,600	(5,555,212)	Quoted
	CONFIDCEM	471,450	131.32	61,912,826	41,959,050	(19,953,776)	Quoted
	DOREENPOWER	75,040	70.43	5,285,068	4,577,440	(707,628)	Quoted
	DSSL	200,000	18.53	3,706,668	3,400,000	(306,668)	Quoted
	FEKDIL	550,000	21.13	11,623,224	9,460,000	(2,163,224)	Quoted
	ESQUIRENIT	119,000	39.39	4,687,327	4,105,500	(581,827)	Quoted
	EXIMBANK	2,000,000	12.41	24,821,831	20,800,000	(4,021,831)	Quoted
	GP	271,700	357.18	97,044,607	77,869,220	(19,175,387)	Quoted
	GENNEXT	1,391,500	10.03	13,952,950	8,349,000	(5,603,950)	Quoted
	GPHSPAT	870,375	60.14	52,342,826	38,992,800	(13,350,026)	Quoted
	HEIDELBCEM	94,174	520.48	49,015,521	16,866,563	(32,148,958)	Quoted
	IBNSINA	127,000	292.90	37,198,321	36,398,200	(800,121)	Quoted
	IFADAUTOS	1,006,614	70.01	70,473,088	44,391,677	(26,081,411)	Quoted
	IBP	229,030	28.86	6,610,288	3,778,995	(2,831,293)	Quoted
	ISLAMICFIN	100,000	33.77	3,376,740	1,970,000	(1,406,740)	Quoted
	LHBL	1,150,000	86.63	99,621,235	74,520,000	(25,101,235)	Quoted
	LINDEBD	14,519	1,426.36	20,709,377	20,293,206	(416,171)	Quoted
	MARICO	1,000	2,335.88	2,335,882	2,421,500	85,618	Quoted
	MJLBD	600,100	102.45	61,482,877	52,028,670	(9,454,207)	Quoted
	NPOLYMAR	290,000	65.45	18,981,594	14,790,000	(4,191,594)	Quoted
	NORTHERNINS	88,000	63.41	5,579,812	3,484,800	(2,095,012)	Quoted
	OLYMPIC	252,812	255.94	64,705,775	31,348,688	(33,357,087)	Quoted
	ORIONPHARM	440,000	127.82	56,240,835	36,388,000	(19,852,835)	Quoted
	POWERGRID	981,988	65.04	63,864,634	51,456,171	(12,408,463)	Quoted
	PTL	366,042	84.08	30,775,425	28,185,234	(2,590,191)	Quoted
	QUEENSOUTH	202,254	30.96	6,261,451	4,995,674	(1,265,777)	Quoted
	RAKCEMIC	390,000	45.74	17,838,545	16,731,000	(1,107,545)	Quoted
	ROBI	200,000	46.58	9,316,224	6,000,000	(3,316,224)	Quoted
	RINGSHINE	10,000	8.61	86,096	98,000	11,904	Quoted
	RUNNERAUTO	2,058,716	42.86	88,230,686	99,641,854	11,411,168	Quoted
	RECKITBEN	212	5,839.70	1,238,016	1,009,268	(228,748)	Quoted
	SAPORTL	242,160	47.29	11,450,609	7,264,800	(4,185,809)	Quoted
	SAIFPOWER	800,000	39.58	31,661,950	23,760,000	(7,901,950)	Quoted
	SHASHADNIM	122,475	49.22	6,027,932	3,306,825	(2,721,107)	Quoted
	SIBL	2,703,666	17.17	46,419,232	33,255,092	(13,164,140)	Quoted
	SIMTEX	1,100,000	19.63	21,598,407	18,480,000	(3,118,407)	Quoted
	SINGERBD	60,000	177.40	10,644,190	9,114,000	(1,530,190)	Quoted
	SQURPHARMA	345,000	213.05	73,501,302	72,381,000	(1,120,302)	Quoted
	SQUARETEXT	100,000	69.45	6,944,819	6,750,000	(194,819)	Quoted
	SUMITPOWER	155,500	45.94	7,143,759	5,287,000	(1,856,759)	Quoted
	TALLUSPIN	244,528	15.58	3,809,976	2,420,827	(1,389,149)	Quoted
	WALTON	25,193	1,317.35	33,188,043	26,394,706	(6,793,337)	Quoted
	Sub Total (v)	27,734,021		1,689,443,733	1,323,572,044	(365,871,689)	
	vi) Others- Special Fund						
	ACI	94,500	267.84	25,310,586	24,588,900	(721,686)	Quoted
	BXPHARMA	236,000	192.53	45,436,971	34,503,200	(10,933,771)	Quoted

Particulars		As at December 2022					
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
	DOREENPOWER	375,170	67.78	25,430,373	22,885,370	(2,545,003)	Quoted
	EXIMBANK	700,000	12.56	8,794,933	7,280,000	(1,514,933)	Quoted
	GP	160,000	347.99	55,678,608	45,856,000	(9,822,608)	Quoted
	GPHISPAT	548,600	51.42	28,206,911	24,577,280	(3,629,631)	Quoted
	LHBL	210,000	74.85	15,719,200	13,608,000	(2,111,200)	Quoted
	OLYMPIC	182,000	152.52	27,759,424	22,568,000	(5,191,424)	Quoted
	POWERGRID	776,600	64.25	49,899,190	40,693,840	(9,205,350)	Quoted
	PTL	50,000	79.16	3,957,900	3,850,000	(107,900)	Quoted
	SHAHJABANK	21,665	19.05	412,664	407,302	(5,362)	Quoted
	SQURPHARMA	363,696	222.72	81,004,153	76,303,421	(4,700,732)	Quoted
	SQUARETEXT	46,418	71.41	3,314,690	3,133,215	(181,475)	Quoted
	SUMITPOWER	384,716	45.24	17,403,652	13,080,344	(4,323,308)	Quoted
	UPGDCL	114,461	278.02	31,822,785	26,749,536	(5,073,249)	Quoted
	Sub Total (vi)	5,157,059		539,406,898	439,582,145	(99,824,753)	
	Total Other than Government (i to vi)	224,809,721		18,280,800,929	17,853,485,773	(427,315,156)	
	Total (10.1+10.2)	233,089,597		90,454,663,436	90,031,301,463	(423,361,973)	

10.3 Revaluation of shares & securities

All Shares and Securities are shown at cost price other than the Shares of Bangladesh Shipping Corporation (BSC) which have been recognized at closing market price as on 31.12.2023 of Dhaka Stock Exchange Ltd. (DSE) as per BRPD Circular No.14 dated 25.06.2003 and DOS Circular No. 05 dated 26 May 2008. The provision requirement for Capital Market Investment for the year 2023 is Tk. 440,744,487 is calculated as per DOS Circular No.01 dated 24 May 2024 and detailed in Note-17.2.1. Change in revaluation of shares of Bangladesh Shipping Corporation (BSC) has been shown as revaluation reserve of securities.

10.4 Maturity grouping of investments in shares & securities

Repayable on demand

With a residual maturity of

Up to 1 Month

Over 1 month but not more than 3 months

Over 3 months but not more than 1 year

Over 1 year but not more than 5 years

More than 5 years

Total

	31.12.2023 Taka	31.12.2022 Taka
	-	-
	791,524,837	2,304,263,436
	800,000,000	1,254,000,000
	7,906,150,000	5,784,700,000
	3,941,600,000	4,230,000,000
	74,599,098,584	76,881,700,000
Total	88,038,373,421	90,454,663,436

10(a) Consolidated investments in shares & securities

10(a)(i) Government

Islami Bank Bangladesh PLC.

Islami Bank Securities Limited

Islami Bank Capital Management Limited

Inter-company balances

Sub total (i)

69,158,974,837	72,173,862,507
-	-
-	-
-	-
69,158,974,837	72,173,862,507

10(a)(ii) Others

Islami Bank Bangladesh PLC.

Islami Bank Securities Limited

Islami Bank Capital Management Limited

Inter-company balances

Sub total (ii)

Total (i+ii)

18,879,398,584	18,280,800,929
3,462,295,819	3,571,016,282
383,001,298	364,516,597
(2,999,839,000)	(2,999,839,000)
19,724,856,701	19,216,494,808
88,883,831,538	91,390,357,315

		31.12.2023 Taka	31.12.2022 Taka
11.0	Investments		
	General investments etc. (Note-11.1)	1,415,352,159,015	1,326,643,607,786
	Bills purchased & discounted (Note-11.2)	184,913,503,084	134,721,889,727
	Total	1,600,265,662,100	1,461,365,497,513
11.1	General investments etc.		
	i) In Bangladesh		
	Bai - Murabaha	871,988,408,952	841,296,289,653
	Bai - Muajjal	100,714,899,305	90,626,114,176
	Hire Purchase under Shirkatul Melk	267,149,479,644	238,453,148,471
	Hire Purchase under Shirkatul Melk (HPSM in FC-OBUs)	11,176,968,635	11,288,596,229
	Hire Purchase under Shirkatul Melk (HPSM in FC-GTF)	2,442,532,885	2,352,511,331
	Bai-Murabaha Import Bills	34,704,626,165	14,743,245,102
	Baim- FC Bills	18,293,060,542	16,511,007,883
	Musharaka	269,017,859	188,236,382
	Mudaraba	5,000,100,000	5,000,140,000
	Bai - Salam	19,387,832,253	19,016,075,613
	Murabaha Foreign Currency Investment	23,979,454,948	42,741,796,096
	Quard	57,561,029,228	42,649,571,998
	Investment in Khidmah Card	2,684,748,601	1,776,874,850
	Sub total (i)	1,415,352,159,015	1,326,643,607,786
	ii) Out side Bangladesh		
	Bai - Murabaha	-	-
	Bai - Muajjal	-	-
	Hire Purchase under Shirkatul Melk	-	-
	Musharaka	-	-
	Overseas Investment	-	-
	Bai - Salam	-	-
	Quard	-	-
	Others	-	-
	Sub total (ii)	-	-
	Grand total (i+ii)	1,415,352,159,015	1,326,643,607,786
11.1.1	Maturity-wise classification		
	Repayable on demand	145,151,212,179	-
	With a residual maturity of		
	Up to 1 Month	64,232,022,702	169,223,200,000
	Over 1 month but not more than 3 months	150,695,235,303	114,752,500,000
	Over 3 months but not more than 1 year	514,149,376,945	685,032,007,786
	Over 1 year but not more than 5 years	219,868,891,116	147,170,000,000
	More than 5 years	321,255,420,770	210,465,900,000
	Total	1,415,352,159,015	1,326,643,607,786
11.1(a)	Consolidated general investments etc.		
	Islami Bank Bangladesh PLC	1,415,352,159,015	1,326,643,607,786
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company balances	(5,000,000,000)	(5,000,000,000)
	Total	1,410,352,159,015	1,321,643,607,786

		31.12.2023 Taka	31.12.2022 Taka
11.2	Bills purchased & discounted		
	i) In Bangladesh		
	Musharaka Doc. Bill (MDB)	5,722,984,623	6,071,795,536
	ii) Outside Bangladesh		
	Mudaraba Doc Bill (UPAS)-OBU	175,762,865,663	125,851,365,332
	Bai- As- Sarf (FDB)	1,327,316,769	1,546,935,639
	MDB in FC	2,100,336,029	1,251,793,220
	Sub-total (ii)	179,190,518,461	128,650,094,191
	Total (i+ii)	184,913,503,084	134,721,889,727
11.2.1	Maturity-wise classification of bills purchased & discounted		
	Payable within 1 month	110,948,101,850	100,152,700,000
	Over 1 month but less than 3 months	55,474,050,925	15,680,500,000
	Over 3 months but less than 6 months	9,245,675,154	9,922,569,095
	6 months or more	9,245,675,154	8,966,120,632
	Total	184,913,503,084	134,721,889,727
11.2(a)	Consolidated bills purchased & discounted		
	Islami Bank Bangladesh PLC	184,913,503,084	134,721,889,727
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Total	184,913,503,084	134,721,889,727
11.3	Geographical location wise classification of investments		
	Within Bangladesh		
	In rural areas	96,176,039,457	82,566,782,467
	In urban areas	1,504,089,622,643	1,378,798,715,046
	Sub total	1,600,265,662,100	1,461,365,497,513
	Outside Bangladesh	-	-
	Total	1,600,265,662,100	1,461,365,497,513
11.4	Division wise classification of investments (*)		
	Dhaka division	701,875,835,959	675,587,324,162
	Chattogram division	483,920,704,355	427,683,318,742
	Khulna division	90,895,158,755	85,151,150,493
	Rajshahi division	212,355,414,907	168,201,588,029
	Barisal division	20,163,362,681	19,294,389,093
	Sylhet division	19,683,282,618	18,666,796,253
	Rangpur division	49,768,299,952	45,945,340,308
	Mymensingh division	21,603,602,873	20,835,590,433
	Total	1,600,265,662,100	1,461,365,497,513
	(*) Division wise distribution was made on the basis of the location of the respective branch not on the basis of where the client's business actually located.		
11.5	Investment on the basis of significant concentration including bills purchased and discounted		
	Investment to directors	-	-
	Investment to chief executive & other senior executives	1,324,941,221	1,729,627,570
	Sector wise other investments:		
	Trade & commerce	502,502,826,341	478,872,859,614
	Real estate	91,298,325,132	84,824,439,721
	Transport	7,852,650,483	9,358,061,358
	Agriculture (including fertilizer & agriculture implements)	50,737,795,833	46,982,709,146
	Industrial investment (Note-11.5.1)	887,058,515,413	772,147,671,644
	Others	59,490,607,677	67,450,128,460
	Total	1,600,265,662,100	1,461,365,497,513

	31.12.2023 Taka	31.12.2022 Taka
11.5.1 Classification of industrial investments		
Textile- spinning, weaving & dyeing	198,833,720,850	159,189,380,449
Garments & garments accessories	99,056,506,896	75,519,332,497
Steel, re-rolling & engineering	113,997,565,336	109,167,810,930
Agro-based industry	235,800,641,373	229,259,205,649
Food & beverage	19,889,905,537	16,122,251,652
Cements industry	18,896,554,662	16,837,020,948
Pharmaceuticals	4,965,651,604	4,517,198,001
Poultry, poultry feed & hatchery	3,431,744,931	3,431,744,931
Sanitary wares	88,861,821	60,036,128
Chemicals, toiletries & petroleum	18,292,559,226	16,164,625,021
Printing & packaging	18,150,781,116	15,150,781,116
Power (electricity)	14,966,944,129	12,379,742,126
Ceramic & bricks	18,916,960,945	13,926,208,986
Health care (hospital & others)	8,987,632,874	7,853,903,445
Plastic industries	9,946,274,595	6,846,274,595
Petrol pump & CNG filling station	2,953,938,439	2,771,844,805
Information technology	291,264,584	211,264,584
Hotel & restaurant	1,928,869,687	1,624,862,942
Other industries	97,662,136,809	81,114,182,839
Total	887,058,515,414	772,147,671,644
11.6 Details of investment to customers (10.00% of bank's regulatory capital and above)		
Number of clients with amount of gross investments exceeding 10.00% of total regulatory equity of the Bank & classified amount thereon are given below:		
Number of clients	32	36
Amount of investments (Taka)	494,503,500,000	554,448,200,000
Classified amount thereon	Nil	Nil
Measures taken for recovery	Not Applicable	Not Applicable

Total regulatory capital of the Bank was Tk.108,376.71 million as at 31 December 2023 & Tk. 102,738.44 million as at 31 December 2022.

(Taka in million)

Sl. No.	Name of clients	Sanctioned limit	Outstanding gross investment (*) as on 31.12.2023			31.12.2022
			Funded	Non-funded (**)	Total	
1	S. Alam Steels & Refined Sugar Ind. Ltd.	40,000	25,584	16,589	42,173	41,359
2	S. Alam Vegetable Oil Ltd.	38,400	28,620	12,383	41,003	40,082
3	S. Alam Super Edible Oil Ltd.	38,400	21,301	18,082	39,383	40,172
4	Nabil Group	29,000	15,731	4,742	20,473	18,680
5	Bashundara Multifood Group	27,425	15,645	4,086	19,731	22,877
6	Abul Khair Group	27,001	7,139	12,214	19,353	20,078
7	Noman Group	25,080	13,646	7,377	21,023	20,514
8	Nassa Group	24,988	16,391	4,731	21,122	20,250
9	Infinite CR Strips Ind Ltd.	23,200	14,383	376	14,759	13,830
10	Mahmud Denims Ltd	22,677	14,444	3,454	17,898	25,139
11	S.Alam Cold Rolled Steels Ltd.	21,150	16,327	2,793	19,120	17,812
12	Chemon Ispat Ltd	20,000	16,350	88	16,438	16,327
13	Karnafuly Foods (Pvt) Ltd.	19,310	17,143	-	17,143	15,383
14	Jamuna Tyre (Group)	18,058	11,505	2,069	13,574	11,618
15	BRB Group	17,390	3,976	402	4,378	3,925
16	Unitex LP Gas Ltd	16,898	13,125	3,037	16,162	13,307
17	Inherent Trading & Impex	16,300	12,850	82	12,932	12,952
18	Badsha Group	14,127	5,785	306	6,091	8,606
19	City Group	14,000	2,885	-	2,885	9,852
20	Globe Pharmaceuticals and its sister Concerns	13,817	12,572	598	13,170	-
21	GMS Group	13,523	7,586	4,784	12,370	12,936
22	MSA Group	13,420	16,144	1,224	17,368	12,205
23	Noapara Group	12,856	-	7,005	7,005	-
24	Energyprima Ltd.	12,539	6,371	4,925	11,296	11,410
25	Unitex Steel Mills Ltd.	12,500	3,131	2,924	6,055	1,832
26	Mosharrof & Brothers Group	11,941	7,003	3,884	10,887	16,427
27	Aman Group	11,920	11,190	1,390	12,580	11,221
28	Naba Farm Ltd.	11,700	10,009	-	10,009	7,834
29	Jalalabad Group	11,065	8,617	1,878	10,495	10,944
30	Grand Spinning Mills Ltd.	11,063	1,246	-	1,246	-
31	Ideal Flour Mills Ltd.	11,000	10,422	-	10,422	-
32	Delta Group	7,074	10,851	38	10,889	10,238
33	Shaikh Brothers Group	-	-	-	-	18,768
34	ON Spinning Mills Ltd.	-	-	-	-	12,072
35	Afil Group	-	-	-	-	11,675
36	East West Property Dev (Pvt) Ltd.	-	-	-	-	11,354
37	Globe Edible Oil	-	-	-	-	11,063
38	Adil Corporation	-	-	-	-	10,871
39	Sadia Traders	-	-	-	-	10,834
Total		607,822	377,968	121,460	499,429	554,448

(*) Gross investments includes profit receivables amount.

(**) Non Funded investment without considering conversion factor.

		31.12.2023 Taka	31.12.2022 Taka
11.7	Classification status - wise investments		
	Unclassified :		
i)	Unclassified including staff investment	1,514,788,866,251	1,397,458,533,918
ii)	Special mention account (SMA)	16,288,690,042	9,884,950,814
	Total unclassified (i+ii)	1,531,077,556,293	1,407,343,484,732
	Classified :		
iii)	Substandard	17,303,072,026	7,862,650,291
iv)	Doubtful	5,938,650,900	5,188,913,638
v)	Bad and Loss	45,946,382,881	40,970,448,852
	Total classified (iii+iv+v)	69,188,105,807	54,022,012,781
	Grand total (i to v)	1,600,265,662,100	1,461,365,497,513
11.8	Pledged collaterals against investments		
	Land & building	1,256,980,862,182	1,210,228,451,052
	MTDR, securities, etc.	160,462,568,319	156,469,383,898
	Share certificates	343,385,535	343,175,535
	Total	1,417,786,816,036	1,367,041,010,485
11.9	Particulars of investments		
i)	Investments considered good in respect of which the bank is fully secured	1,530,187,653,702	1,401,168,075,659
ii)	Investments considered good in respect of which the Bank holds debtors' personal security	2,684,748,601	1,776,874,850
iii)	Investments considered good and secured by personal security of one or more persons in addition to personal security of debtors	67,393,259,797	58,420,547,004
iv)	Investments considered bad or doubtful not provided for.	-	-
	Total	1,600,265,662,100	1,461,365,497,513
v)	Investments due by directors or employees of the bank or any of them either severally or jointly with any other persons	33,394,001,926	32,376,228,246
vi)	Investments due by directors or employees of the bank are interested as directors, partners, managing agents or in the case of private companies as members	-	-
vii)	Total amount of investments, including temporary investments, made any time during the year to directors or employees of the bank or any of them either severally or jointly with any other persons	5,819,413,095	5,695,875,143
viii)	Total amount of investments, including temporary investments granted during the year to the Companies or firms in which the directors of the bank are interested as directors, partners, managing agents or, in the case of private companies as members	-	-
ix)	Investments due from other banks	-	-
x)	Classified investments:		
a)	Classified investments on which profit has not been charged	45,946,382,881	40,970,448,852
b)	Provision for classified investments	48,662,858,491	42,073,978,491
c)	Provision kept against investments classified as bad & loss	46,762,628,491	41,118,078,491
d)	Amount credited to profit/ rent /compensation suspense account	54,913,275,546	43,754,288,943
xi)	Particulars of written off investments		
a)	Cumulative amount of investment written off since inception to 31st December last year	12,167,909,201	12,167,909,201
b)	Amount of investment written off during this year	-	-
c)	Total amount written Off (a+b)	12,167,909,201	12,167,909,201

		31.12.2023 Taka	31.12.2022 Taka
d)	Amount recovered against written off investment up to this year (*)	2,344,621,060	2,054,460,535
e)	Amount waived against written off investment up to this year	1,290,029,683	1,050,020,241
f)	Amount of investment written off against which suit has been filed to recover the same	8,533,258,458	9,063,428,425

(*) During the year of 2023, Tk. 530,169,967/- was recovered from Written-Off Investments, out of which a sum of Tk. 240,009,442/- was waived and remaining Tk. 290,160,525/- was recovered from the clients in cash.

11.10 Information about restructured investment as per Bangladesh Bank's BRPD Circular No-4, dated 29 January, 2015

Investment amounting to Tk. 1,874.00 million (outstanding Tk. 1,233.30 million as on 31.12.2023) of 1 (One) investment client Jamuna Electronics & Automobiles Ltd., Gulshan Br, Dhaka has been restructured. The restructured has been made by extension of validity of term investment for 12 (twelve) years including 01 (one) year gestation period for the client under the preview of BRPD Circular No-4, dated 29 January, 2015. The status of the Investment is unclassified and reported as Special Mention Account (SMA) as per Bangladesh Bank Guidelines.

12.0 Fixed assets including premises (Annexure-A)

		31.12.2023 Taka	31.12.2022 Taka
12.1	Tangible assets		
	Land	5,530,650,885	7,623,650,885
	Building	6,359,940,398	6,539,112,354
	Construction/capital work-in-process	-	-
	Furniture and fixtures	1,794,225,666	1,728,582,193
	Mechanical appliances	3,156,055,087	3,078,275,343
	Computer	2,580,061,782	2,307,615,731
	Motor vehicles	1,634,030,782	1,631,823,019
	ATM	4,174,492,363	3,896,801,136
	Books	11,602,922	11,547,478
	Right of Use- Assets for lease rent	2,380,392,163	2,380,392,163
	Total cost of tangible assets including revaluation	27,621,452,048	29,197,800,302
	Less: Accumulated depreciation	12,307,193,490	10,936,728,849
	Net book value of tangible assets at the end of the year	15,314,258,558	18,261,071,453
12.2	Intangible assets		
	Computer software	838,120,667	822,847,696
	Total cost of intangible assets	838,120,667	822,847,696
	Less: Accumulated amortization	716,716,025	646,599,061
	Net book value of intangible assets at the end of the year	121,404,642	176,248,635
	Total net book value at the end of the year (12.1+12.2)	15,435,663,200	18,437,320,088
12.3	Maturity-wise classification		
	Repayable on demand	-	-
	With a residual maturity of		
	Up to 1 Month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	-	774,587,648
	Over 1 year but not more than 5 years	-	4,487,546,325
	More than 5 years	15,435,663,200	13,175,186,115
	Total	15,435,663,200	18,437,320,088
12.4	Revaluation of land & building		

As per Bangladesh Bank BCD Circular Letter No. 12 & 18 dated April 20, 1993 & June 15, 1993; BRPD Circular No.10 dated November 24, 2002; Circular No. 09 dated 31 December 2008 and Circular No. 24 dated 03 August 2010, the Bank revalued its land and building by the professional valuers for the year 2000, 2002, 2003, 2004, 2005, 2006, 2009 & 2012 respectively which was reviewed by the statutory auditors. A portion of revalued Land & Building has been sold out during the year 2023.

12(a) Consolidated fixed assets including premises (Annexure-B)

		31.12.2023 Taka	31.12.2022 Taka
12(a).1 Tangible assets			
Islami Bank Bangladesh PLC		15,314,258,558	18,261,071,453
Islami Bank Securities Limited		8,419,643	11,779,093
Islami Bank Capital Management Limited		5,408,182	4,665,537
Sub-total		15,328,086,383	18,277,516,083
12(a).2 Intangible assets			
Islami Bank Bangladesh PLC		121,404,642	176,248,635
Islami Bank Securities Limited		354,972	652,942
Islami Bank Capital Management Limited		629,780	952,780
Sub-total		122,389,394	177,854,357
Total (12.a.1+12.a.2)		15,450,475,777	18,455,370,440
13.0 Other assets			
i) Income generating other assets		-	-
ii) Non-income generating other assets			
Stock of stationery in hand		297,236,996	203,416,484
Stamps in hand		38,403,245	35,035,860
Advance rent paid		594,521,302	661,059,332
Security deposits account		27,414,226	27,533,605
Suspense		1,161,760,808	1,108,427,199
Advance against expenses		80,659,116	68,596,347
Pre-paid expense-OBUs		43,646,318	80,908,818
Accrued income		6,694,108,337	3,783,243,517
IB General account (Note - 13.3)		94,032,094,052	19,769,529,631
Clearing adjustment		-	662,046,924
mCash adjustment		1,814,555,903	455,940,995
Dividend income receivable		32,431,531	44,528,510
Master card receivable		184,945,505	10,468,226
ATM receivable/UPI Receivable		43,634,396	894,831,852
eWallet Receivable		-	214,258,232
Agent RDS Receivable		8,667,116	3,765,307
POS Receivable		9,821,759	95,647,224
Advance against capital expenditure		183,500,000	164,500,000
Foreign remittance incentive receivable		1,176,987,901	3,377,202,877
NPS Receivable		1,234,063,884	775,519,041
Placement to AD for MDB in FC (Local)		45,242,340	-
Others		605,842,021	1,094,467,124
Sub-total (ii)		108,309,536,758	33,530,927,106
Total (i+ii)		108,309,536,758	33,530,927,106
13.1 Maturity-wise classification			
Repayable on demand		-	-
With a residual maturity of			
Up to 3 Month		-	9,547,854,123
Over 3 month but not more than 6 months		-	8,456,985,480
Over 6 months but not more than 1 year		-	7,548,793,652
Over 1 year but not more than 5 years		-	6,985,635,106
More than 5 years		108,309,536,758	991,658,745
Total		108,309,536,758	33,530,927,106

		31.12.2023 Taka	31.12.2022 Taka
13.2	Classification status of other assets		
	Unclassified	108,183,040,932	33,434,076,562
	Doubtful	33,963,760	10,023,161
	Bad/ Loss	92,532,066	86,827,383
	Total	108,309,536,758	33,530,927,106
13.3	IB General account		
13.3.1	Un-reconciled entries of Inter Branch Transactions in Bangladesh		
	Age		
	Upto 3 months	70,837,208,283	16,235,230,319
	Over 3 months but not more than 6 months	4,948,496,796	3,412,204,849
	Over 6 months but not more than 9 months	12,572,404,921	108,355,678
	Over 9 months but not more than 12 months	5,343,248,740	13,738,785
	More than 12 months	330,735,312	-
	Total	94,032,094,052	19,769,529,631
13.3.2	Un-reconciled entries of Inter Branch Transactions outside Bangladesh		
	Age		
	Upto 3 months	-	-
	Over 3 months but not more than 6 months	-	-
	Total	-	-
13(a)	Consolidated other assets		
	Islami Bank Bangladesh PLC	108,309,536,758	33,530,927,106
	Islami Bank Securities Limited	216,249,113	191,629,855
	Islami Bank Capital Management Limited	22,026,593	26,458,138
	Inter-company balances	(9,820,699)	(8,730,616)
	Total	108,537,991,765	33,740,284,483
14.0	Placement from banks & other financial institutions		
	Borrowing from Abroad- OBU (Note-14.1)	13,750,000,000	29,305,358,900
	Borrowing from other Banks in Bangladesh- OBU (Note 14.2)	2,200,000,000	15,133,010,500
	Borrowing from Bangladesh Bank (Note 14.3)	195,428,924,541	143,000,000,000
	Borrowing from Treasury Division, IBBPLC -OBU (Note-6.0_OBU)	165,591,122,268	89,273,462,812
	Fund obtained by AD branches from OBU for MDB in FC (Note-3.0_OBU)	-	267,278,973
	Sub total	376,970,046,809	276,979,111,185
	Less: Borrowing from Treasury Division, IBBPLC- OBU	165,591,122,268	89,273,462,812
	Less: Fund obtained by AD branches from OBU for MDB in FC	-	267,278,973
	Sub total	165,591,122,268	89,540,741,785
	Total	211,378,924,541	187,438,369,400
	Fund obtained from OBU for investment in MDB in FC by AD branches is shown under “Cover fund MDB investment” under other liabilities at AD branches whereas Fund provided to AD branches for MDB in FC is shown under “Placement with banks & other financial institutions” in the assets side at OBU’s balance sheet. As the items are intra-units balance, the amount was fully eliminated while preparing the financial statement of the Bank as a whole.		
14.1	Borrowing from Abroad-OBU		
	Ajman Bank, UAE	12,100,000,000	9,813,215,000
	Commercial Bank Of Dubai	1,650,000,000	2,065,940,000
	First Gulf UAE	-	1,756,049,000
	Dubai Islamic Bank	-	1,549,455,000

		31.12.2023 Taka	31.12.2022 Taka
	Emirates Islamic Bank, UAE	-	1,032,970,000
	Emirates NBD Bank, UAE	-	1,032,970,000
	Bank of Khartoum	-	1,239,564,000
	The Saudi National Bank, Bahrain	-	1,032,970,000
	Bank Du Cairo	-	1,032,970,000
	Bank Sinopac, Taiwan	-	516,485,000
	Ras Al Khaimah	-	6,197,820,000
	Abu Dhabi Bank, UAE	-	2,034,950,900
	Total	13,750,000,000	29,305,358,900
14.2	Borrowing from other Banks in Bangladesh		
	Bank Asia PLC.	2,200,000,000	5,164,850,000
	The City Bank PLC.	-	1,549,455,000
	NCC Bank PLC.	-	1,084,618,500
	Social Islami Bank PLC.	-	206,594,000
	Jamuna Bank PLC.	-	206,594,000
	Commercial Bank of Ceylon PLC.	-	2,582,425,000
	First Security Islami Bank PLC.	-	1,549,455,000
	EXIM Bank PLC.	-	1,549,455,000
	Trust Bank PLC.	-	1,239,564,000
	Total	2,200,000,000	15,133,010,500
14.3	Borrowing from Bangladesh Bank		
	Bangladesh Government Islamic Investment Bond (BGIIB)	38,800,000,000	33,000,000,000
	Bangladesh Government Investment Sukuk (BGIS)	30,000,000,000	30,000,000,000
	Others	126,628,924,541	80,000,000,000
	Total	195,428,924,541	143,000,000,000
14(a)	Consolidated placement from banks & other financial institutions		
	Islami Bank Bangladesh PLC	211,378,924,541	187,438,369,400
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Total	211,378,924,541	187,438,369,400
15.0	Deposits & other accounts		
	Mudaraba savings deposits (Note-15.1)	480,047,894,909	445,565,352,259
	Mudaraba term deposits	558,058,288,511	513,310,226,532
	Other mudaraba deposits (Note-15.2)	286,154,166,380	288,022,176,295
	Al-wadeeah current and other deposit accounts (Note-15.3)	197,647,421,738	153,259,252,714
	Bills payable (Note-15.4)	12,658,234,695	10,288,421,539
	Total	1,534,566,006,233	1,410,445,429,339
15.1	Mudaraba Savings Deposits		
	Mudaraba Savings Deposits	458,577,293,687	426,858,238,658
	Mudaraba Savings Deposits (RDS)	11,918,971,076	10,928,580,175
	Mudaraba School Student Savings Deposits	6,373,541,710	5,140,481,942
	Mudaraba Farmers Savings Deposits	2,507,271,601	2,113,625,314
	Mudaraba Industry Employee Savings Deposits	370,274,256	322,004,789
	Mudaraba Priority Savings	10,805,808	10,493,480
	Mudaraba Payroll Savings	289,736,770	191,927,901
	Total	480,047,894,909	445,565,352,259

		31.12.2023 Taka	31.12.2022 Taka
15.2	Other mudaraba deposits		
	Mudaraba Special Notice Deposits	22,824,734,971	17,596,991,940
	Mudaraba Hajj Deposits	6,301,264,366	5,678,940,459
	Mudaraba Savings Bond	7,917,526,725	9,527,116,786
	Mudaraba NRB Savings Bond	568,895,103	658,885,212
	Mudaraba Special Savings (Pension) Deposits	155,859,784,375	154,141,092,164
	Mudaraba Monthly Profit Deposit Scheme	54,929,621,709	58,169,753,190
	Mudaraba Muhor Savings	843,097,954	832,982,189
	Mudaraba Waqf Cash Deposit	2,131,070,725	1,984,260,655
	Mudaraba Upahar Deposit Scheme	25,946,642	24,516,225
	Mudaraba FC Deposit	24,120,821,451	37,487,587,780
	Mudaraba FC Deposit -Exporters Retention Quota (ERQ)	8,499,024	7,984,597
	Mudaraba Bibaho Savings Deposits	368,507,725	136,766,601
	Mudaraba Senior Citizens	2,709,863,052	1,694,269,577
	Mudaraba Education Saving	73,733,392	33,776,902
	Mudaraba Expatriate Housing	165,251,063	47,252,019
	Mudaraba Double Benefit	7,305,548,103	-
	Total	286,154,166,380	288,022,176,295
15.3	Al Wadeeah current and other deposits accounts		
	Al Wadeeah Current Deposits	89,366,692,935	73,719,186,619
	Convertible Taka Account	151,708	151,708
	Non Resident Investors Taka Account	3,430,837,494	379,923,794
	Non Resident FC of Exchange House / Banks	1,519,625,947	1,565,811,723
	Non Resident FC of Exchange House/ Banks-OBU (Note-2.0_OBU)	45,047,621	260,151,791
	Non Resident Taka Account	4,894,853,266	6,048,594,705
	Foreign Currency Deposit	287,148,951	717,781,518
	Foreign Currency Deposit ERQ	1,377,177,522	1,436,216,278
	Other FC Deposit	51,082,336	47,289,688
	Foreign Currency: Security Deposit	191,728,599	177,856,927
	Foreign Currency Held against Back to Back L/C	7,750,594,678	6,660,921,685
	Foreign Currency held against Cash L/C	6,082,118,530	6,401,459,179
	Foreign Demand Draft /TT Payable	68,610,218	522,208,372
	Foreign Currency Deposit against Foreign Bank Guarantee	43,931,250	41,254,239
	Resident Foreign Currency Deposit	570,872	2,596,423
	Profit Payable	17,186,155,282	18,526,128,127
	Remittance Card Account	288,263	288,263
	Sundry Deposits (Note-15.3.1)	64,169,207,732	35,455,028,967
	FC Deposit of EPZ Enterprises	168,597,197	190,737,081
	Mobile Wallet Deposits	1,058,048,957	1,365,817,418
	Sub total	197,692,469,359	153,519,404,505
	Less: Non Resident FC of Exchange House/Banks-OBU	45,047,621	260,151,791
	Total	197,647,421,738	153,259,252,714
15.3.1	Break-up of sundry deposits		
	Sundry creditors	710,907,639	457,313,592
	Supervision charge	101,779,955	102,103,969
	Security deposit L/G	93,012,888	10,425,503

	31.12.2023 Taka	31.12.2022 Taka
Security money payable	117,393,509	110,559,642
Security money locker	33,482,687	30,215,696
Marginal deposit	2,085,420,168	1,602,721,790
Closed account profit	472,903,192	268,420,263
Sundry deposit others	1,451,406,431	2,102,691,399
Govt. Tax & VAT	6,751,372,547	4,808,899,639
Security Deposit - Investment	154,332,944	12,914,887
Security Deposit - L/C (Wes)	5,140,252	4,526,913
Security Deposit - Foreign L/C General	50,218,820,007	24,121,355,244
Security Deposit - Bank Guarantee	1,727,687,925	1,654,015,335
Security Deposit - IBP	145,486	145,486
Security Deposit - Inland L/C	148,610,378	96,547,169
Cash & Fixed assets insurance fund	70,283,894	66,707,852
Other earnings (Note-15.3.1.1)	26,507,833	5,464,588
Total	64,169,207,732	35,455,028,967
15.3.1.1 Break-up of other earnings		
Opening balance	5,464,588	45,384,257
Received from B. Bank FC clearing A/c	45,903,166	6,528,530
Interest received from Brokerage House	86,025	-
Total receipt during the year	45,989,191	6,528,530
Total available balance	51,453,780	51,912,787
Less:		
Income tax provision @ 37.50%	17,245,947	2,448,199
Transferred/ paid for charitable activities	7,700,000	44,000,000
Closing balance	26,507,833	5,464,588
15.4 Bills payable		
P.O. payable	10,449,126,983	7,789,272,121
T.T. payable	1,482,614	1,138,282
D.D. payable	39,966,542	48,487,126
BEFTN, RTGS EFT & ACS payable	1,976,519,698	2,222,675,219
Spot cash payable	191,138,858	226,848,790
Total	12,658,234,695	10,288,421,539
15.5 Maturity wise classification of deposits (other than inter-Bank deposit)		
Re-payable on demand	249,899,800,000	249,899,800,000
With a residual maturity of		
Re- payable within 1 month	22,671,443,721	16,321,725,406
Over 1 month but not more than 3 months	449,355,285,438	361,042,600,000
Over 3 months but within 6 months	358,691,370,573	348,796,100,000
Over 6 months but not more than 1 year	24,576,138,931	34,471,409,504
Over 1 year but not more than 5 years	326,182,513,040	308,024,900,000
Over 5 years but within 10 years	84,861,157,930	84,843,874,877
Unclaimed Deposits for 10 years or more	86,142,070	103,425,123
Sub-total	1,516,323,851,703	1,403,503,834,910
15.6 Maturity grouping of Inter- bank deposits are as under		
Re-payable on demand	-	-
With a residual maturity of		
Re- payable within 1 month	18,242,154,530	6,941,594,429
Over 1 month but within 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years but within 10 years	-	-
Sub-total	18,242,154,530	6,941,594,429
Total (15.5+15.6)	1,534,566,006,233	1,410,445,429,339

		31.12.2023 Taka	31.12.2022 Taka
15.7	Other banks' deposits with IBBPLC		
	Al Waddeah Current Deposits	343,443,514	187,392,999
	Mudaraba Special Notice Deposits	2,114,125,615	1,224,928,049
	Mudaraba Savings Account	15,827,798	15,378,437
	Mudaraba Term Deposits Receipt	15,768,757,603	5,513,894,944
	Total	18,242,154,530	6,941,594,429
15.8	Sector wise break up of deposits and other accounts		
	Government	752,770,000	751,589,000
	Other banks' deposit	18,242,154,530	6,941,594,429
	Other public	3,949,540,000	1,416,789,000
	Foreign currency	41,670,506,576	55,259,705,491
	Private	1,469,951,035,127	1,346,075,751,418
	Total	1,534,566,006,233	1,410,445,429,339
15(a)	Consolidated deposits & other accounts		
	Islami Bank Bangladesh PLC	1,534,566,006,233	1,410,445,429,339
	Islami Bank Securities Limited	1,107,954	1,107,954
	Islami Bank Capital Management Limited	-	-
	Inter-company balances	(1,214,116,818)	(1,131,982,484)
	Total	1,533,352,997,369	1,409,314,554,809
16.0	Mudaraba Bond		
	Perpetual Bond (Note-16.1)	11,000,000,000	11,000,000,000
	Redeemable Subordinated Bond (Note-16.2)	20,200,000,000	20,000,000,000
	Total	31,200,000,000	31,000,000,000
16.1	Perpetual Bond		
	Mudaraba Perpetual Bond (*)	3,000,000,000	3,000,000,000
	Mudaraba Perpetual Contingent Convertible Bond (Note- 16.1.1)	8,000,000,000	8,000,000,000
		11,000,000,000	11,000,000,000
	(*) Security pledged against Mudaraba Perpetual Bond (MPB)	4,489,100,000	4,489,100,000
16.1.1	Mudaraba Perpetual Contingent Convertible Bond		
	Private Placement (Note-16.1.1.1)	7,200,000,000	7,200,000,000
	Public Subscription	800,000,000	800,000,000
		8,000,000,000	8,000,000,000
16.1.1.1	Private placement		
	Standard Bank PLC.	2,305,840,000	2,305,840,000
	Al-Arafah Islami Bank PLC.	2,000,000,000	2,000,000,000
	Shahjalal Islami Bank PLC.	1,000,000,000	1,000,000,000
	Trust Bank PLC.	1,000,000,000	1,000,000,000
	EXIM Bank Employees' Gratuity Fund	494,160,000	494,160,000
	United Commercial Bank PLC.	230,000,000	230,000,000
	Pubali Bank PLC.	100,000,000	100,000,000
	Quality Feeds Limited	70,000,000	70,000,000
	Total	7,200,000,000	7,200,000,000
16.2	Redeemable Subordinated Bond		
	Private Placement (Note-16.2.1)	20,200,000,000	20,000,000,000
	Public Subscription	-	-
		20,200,000,000	20,000,000,000

		31.12.2023 Taka	31.12.2022 Taka
16.2.1 Private placement			
Agrani Bank PLC.		3,800,000,000	5,300,000,000
EXIM Bank of Bangladesh PLC.		3,000,000,000	3,000,000,000
Al-Arafah Islami Bank PLC.		2,000,000,000	2,000,000,000
Dutch-Bangla Bank PLC.		1,800,000,000	2,000,000,000
Shahjalal Islami Bank PLC.		1,360,000,000	1,880,000,000
Sonali Bank PLC.		1,240,000,000	1,720,000,000
Rupali Bank PLC.		1,200,000,000	1,600,000,000
Eastern Bank PLC.		800,000,000	1,000,000,000
Square Pharmaceuticals Limited		400,000,000	500,000,000
Pubali Bank PLC.		200,000,000	400,000,000
Southeast Bank PLC.		200,000,000	300,000,000
Dhaka Bank PLC.		200,000,000	300,000,000
EXIM Bank Employees' Gratuity Fund		1,400,000,000	-
AIB PLC Employees' Provident Fund		1,000,000,000	-
Genesis Textile		1,000,000,000	-
EXIM Bank Employees' Provident Fund		600,000,000	-
Total		20,200,000,000	20,000,000,000
17.0 Other liabilities			
Provision for classified & unclassified investments and off- balance sheet items (Note- 17.1)		66,672,286,784	59,880,560,000
Provision for diminution in value of investments in shares (Note - 17.2)		440,744,487	326,413,888
Other provisions (Note- 17.3)		381,102,022	185,230,754
Compensation account (Note- 17.5)		8,981,902,004	7,180,881,364
Profit/rent/compensation suspense (Note- 17.6)		54,913,275,546	43,754,288,943
Current tax (Note-17.7)		20,518,687,937	16,671,765,872
Zakat payable (Note-17.8)		658,715,210	296,935,239
Foreign correspondents charges		46,687,149	33,971,209
Incentive bonus payable		1,713,381,630	1,635,876,929
Payable against expenditure		295,109,674	319,735,497
Clearing/Transfer delivery/BEFTN adjustment		12,122,826	45,607,777
F.C. Payable for IBBPLC Cards		12,860,042	12,860,044
Unclaimed dividend (Note-17.9)		11,384,044	17,384,465
Stimulus Fund: Covid-19		1,430,247	564,908,643
Agri. Refinance: Covid-19		4,515,807,315	4,261,863,357
Cover Fund HPSM FC-GTF		1,881,418,596	2,077,047,528
Automated Challan System		421,522	3,694,206
Lease obligation on ROU assets		918,346,332	1,149,866,656
Start-Up Fund for investment (Note-17.10)		211,978,089	150,836,566
eWallet Payable		42,351,942	-
Others		19,761,514,957	1,006,010,164
Total		181,991,528,355	139,575,739,102

		31.12.2023 Taka	31.12.2022 Taka
17.1	Provision for classified & unclassified investments and off- balance sheet items		
	General provision		
	Unclassified investments excluding OBU	12,622,188,293	11,848,641,509
	Special General Provision COVID-19	2,369,840,000	2,369,840,000
	Unclassified investments- OBU	1,875,330,000	1,376,970,000
	Special mention account	75,100,000	75,100,000
	Sub-total (Note-17.1.1)	16,942,458,293	15,670,551,509
	Off-balance sheet items (Note-17.1.2)	1,066,970,000	2,136,030,000
	Sub-total (General provision)	18,009,428,293	17,806,581,509
	Specific provision (Note-17.1.3)		
	Sub-standard	1,177,870,000	505,600,000
	Doubtful	722,360,000	450,300,000
	Bad and loss (*)	46,762,628,491	41,118,078,491
	Sub-total (Specific provision)	48,662,858,491	42,073,978,491
	Total provision held at the end of the year	66,672,286,784	59,880,560,000
	(*) As on 31 December 2023 provision of Tk. 27,041.97 million against Ananda Shipyard & Slipways Ltd., writ clients, rescheduled clients & restructured clients (considering qualitative judgment) is included in the specific provision (Bad & Loss) of Tk. 46,562.63 million against Tk. 23,635.88 million as on 31 December 2022.		
	Adequate provision for the investments, off-balance sheet items and other assets have been made as per the relevant circulars issued by Bangladesh Bank as well as decision taken in tripartite meeting amongst Bangladesh Bank Inspection Team, External Auditors and the Management of Islami Bank Bangladesh PLC. and subsequent Bangladesh Bank Letter No. DBI-6/51(1)/2024-308 dated 24 April 2024.		
17.1.1	General provision on unclassified investment including OBU		
	Provision held at the beginning of the year	15,670,551,509	13,857,628,293
	Provision made/(no longer required) during the year	1,271,906,784	1,812,923,216
	Total provision held at the end of the year	16,942,458,293	15,670,551,509
17.1.2	General provision on off-balance sheet items		
	Provision held at the beginning of the year	2,136,030,000	2,184,050,000
	Provision made/(no longer required) during the year	(1,069,060,000)	(48,020,000)
	Total provision held at the end of the year	1,066,970,000	2,136,030,000
	Sub-total (17.1.1+17.1.2)	18,009,428,293	17,806,581,509
17.1.3	Provision for classified investments		
	Provision held at the beginning of the year	42,073,978,491	37,230,278,491
	Fully provided investment written off/waived/transferred (Note-17.1.3.1)	(6,639,356)	(1,100,227)
	Recoveries of amounts previously written off	287,689,592	244,773,412
	Provision made/ (no longer required) during the year	6,307,829,764	4,600,026,815
	Total provision held at the end of the year	48,662,858,491	42,073,978,491
	Total provision for investments 17.1.1+17.1.3)	65,605,316,784	57,744,530,000
	Total provision (17.1.1+17.1.2+17.1.3)	66,672,286,784	59,880,560,000
17.1.3.1	Fully provided investment written off/waived/transferred		
	Written-off during the year	-	-
	Compensation waived upto 2013 which was included in provision	6,639,356	1,100,227
	Total	6,639,356	1,100,227
17.1.4	Provision made for investments & off- balance sheet items for the year		
	Provision for classified investments	6,307,829,764	4,600,026,815
	General provision on unclassified investment including OBU	1,271,906,784	2,243,083,216
	Special General Provision Covid-19	-	(430,160,000)
	General provision on off-balance sheet items	(1,069,060,000)	(48,020,000)

	31.12.2023 Taka	31.12.2022 Taka
Total provision made during the year	6,510,676,548	6,364,930,031
Less: Provision kept to compensation realisable fund	795,000,000	-
Total provision charged in Profit & Loss A/c.	5,715,676,548	6,364,930,031

17.1.5 Total Provision Requirement and maintained for investments including off balance sheet items at the end of year 2023

Particulars	Required Provision for 2023 (Taka)	Maintained Provision for 2023 (Taka)
General provision on unclassified investment including OBU	16,941,960,000	16,942,460,000
Provision for classified investments	21,620,880,000	21,620,880,000
Provision for investments considering qualitative judgment	27,041,970,000	27,041,970,000
Total provision for investment	65,604,810,000	65,605,310,000
General provision on off-balance sheet items	1,066,970,000	1,066,970,000
Total provision for investment including off balance sheet items at the end of the year	66,671,780,000	66,672,280,000
Provision surplus/(deficit) for the year 2023		500,000

17.2 Provision for diminution in value of investments in shares

Opening balance	326,413,888	157,000
Add: Provision made/(adjustment) during the year	114,330,599	326,256,888
Closing balance (Note-17.2.1)	440,744,487	326,413,888

17.2.1 Provision for diminution in value of investments in shares(*)

i) Dealing

Quoted	371,568,719	261,975,310
Un-quoted	69,018,768	64,281,578
Sub-total	440,587,487	326,256,888
Required provision (i)	440,587,487	326,256,888

ii) Investment securities

Quoted	-	-
Un-quoted	157,000	157,000
Sub-total (ii)	157,000	157,000
Total (i+ii)	440,744,487	326,413,888

(*) As per DOS Circular No.01 dated 24 May 2023, Dos Circular No. 04 dated 10 February 2020 and directions regarding preparation of Financial Statements in Clause no. 38 (Sub-Clause 4/Kha of First Schedule) of Bank Company Act, 1991 (Amended up-to 2018), provision required for shares is Tk. 371,725,719 and Mutual Funds is Tk. 69,018,768. The ultimate required provision for share and securities is Tk. 440,744,487 which is categorized between dealing & investment securities and Quoted & Un-Quoted securities as per directions.

17.2(a) Consolidated provision for diminution in value of investments in shares made during the year

Islami Bank Bangladesh PLC	114,330,599	326,256,888
Islami Bank Securities Limited	97,807,266	140,456,245
Islami Bank Capital Management Limited	7,450,000	16,432,200
Total	219,587,865	483,145,333

17.3 Other provisions

Provision for other assets (Note-17.3.1)	276,854,332	93,811,693
Provision for doubtful income account (Note-17.3.2)	104,247,690	91,419,061
Total	381,102,022	185,230,754

17.3.1 Provision for other assets

Opening balance	93,811,693	212,734,438
Less: Settlement	-	-
Add: Provision made/(adjustment) during the year	183,042,639	(118,922,745)
Closing balance	276,854,332	93,811,693

Provision on other assets have been made as per BRPD circular no-04 dated 12 April 2022.

		31.12.2023 Taka	31.12.2022 Taka
17.3.2	Provision for doubtful income account		
	Opening balance	91,419,061	232,996,761
	Add: Provision made during the year	98,858,414	82,222,300
	Less: Expended for charitable purposes	86,029,785	223,800,000
	Closing balance	104,247,690	91,419,061
17.4	Other provisions made for the year		
	Provision for other assets	183,042,639	(118,922,745)
	Provision for doubtful income account	98,858,414	82,222,300
	Total	281,901,053	(36,700,445)
17.5	Compensation account		
	Opening balance	7,180,881,364	5,816,920,339
	Addition during the year	5,499,888,279	3,420,945,640
	Sub total	12,680,769,643	9,237,865,979
	Less: Income tax provision @ 37.50%	1,743,072,384	1,282,854,615
	Less: Expended for charitable activities	309,100,000	774,130,000
	Less: Provision kept on compensation realizable fund	795,000,000	-
	Less: Adjustment of actual administrative cost incurred against defaulter clients	851,695,256	-
	Closing balance	8,981,902,004	7,180,881,364
17.6	Profit/rent/compensation suspense		
	Profit/rent suspense (Note-17.6.1)	4,216,477,896	3,781,865,141
	Compensation suspense (Note-17.6.2)	50,696,797,650	39,972,423,802
	Total	54,913,275,546	43,754,288,943
17.6.1	Profit/rent suspense		
	Balance at the beginning of the year	3,781,865,141	3,596,249,597
	Amount transferred to suspense account during the year	614,564,409	450,436,666
	Amount transferred to investment income during the year	(115,751,654)	(208,232,957)
	Amount written-off during the year	-	-
	Amount waived during the year	(64,200,000)	(56,588,165)
	Balance at the end of the year	4,216,477,896	3,781,865,141
17.6.2	Compensation suspense		
	Balance at the beginning of the year	39,972,423,802	32,578,938,316
	Amount transferred to suspense account during the year	13,449,039,348	10,018,632,691
	Amount transferred to compensation income during the year	(1,893,185,500)	(1,584,977,205)
	Amount written-off during the year	-	-
	Amount waived during the year	(831,480,000)	(1,040,170,000)
	Balance at the end of the year	50,696,797,650	39,972,423,802
17.7	Current tax liability		
	Balance of provision on 01 January	25,282,005,019	22,021,038,824
	Add: Provision made during the year (Note 17.7.1)	10,571,206,273	8,768,960,631
	Add: Other provision made during the year	1,760,318,331	1,285,302,814
	Less: Settlement for previous year	8,329,574,441	6,793,297,250
	Total (a)	29,283,955,182	25,282,005,019
	Advance income tax paid		
	Balance of advance tax on 01 January	8,610,239,147	8,651,054,551
	Add: Payment made during the year	8,484,602,539	6,752,481,846
	Less: Settlement for previous year	8,329,574,441	6,793,297,250
	Total (b)	8,765,267,245	8,610,239,147
	Net balance as at 31 December (a-b)	20,518,687,937	16,671,765,872
17.7.1	Provision for current tax made during the year		
	Income tax @ 37.50% on taxable profit (A)	10,547,187,330	8,713,239,736
	Add: Income tax @ 20% on dividend income	22,580,786	43,144,247
	Capital Gain @ 10%	1,438,157	12,576,648
	Estimated provision required as at 31 December	10,571,206,273	8,768,960,631

	31.12.2023 Taka	31.12.2022 Taka
Computation of taxable profit		
Profit before tax	16,501,660,106	14,592,921,537
Less: Dividend income	112,903,928	215,721,237
Less: Capital Gain	14,381,573	125,766,484
Profit before tax (excluding dividend income and capital gain)	16,374,374,605	14,251,433,816
Add: Inadmissible expenditure	12,970,691,407	10,381,373,671
Less: Further allowable expenditure	1,219,233,132	1,397,501,525
Estimated taxable profit for the year (A)	28,125,832,881	23,235,305,962

Provision for tax for the year ended on 31.12.2023 has been made as per Income Tax Act, 2023 applying prevailing rates applicable on the net profit. Income tax assessments have been completed by the Deputy Commissioner of Taxes up to the accounting year 2020 and income tax return has been submitted for the year 2022. The Bank filed appeals/writ petitions against tax assessment orders of different levels of tax authorities to the appropriate tax authorities and High Court on different disputed issues. Adequate provisions for those assessment years have been made in the books of accounts.

17.7.2 Reconciliation of effective tax rate

Particulars	2023		2022	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		16,501,660,106		14,592,921,537
Income Tax using the domestic corporate tax rate	37.50%	6,188,122,540	37.50%	5,472,345,576
Factors affecting the tax charge for current year:				
Non deductible expenses	29.48%	4,864,009,278	26.68%	3,893,015,127
Tax exempt income	-2.77%	(457,212,425)	-3.59%	(524,063,072)
Tax savings from reduced tax rates from dividend	-0.14%	(23,713,120)	-0.50%	(72,337,000)
Total income tax expenses	64.06%	10,571,206,273	60.09%	8,768,960,631

	31.12.2023 Taka	31.12.2022 Taka
17.7(a) Consolidated current tax made during the year		
Islami Bank Bangladesh PLC	10,571,206,273	8,768,960,631
Islami Bank Securities Limited	106,425,492	96,030,731
Islami Bank Capital Management Limited	(4,639,794)	5,679,219
Total	10,672,991,971	8,870,670,581
17.8 Zakat payable		
Opening balance	296,935,239	1,287,595,551
Addition during the year	1,062,913,871	970,999,128
Available for charitable activities	1,359,849,110	2,258,594,679
Less: expended for charitable activities	701,133,900	1,961,659,440
Closing balance	658,715,210	296,935,239
17.9 Unclaimed dividend		
Dividend remained unclaimed which were declared for the year:		
Before 2018	-	2,831,352
2018	-	2,792,633
2019	-	3,601,924
2020	2,800,215	3,652,417
2021	3,477,308	45,06,139
2022	5,106,521	-
Total	11,384,044	17,384,465

		31.12.2023 Taka	31.12.2022 Taka
17.10	Start-Up Fund for investment		
	Opening balance	150,836,566	91,602,110
	Amount transferred to retained earnings for excess provision in previous year	61,141,523	59,234,456
	Disbursement made during the year	-	-
	Closing balance	211,978,089	150,836,566
	The Bank has created Start-Up Fund for investment since 2020 as per SMESPD Circular no. 04, dated 29 March 2021 and SMESPD Circular Letter no. 05, dated 26 April 2021 as 1% of Net Profit of the Bank.		
17.11	Maturity-wise classification of other liabilities		
	Repayable on demand	-	-
	With a residual maturity of		
	Up to 1 Month	8,986,999,179	3,140,500,000
	Over 1 month but not more than 3 months	9,077,776,948	5,055,700,000
	Over 3 months but not more than 1 year	27,233,330,843	5,836,500,000
	Over 1 year but not more than 5 years	18,155,553,895	5,397,700,000
	More than 5 years	118,537,867,490	120,145,339,102
	Total	181,991,528,355	139,575,739,102
17(a)	Consolidated other liabilities		
	Islami Bank Bangladesh PLC	181,991,528,355	139,575,739,102
	Islami Bank Securities Limited	4,943,903,541	4,989,518,719
	Islami Bank Capital Management Limited	431,691,588	405,974,694
	Inter-company balances	(5,010,332,431)	(5,046,533,236)
	Total	182,356,791,053	139,924,699,279
18.0	Deferred tax (assets)/liabilities		
	Deferred tax assets and liabilities have been recognised and measured in accordance with the provision of International Accounting Standard (IAS)-12 “Income Taxes” and BRPD circular No. 11 dated 12 December 2011. Calculation of deferred tax has been made on all temporary differences between the tax base and carrying amounts for financial reporting purpose. Deferred tax assets and liabilities are attributable to the following:		
	(i) Deferred tax on fixed assets excluding revaluation surplus		
	Carrying amount	5,897,234,847	6,344,997,627
	Tax Base	5,876,335,931	5,834,236,255
	Temporary timing difference	20,898,916	510,761,372
	Deferred tax (asset)/liability @ 37.50%	7,837,094	191,535,515
	Opening balance	191,535,515	291,020,236
	Deferred tax (income)/expenses	(183,698,421)	(99,484,721)
	(ii) Deferred tax on revaluation reserve of Building		
	Carrying amount	3,136,800,872	3,322,447,163
	Tax Base	-	-
	Temporary timing difference	3,136,800,872	3,322,447,163
	Deferred tax (asset)/liability @ 37.50%	1,176,300,327	1,245,917,686
	Opening balance	1,245,917,686	1,277,864,293
	Transfer to /from reserve	(69,617,359)	(31,946,607)
	(iii) Deferred tax on revaluation reserve of securities (HTM)		
	Carrying amount	214,000,000	230,600,000
	Tax Base	20,000,000	20,000,000
	Temporary timing difference	194,000,000	210,600,000
	Deferred tax (asset)/liability @ 10.00%	19,400,000	21,060,000
	Opening balance	21,060,000	14,105,600
	Transfer to /from reserve	(1,660,000)	6,954,400
	iv) Deferred tax on provision for Rebate for good borrowers		
	Carrying amount	-	-
	Tax Base	-	-
	Temporary timing difference	-	-
	Deferred tax (asset)/liability @ 37.50%	-	-
	Opening balance	-	-
	Deferred tax (income)/expenses	-	-
	(v) Net deferred tax (income)/expenses (i+iv)	(183,698,421)	(99,484,721)
	(vi) Net deferred tax (assets)/liabilities (i+ii+iii+iv)	1,203,537,421	1,458,513,201
	(vii) Net deferred tax transferred to reserve (ii)	(69,617,359)	(31,946,607)
	(viii) Net deferred tax transferred from reserve (iii)	(1,660,000)	6,954,400

		31.12.2023 Taka	31.12.2022 Taka
18(a) Consolidated Deferred tax (assets)/liabilities			
Islami Bank Bangladesh PLC.		1,203,537,421	1,458,513,201
Islami Bank Securities Limited		(2,224,699)	(2,447,928)
Islami Bank Capital Management Limited		148,320	318,730
Total		1,201,461,042	1,456,384,003
18(b) Consolidated Deferred tax (income)/expenses for the year			
		2023 (Taka)	2022 (Taka)
Islami Bank Bangladesh PLC.		(183,698,421)	(99,484,721)
Islami Bank Securities Limited		223,228	220,151
Islami Bank Capital Management Limited		(170,411)	(47,123)
Total		(183,645,604)	(99,311,693)
19.0 Share capital			
19.1 Authorized capital			
The authorized capital of the Bank is Tk. 20,000,000,000 divided into 2,000,000,000 ordinary shares of Tk. 10 each.			
19.2 Brief history of raising of Paid up capital			
Paid-up Capital of the Bank at the end of the year 2023 is Tk. 16,099,906,680 divided into 1,609,990,668 ordinary shares of Tk. 10 each.			

No. of shares allotted	Date of issue	Face Value	Total allotted Shares (Cumulative Figure)	Total Paid-up Capital (Cumulative Figure)	Year	Remarks
500	13.03.1983	1,000	500	500,000	1983	Initial Capital
9,000	23.03.1983	1,000	9,500	9,500,000	1983	Sponsors subscription
2,500	23.03.1983	1,000	12,000	12,000,000	1983	Local Placement Holders subscription
56,000	23.03.1983	1,000	68,000	68,000,000	1983	Foreign Placement Holders subscription
4,000	10.04.1984	1,000	72,000	72,000,000	1984	Subscribed Bangladesh Bank on behalf of the Government of the Peoples Republic of Bangladesh 10.04.1984 as per approval of the Controller of Capital Issues dated 14.03.1983
8,000	22.08.1985	1,000	80,000	80,000,000	1985	IPO subscription on 22.08.1985
80,000	12.03.1990	1,000	160,000	160,000,000	1990	1st Rights -1989 (1R:1)
160,000	06.10.1996	1,000	320,000	320,000,000	1996	2nd Rights -1996 (1R:1)
320,000	01.03.2001	1,000	640,000	640,000,000	2000	3rd Rights 2000 (1R:1)
1,280,000	08.11.2003	1,000	1,920,000	1,920,000,000	2003	4th Rights 2003 (2R:1)
384,000	27.10.2004	1,000	2,304,000	2,304,000,000	2003	Bonus - 2003 (1B:5) – Stock Dividend @20%
460,800	17.11.2005	1,000	2,764,800	2,764,800,000	2004	Bonus -2004 (1B:5) – Stock Dividend @20%
691,200	17.10.2006	1,000	3,456,000	3,456,000,000	2005	Bonus -2005 (1B:4) – Stock Dividend @25%
345,600	30.10.2007	1,000	3,801,600	3,801,600,000	2006	Bonus -2006 (1B:10) – Stock Dividend @10%
950,400	30.09.2008	1,000	4,752,000	4,752,000,000	2007	Bonus - 2007 (1B:4) – Stock Dividend @25%
	30.11.2008	100	47,520,000	4,752,000,000	2008	IBBPLC. Shares have been changed from Tk.1,000/- to Tk.100/- with a market lot of 10 shares with effect from 30.11.2008
14,256,000	15.09.2009	100	61,776,000	6,177,600,000	2008	Bonus - 2008 (3B:10) – Stock Dividend @30%
12,355,200	02.06.2010	100	74,131,200	7,413,120,000	2009	Bonus 2009 (1B:5) – Stock Dividend @20%
25,945,920	25.05.2011	100	100,077,120	10,007,712,000	2010	Bonus 2010 (35B:100) – Stock Dividend @35%
	04.12.2011	10	1,000,771,200	10,007,712,000		IBBPLC. Shares have been changed from Tk.100/- to Tk.10/- with a market lot of 100 shares with effect from 04.12.2011
250,192,800	27.05.2012	10	1,250,964,000	12,509,640,000	2011	Bonus - 2011 (1B:4) – Stock Dividend @25%
212,663,880	30.05.2013	10	1,463,627,880	14,636,278,800	2012	Bonus - 2012 (17B:100) – Stock Dividend @17%
146,362,788	05.06.2014	10	1,609,990,668	16,099,906,680	2013	Bonus - 2013 (10B:100) – Stock Dividend @10%
Total			1,609,990,668	16,099,906,680		

19.2.1 The Paid-up Capital of the Bank is Tk.16,099,906,680 divided into 1,609,990,668 ordinary shares of Tk.10 each fully subscribed by:

Particulars	No. of Shares as on 31 Dec, 2023	% of Total	31.12.2023	31.12.2022
			Amount in Taka	Amount in Taka
(i) Sponsors/ promoters*	577,837,577	35.8907%	5,778,375,770	8,864,816,110
(ii) General public	1,032,132,774	64.1080%	10,321,327,740	7,234,887,400
(iii) Government of the People's Republic of Bangladesh**	20,317	0.0013%	203,170	203,170
Total	1,609,990,668	100.00%	16,099,906,680	16,099,906,680

* As per the requirement of Regulation no. 2(1)(r) of Dhaka Stock Exchange (Listing) Regulations, 2015 and Chittagong Stock Exchange (Listing) Regulations, 2015, the Shares holding by Sponsors/promoters of Foreign directors have been shifted to General public categories.

** The shares have already been sold by the Government of Bangladesh but no transfer has yet been made in share register of the Bank.

19.2.2 Break up of share holding and percentage thereof as on 31.12.2023

Holdings	No. of Shareholders	Total Holdings/No. of Shares	Percentage (%)
Less than 500 Shares	14,135	2,137,471	0.1328%
500 to 5,000 Shares	9,175	15,426,947	0.9582%
5,001 to 10,000 Shares	1,131	8,241,808	0.5119%
10,001 to 20,000 Shares	574	8,286,378	0.5147%
20,001 to 30,000 Shares	225	5,497,192	0.3414%
30,001 to 40,000 Shares	100	3,503,970	0.2176%
40,001 to 50,000 Shares	82	3,804,226	0.2363%
50,001 to 100,000 Shares	127	9,400,704	0.5839%
100,001 to 1,000,000 Shares	169	51,807,864	3.2179%
Over 1,000,000 Shares	55	1,501,884,108	93.2853%
Total	25,773	1,609,990,668	100.00%

20.0 Capital adequacy as per Basel - III as on 31 December 2023

The Calculation of Capital to Risk-weighted Assets Ratio (CRAR) of the Bank has been done as per the revised guidelines on Guidelines of Risk based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III) issued by Bangladesh Bank vide BRPD Circular No. 18 dated 21.12.2014. Detail calculation of Capital Adequacy as per Basel-III as on December 31, 2023 is given below:

(Amount in million Taka)

20.1 A. Regulatory capital	31.12.2023 (Consolidated)	31.12.2023 (Solo)	31.12.2022 (Consolidated)
Tier-1 (Going Concern Capital) (Note-20.1.1)	76,615.07	74,967.29	71,140.82
Tier-2 (Gone Concern Capital) (Note-20.1.2)	33,409.43	33,409.43	33,006.58
Total regulatory capital	110,024.50	108,376.71	104,147.40
20.1.1 Tier-1 (Going Concern Capital)			
Common Equity Tier-1 (CET-1) (Note-20.1.1.1)	65,615.07	63,967.29	60,140.82
Additional Tier (AT-1) (Note-20.1.1.2)	11,000.00	11,000.00	11,000.00
Total Tier-1 (Going Concern Capital)	76,615.07	74,967.29	71,140.82
20.1.1.1 Common Equity Tier-1 (CET-1)			
Fully paid-up capital/capital deposited with BB	16,099.91	16,099.91	16,099.91
Statutory reserve	22,735.47	22,735.47	21,735.47
Non-repayable share premium account	1.99	1.99	1.99
General reserve	23,688.46	23,609.34	19,484.57
Retained earnings	3,178.70	1,609.99	2,962.83
Non-controlling interest in subsidiaries	0.31	-	0.30
Dividend equalization account	32.00	32.00	32.00
i. Sub total	65,736.83	64,088.69	60,317.07

(Amount in million Taka)

	31.12.2023 (Consolidated)	31.12.2023 (Solo)	31.12.2022 (Consolidated)
Deductions from Tier-1 (Going Concern Capital)			
Book value of goodwill/intangible assets	121.76	121.40	176.25
Shortfall in provisions required against classified assets	-	-	-
Shortfall in provisions required against investment in shares	-	-	-
Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities.	-	-	-
Reciprocal crossholdings of bank capital/subordinated debt	-	-	-
Any investment exceeding the approved limit	-	-	-
ii. Sub total	121.76	121.40	176.25
Total eligible CET-1 (i-ii)	65,615.07	63,967.29	60,140.82
20.1.1.2 Additional Tier-1 Capital (AT-1)			
Mudaraba Perpetual and Perpetual Contingent Convertible Bond	11,000.00	11,000.00	11,000.00
Total AT-1	11,000.00	11,000.00	11,000.00
20.1.2 Tier-2 (Gone Concern Capital)			
General provision (unclassified investment and off balance sheet exposure)	18,009.43	18,009.43	17,806.58
Mudaraba redeemable subordinated bond	15,400.00	15,400.00	15,200.00
Assets revaluation reserves	-	-	-
Revaluation reserves of securities	-	-	-
Revaluation reserves for equity instruments	-	-	-
All other preference shares	-	-	-
Others (if any item approved by Bangladesh Bank)	-	-	-
i. Sub total	33,409.43	33,409.43	33,006.58
ii. Deductions, if any	-	-	-
Excess amount over maximum limit of Tier-II Capital has been deducted	-	-	-
Total Eligible Tier-2 Capital (i-ii)	33,409.43	33,409.43	33,006.58
20.2 Risk Weighted Assets (RWA) for			
1. Investment (Credit) risk (i+ii)	776,336.65	777,422.12	739,455.94
(i) On-balance sheet	757,837.67	758,923.15	718,332.22
(ii) Off-balance sheet	18,498.98	18,498.98	21,123.72
2. Market Risk	10,733.13	10,733.13	13,238.34
3. Operational risk	71,225.21	70,281.13	66,990.24
Total Risk Weighted Assets (1+2+3)	858,294.99	858,436.39	819,684.52
B. Total Risk Weighted Assets (RWA) (Note-20.2)	858,294.99	858,436.39	819,684.52
C. Capital to Risk Weighted Asset Ratio (CRAR) (as against required above 12.50%)	12.82%	12.62%	12.71%
D. Going Concern Capital to RWA (as against required minimum 6.00%)	8.93%	8.73%	8.68%
E. Gone Concern Capital capital to RWA	3.89%	3.89%	4.03%
F. Minimum Capital Requirement (MCR)	85,829.50	85,843.64	81,968.45
G. Surplus capital (A-F)	24,195.00	22,533.08	22,178.95
H. Minimum capital requirement including capital conservation buffer	107,286.87	107,304.55	102,460.56
I. Surplus capital considering conservation buffer (A-H)	2,737.62	1,072.17	1,686.84

Notes

1. Mudaraba Perpetual and Perpetual Contingent Convertible Bond of Tk 11,000 million has been qualified for Additional Tier-I Capital under Basel-III Guidelines.

2. Mudaraba Redeemable Subordinated Bond of Tk. 15,400.00 million out of Tk. 20,200.00 million has been qualified for Tier-II Capital under Basel-III Guidelines.

		31.12.2023 Taka	31.12.2022 Taka
21.0	Statutory reserve		
	Opening balance	21,735,466,258	20,735,466,258
	Add: Addition made this year	1,000,000,000	1,000,000,000
	Closing balance	22,735,466,258	21,735,466,258
	At least 20% of net profit before tax is to be transferred to statutory reserve account each year until the cumulative balance equal to the amount of paid up capital account as per Section 24 of the Bank Company Act 1991 as amended. Though the cumulative balance of statutory reserve exceeded the amount of paid up capital, the Board of Directors has decided to transfer an amount of Tk. 1,000,000,000/- to statutory reserve account.		
22.0	Other reserves		
	General reserve (Note-22.1)	23,609,337,478	19,428,756,166
	Assets revaluation reserve (Note-22.2)	6,903,383,328	9,018,051,329
	Revaluation reserve of securities (Note-22.3)	174,600,000	189,540,000
	Translation reserve (Note-22.4)	26,112,120	46,453,350
	Share premium	1,989,633	1,989,633
	Dividend equalization account	32,000,000	32,000,000
	Total	30,747,422,558	28,716,790,478
22.1	General reserve		
	Opening balance	19,428,756,166	16,866,067,837
	Add: Addition/(adjustment) made this year	4,180,581,312	2,562,688,329
	Closing balance	23,609,337,478	19,428,756,166
22.2	Assets revaluation reserve		
	Opening balance	9,018,051,329	9,071,295,675
	Add: Addition made this year	-	-
	Add: Deferred tax impact on excess depreciation	69,617,359	31,946,607
	Less: Adjustment made/sale this year(*)	2,103,769,139	-
	Less: Depreciation adjustment on revalued amount of building	80,516,221	85,190,953
	Closing balance	6,903,383,328	9,018,051,329
	* A portion of revalued Land & Building has been sold out during the year 2023.		
22.3	Revaluation reserve of securities		
	Opening balance	189,540,000	126,950,400
	Add: Addition made this year	(16,600,000)	69,544,000
	Add: Deferred tax impact on revaluation reserve of securities	1,660,000	(6,954,400)
	Less: Adjustment made this year	-	-
	Closing balance	174,600,000	189,540,000
22.4	Translation reserve		
	Opening balance	46,453,350	17,627,126
	Add: Addition/(adjustment) made this year	(20,341,230)	28,826,224
	Closing balance	26,112,120	46,453,350
22(a)	Consolidated other reserves		
	Islami Bank Bangladesh PLC.	30,747,422,558	28,716,790,478
	Islami Bank Securities Limited	79,118,053	55,817,675
	Islami Bank Capital Management Limited	-	-
	Total	30,826,540,611	28,772,608,153

		31.12.2023 Taka	31.12.2022 Taka
23.0	Letters of guarantee		
	(a) Claim against the bank which is not acknowledged as debt	-	-
	(b) Money for which the bank is contingently liable in respect of guarantees issued favouring:	-	-
	i) Directors	-	-
	ii) Government	7,384,216,203	8,041,236,549
	iii) Bank and other financial institutions	185,410,410	235,146,254
	iv) Others	19,147,335,297	22,785,883,360
	Total	26,716,961,910	31,062,266,163
		2023 Taka	2022 Taka
24.0	Investment income		
	Income from general investment (Note-24.1)	98,062,333,861	81,644,170,911
	Profit on deposits with other banks & financial institutions (Note-24.2)	6,965,118,773	6,340,086,342
	Total	105,027,452,635	87,984,257,253
24.1	Income from general investment (*)		
	Bai Murabaha	59,572,569,746	51,604,063,081
	Musharaka /Musharaka Documentary Bills	620,339,430	379,098,358
	Bai Muajjal	7,417,688,251	7,037,011,641
	Hire Purchase under Shirkatul Melk	18,394,233,089	15,306,802,752
	Bai Salam	1,076,985,376	1,431,902,372
	Bai -As- Sarf (FDB /FCD), IBP, MFCI and UPAS	1,216,969,857	870,685,213
	Investment income: Off-shore Banking Unit (OBU)	9,645,982,189	4,909,057,151
	Income on overseas Investment	-	-
	Income on Mudaraba Investment	117,565,924	105,550,342
	Sub total	98,062,333,861	81,644,170,911
	(*) This amount includes any amount transferred from profit/rent suspense due to recovery or regularization of investment (i.e. due to declassification of investment) during the year. Amount transferred from profit/rent suspense is included in the "Investment income under respective mode of investment" and amount transferred from compensation suspense is included under "Compensation income".		
24.2	Profit on deposits with other banks & financial institutions		
	In Bangladesh	6,965,118,773	6,340,086,342
	Outside Bangladesh	-	-
	Sub total	6,965,118,773	6,340,086,342
	Grand total (24.1+24.2)	105,027,452,635	87,984,257,253
24.3	Investment income derived from the fund deployed by		
	Mudaraba deposits	91,576,429,354	82,529,233,303
	Other deposits/fund	13,451,023,281	5,455,023,950
	Total	105,027,452,635	87,984,257,253
24(a)	Consolidated investment income		
	Islami Bank Bangladesh PLC.	105,027,452,635	87,984,257,253
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company transactions	(122,634,924)	(105,908,901)
	Total	104,904,817,711	87,878,348,352
25.0	Profit paid on mudaraba deposits		
	Profit paid on Mudaraba Savings Deposit	10,004,553,696	8,432,349,976
	Profit paid on Mudaraba Term Deposit Account	32,999,123,433	27,150,454,732
	Profit paid on other Mudaraba Deposits	13,423,752,287	13,753,100,226
	Profit paid on Placement	5,730,093,889	3,312,973,190
	Profit paid on Mudaraba Subordinate Bond	1,324,337,441	1,160,653,424
	Profit Paid on MPSA	-	95,349,161
	Profit Paid on Agri-Refinance & Pre-Finance	107,893,300	28,245,549
	Profit Paid on borrowing from BGIS & other banks	2,102,823,669	143,924,011
	Total	65,692,577,714	54,077,050,268

		2023 Taka	2022 Taka
25(a)	Consolidated profit paid on mudaraba deposits		
	Islami Bank Bangladesh PLC.	65,692,577,714	54,077,050,268
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company transactions	(77,779,613)	(58,565,787)
	Total	65,614,798,101	54,018,484,481
26.0	Income from investments in shares & securities		
	i. Inside Bangladesh		
	Bangladesh Government Islamic Investment Bond (BGIIB)	2,108,358,167	248,740,902
	Bangladesh Government Sukuk Bond (Islamic Bond)	1,513,615,623	1,255,647,937
	Income on Share Securities Trading	14,381,573	125,766,484
	Dividend Income (Note-26.1)	112,903,928	215,721,237
	Profit on Mudaraba Perpetual Bond	415,229,168	410,432,111
	Profit on Mudaraba Subordinated Bond	403,617,050	445,160,946
	Sub total (i)	4,568,105,509	2,701,469,616
	ii. Outside Bangladesh	-	-
	Sub total (ii)	-	-
	Total (i+ii)	4,568,105,509	2,701,469,616
26.1	Dividend Income		
	Bangladesh Shipping Corporation (BSC)	5,000,000	6,400,000
	Central Depository Bangladesh Ltd. (CDBL)	4,569,442	5,711,803
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Other Companies	103,334,486	203,609,434
	Total	112,903,928	215,721,237
26(a)	Consolidated income from investments in shares & securities		
	Islami Bank Bangladesh PLC.	4,568,105,509	2,701,469,616
	Islami Bank Securities Limited	140,527,797	256,585,487
	Islami Bank Capital Management Limited	12,411,671	30,682,972
	Inter-company transactions	-	-
	Total	4,721,044,977	2,988,738,075
27.0	Commission, exchange & brokerage income		
	Commission income	4,872,074,925	5,039,249,497
	Exchange income (Note 27.1)	2,656,367,091	4,358,213,341
	Total	7,528,442,016	9,397,462,838
27.1	Exchange income		
	Gross exchange gain	2,656,367,091	4,358,213,341
	Less: exchange loss	-	-
	Net exchange gain	2,656,367,091	4,358,213,341
27(a)	Consolidated commission, exchange & brokerage income		
	Islami Bank Bangladesh PLC.	7,528,442,016	9,397,462,838
	Islami Bank Securities Limited	64,056,898	38,610,150
	Islami Bank Capital Management Limited	-	-
	Total	7,592,498,914	9,436,072,988

		2023 Taka	2022 Taka
28.0	Other operating income		
	Rent on locker	32,019,298	28,637,071
	Telephone/ trunk call charge	26,484	22,159
	E & TA fees recovered	2,480	154,539
	Account maintenance charges	1,015,476,300	1,018,291,102
	Service charges recovered	255,210,444	442,881,278
	Income from Mobile Wallet	10,348,081	14,618,061
	Rent on premises realised	15,104,121	11,707,282
	Sale proceeds of tender schedule	1,462,953	1,724,400
	Profit on sale of bank's car	1,195,536	12,891,173
	Cheque charge realised	90,915,222	90,370,957
	P&T Charge realized	15,287,339	49,482,552
	Commission on NPS network transaction	208,501,853	130,801,217
	Proposal processing fees & services charge	731,970,899	702,567,316
	Commission on remote transaction	661,137,586	819,894,471
	Document processing fee (F.Ex.)	219,622,240	170,309,459
	Commission on agent banking	530,375,897	449,898,010
	SMS Charge	1,088,084,106	930,709,224
	Others	4,032,747,087	1,648,016,916
	Total	8,909,487,926	6,522,977,186
28(a)	Consolidated other operating income		
	Islami Bank Bangladesh PLC.	8,909,487,926	6,522,977,186
	Islami Bank Securities Limited	417,975,407	340,687,555
	Islami Bank Capital Management Limited	28,157,878	26,332,807
	Inter Company Transactions	(77,779,613)	(58,565,787)
	Total	9,277,841,598	6,831,431,761
29.0	Salary & allowances		
	Basic pay	9,749,880,287	9,139,297,069
	Allowances	7,679,089,461	6,831,729,036
	Bonus	2,868,141,975	2,658,153,672
	Contribution to provident fund	729,282,452	645,331,546
	Contribution to Gratuity	881,213,303	886,800,000
	Contribution to benevolent fund and superannuation fund	115,800,000	91,815,300
	Total	22,023,407,478	20,253,126,623
29(a)	Consolidated salary & allowances		
	Islami Bank Bangladesh PLC.	22,023,407,478	20,253,126,623
	Islami Bank Securities Limited	45,498,665	35,926,451
	Islami Bank Capital Management Limited	15,079,630	14,289,156
	Total	22,083,985,773	20,303,342,230
30.0	Rent, taxes, insurances, electricity etc.		
	Rent, rates and taxes (*)	644,114,750	682,766,582
	Insurance	981,377,537	994,793,118
	Electricity and lighting	507,045,243	457,597,424
	Total	2,132,537,530	2,135,157,124
	(*) Rent expense reverse Tk. 332,423,025 for implementing IFRS-16: Lease.		

		2023 Taka	2022 Taka
30(a)	Consolidated rent, taxes, insurances, electricity etc.		
	Islami Bank Bangladesh PLC.	2,132,537,530	2,135,157,124
	Islami Bank Securities Limited	7,866,842	7,349,140
	Islami Bank Capital Management Limited	61,823	43,060
	Total	2,140,466,195	2,142,549,324
31.0	Legal expenses		
	Legal charges	7,577,062	8,480,848
31(a)	Consolidated legal expenses		
	Islami Bank Bangladesh PLC.	7,577,062	8,480,848
	Islami Bank Securities Limited	472,970	2,905,279
	Islami Bank Capital Management Limited	839,696	1,146,748
	Total	8,889,728	12,532,875
32.0	Postage, stamps, telecommunications etc.		
	Telephone	134,317,856	118,465,257
	Postage	-	-
	Fax, internet & stamps charges	3,455,885	11,707,087
	Total	137,773,741	130,172,344
32(a)	Consolidated postage, stamps and telecommunication etc.		
	Islami Bank Bangladesh PLC.	137,773,741	130,172,344
	Islami Bank Securities Limited	325,328	460,662
	Islami Bank Capital Management Limited	259,039	232,543
	Total	138,358,108	130,865,549
33.0	Stationery, printing and advertisement etc.		
	Paper & table stationery	55,531,297	50,493,694
	Printing and stationery (registers and forms)	105,808,255	94,229,212
	Advertisement & publicity	198,878,011	154,052,752
	Total	360,217,563	298,775,659
33(a)	Consolidated stationery, printing and advertisement etc.		
	Islami Bank Bangladesh PLC.	360,217,563	298,775,659
	Islami Bank Securities Limited	389,283	557,475
	Islami Bank Capital Management Limited	95,452	72,882
	Total	360,702,298	299,406,016
34.0	Chief executive's salary & fees		
	Basic pay	9,261,000	8,820,000
	House rent allowance	840,000	840,000
	Medical allowance	1,440,000	1,440,000
	Utilities allowance	1,080,000	1,080,000
	Festival bonus	1,962,850	1,617,000
	Incentive bonus	735,000	750,000
	Leave Fare Assistance	1,440,000	1,440,000
	House Maintenance	1,200,000	1,200,000
	Bank Contribution to PF	460,478	882,000
	Total	18,419,328	18,069,000
35.0	Directors' fees and expenses		
	Directors' fees for attending board/ executive committee/ other committees meeting	3,784,000	3,177,200
	TA/DA/hotel fare for local & foreign directors	2,845,860	410,778
	Others	-	-
	Total	6,629,860	3,587,978

		2023 Taka	2022 Taka
35.1	Rate of fees for attending board/ executive committee/ other committees meeting		
	For board meeting	8,000	8,000
	For executive committee/ other committees meeting	8,000	8,000
35(a)	Consolidated directors' fees and expenses		
	Islami Bank Bangladesh PLC.	6,629,860	3,587,978
	Islami Bank Securities Limited	1,170,875	1,340,954
	Islami Bank Capital Management Limited	544,588	437,647
	Total	8,345,323	5,366,579
36.0	Shari'ah supervisory committee's fees & expenses		
	Shari'ah supervisory members' fees for attending meeting	1,556,000	1,681,265
	TA/DA/hotel fare	-	32,000
	Total	1,556,000	1,713,265
36.1	Rate of fees for attending Shariah Supervisory Meeting		
	For shariah supervisory meeting	8,000	8,000
	For sub-committee meeting	8,000	8,000
37.0	Auditors' fees		
	Auditors' fees	3,086,250	3,450,000
37(a)	Consolidated auditors' fees		
	Islami Bank Bangladesh PLC.	3,086,250	3,450,000
	Islami Bank Securities Limited	92,000	92,000
	Islami Bank Capital Management Limited	57,500	57,500
	Total	3,235,750	3,599,500
38.0	Depreciation/amortization and repair to bank's assets		
	i) Depreciation/amortization		
	Premises (building)	113,348,329	119,929,274
	Furniture & fixtures	81,203,221	79,453,120
	Mechanical appliances	149,829,461	163,258,068
	Computer	211,006,645	161,062,508
	Motor vehicles	163,979,230	191,966,966
	Books	389,055	498,858
	ATM	529,608,014	444,297,194
	Depreciation on lease assets	275,247,816	330,184,768
	Amortization: intangible assets	70,116,964	68,238,653
	Sub total (i)	1,594,728,734	1,558,889,409
	ii) Repair of bank's properties/assets	148,984,103	121,852,037
	Grand total (i+ii)	1,743,712,837	1,680,741,446
38(a)	Consolidated depreciation and repair to bank's assets		
	Islami Bank Bangladesh PLC.	1,743,712,837	1,680,741,446
	Islami Bank Securities Limited	5,790,900	5,515,060
	Islami Bank Capital Management Limited	2,453,100	2,189,169
	Total	1,751,956,837	1,688,445,675

		2023 Taka	2022 Taka
39.0	Other expenses		
	TA/ DA	139,880,052	175,037,594
	Repairs to rented premises	4,621,226	20,286,612
	Motor car running & maintenance (Note-39.1)	206,737,237	177,430,387
	Periodicals & newspapers	21,511,262	18,392,838
	Entertainment Expenses	137,707,867	131,992,861
	Overtime	62,190,582	60,758,863
	Training expenses	35,108,869	28,876,657
	Meeting expenses	1,655,052	312,598
	Bank charges	20,946,106	32,556,462
	Uniforms	25,077,389	25,801,870
	Conveyance	41,845,451	41,078,768
	Cash award	46,703,588	43,718,200
	Membership fees	14,364,026	12,725,629
	Staff welfare	2,006,040	1,991,410
	Evening banking allowance	28,950	1,620,542
	Computer expenses	55,600,425	55,654,271
	Wages	61,860,183	64,545,204
	Discomfort allowance	71,237,840	57,770,349
	Air condition maintenance	2,126,718	1,377,758
	WASA/gas expenses	30,512,618	28,934,669
	Washing charges	26,579,420	23,836,911
	Transportation charges	8,443,038	18,492,122
	Reuters charges	15,683,066	34,050
	Business development expenses	841,974,979	440,746,565
	Photocopy expenses	24,942,430	22,908,113
	Upkeep of office premises	36,546,749	33,586,749
	Clearing house expenses	90,291	82,641
	Band width charges	139,736,378	147,565,434
	Bond expenses (*)	437,980,820	422,393,438
	Recruitment expenses	789,640	9,739,118
	Professional fees	8,512,560	2,609,698
	Loss on sale of bank's fixed asset	5,082,036	3,400,312
	Mobile wallet expense	8,026,083	9,972,384
	BACH Expense	640,196	734,430
	RDS expenses (Note-39.2)	112,532,506	105,556,905
	NPS network transactions charges	23,717,707	22,637,343
	VISA expenses	306,198,096	190,842,060
	Maintenance of software	224,625,526	60,190,861
	Diploma in Islamic Banking related expenses	10,224,054	10,992,560
	Agent Banking related expenses	2,573,970,089	2,266,513,990
	Finance charge on lease rental	62,562,661	76,877,066
	Safety materials (COVID-19) & Special aid	169,900	3,721,984
	ATM related expense	229,481,372	23,147,849
	Others	4,149,279,469	899,989,072
	Total	10,229,510,546	5,777,435,198

(*) Bond expenses includes Tk. 1,948,918 incurred against 02 (two) Perpetual Bonds, Tk. 41,088,013 incurred against 05 (five) redeemable bonds and Tk. 394,394,889 incurred against payment as additional coupon/profit to the bondholders of redeemable bonds.

39.1 Motor car running and maintenance

As on 31.12.2023 the Bank had 450 (Four hundred and fifty) Motor Vehicles (Car- 359, Jeep- 41, Pickup- 48 and Microbus- 2). Out of 450 vehicles, 334 cars are attached with the senior executives of the Bank as per transport policy of the Bank and rest vehicles are used for carrying cash, development works and other important works of the Bank. A sum of Tk. 206,737,237 was incurred during the year 2023 as against Tk. 177,430,387 incurred during the year 2022 for repairs, maintenance, purchase of fuel & lubricants and insurance etc. for the motor vehicles of the Bank.

	2023 Taka	2022 Taka
39.2 RDS expenses		
Risk allowance	33,418,000	30,235,000
By-cycle allowance	2,526,000	2,504,000
Motor cycle allowance	32,308,906	32,224,000
Field allowance	6,445,600	6,428,503
TA/ DA	10,821,000	9,898,000
Fuel	10,885,000	10,563,451
Stationary	10,407,000	8,801,950
Repairing	5,721,000	4,902,000
Total	112,532,506	105,556,904

39.3 VAT related to expenditures

All the expenditures reported in this Financial Statements are inclusive of VAT except for specific items which are exempted from VAT by appropriate authority.

39(a) Consolidated other expenses

Islami Bank Bangladesh PLC.	10,229,510,546	5,777,435,198
Islami Bank Securities Limited	129,061,728	112,025,268
Islami Bank Capital Management Limited	6,795,775	5,933,952
Inter Company transactions	(122,634,924)	(105,908,901)
Total	10,242,733,125	5,789,485,517

40.0 Retained earnings: movement of surplus in profit & loss account

Retained earnings as on 1 January	1,609,990,668	1,609,990,668
Revaluation reserve of assets/securities transferred to retained earnings (*)	1,530,645,029	30,451,680
Add: Net profit after tax for the year	6,114,152,254	5,923,445,627
Add: Depreciation adjustment on revalued assets	80,516,221	85,190,953
Sub-total	9,335,304,172	7,649,078,928

Less:

Transfer to statutory reserve	1,000,000,000	1,000,000,000
Transfer to/(from) general reserve	4,180,581,312	2,562,688,292
Dividend paid (Previous Year)	1,609,990,668	1,609,990,668
Transfer to start-up Fund	61,141,523	59,234,456
Coupon/profit on perpetual bond (**)	873,600,002	807,174,807
Sub-total	7,725,313,504	6,039,088,260
Balance of retained earnings as at 31 December	1,609,990,668	1,609,990,668

(*) The amount has been arisen due to sale of a revalued Land & Building during the year 2023.

(**) As per Bangladesh Bank's Letter BRPD (BS)661/14BP/2022-3317 payment of Coupon/Profit against perpetual bond should be presented as Distributable items of the Bank.

40(a) Consolidated retained earnings

Retained earnings as on 1 January	2,962,834,552	2,749,579,142
Revaluation reserve of assets/securities transferred to retained earnings	1,530,645,029	30,491,680
Add: Net profit attributable to equity holders of IBBPLC.	6,353,317,684	6,166,984,693
Add: Transfer from Assets Revaluation Reserve to Retained Earnings	80,516,221	85,190,953
Sub-total	10,927,313,486	9,032,246,468

	2023 Taka	2022 Taka
Less:		
Transfer to statutory reserve	1,000,000,000	1,000,000,000
Transfer to/(from) general reserve	4,203,881,689	2,593,011,985
Dividend paid (cash dividend)	1,609,990,668	1,609,990,668
Transfer to start-up Fund	61,141,523	59,234,456
Coupon/profit on perpetual bond	873,600,002	807,174,807
Sub-total	7,748,613,882	6,069,411,916
Balance of retained earnings as at 31 December	3,178,699,604	2,962,834,552

40(b) Non-controlling interest

Particulars	As on 01.01.2023	Share of profit or loss for the year 2023	Adjustments	As on 31.12.2023	As on 31.12.2022
A. Islami Bank Securities Limited	288,329	12,972	-	301,301	288,329
Add: Adjustment for changing in shares position	-	-	-	-	-
Less: Dividend	-	-	-	-	-
Sub-total	288,329	12,972	-	301,301	288,329
B. Islami Bank Capital Management Limited	9,786	274	-	10,060	9,786
Less: Dividend	-	-	-	-	-
Sub-total	9,786	274	-	10,060	9,786
Total (A+B)	298,115	13,246	-	311,361	298,115

The share capital of Islami Bank Securities Ltd. is Tk. 2,700,000,000/- divided into 2,700,000 shares of Tk.1,000/- each out of which share capital of minority is Tk.154,000/- divided into 154 shares of Tk.1,000/- each which represent 0.0057% of total share of the subsidiary Company.

The share capital of Islami Bank Capital Management Ltd. is Tk.300,000,000/- divided into 300,000 shares of Tk.1,000/- each out of which share capital of minority is Tk.7,000/- divided into 7 shares of Tk.1,000/- each which represent 0.0023% of total share of the subsidiary Company.

41.0 Events after reporting period

The Board of Directors of the Bank in its 335th meeting held on 24 April, 2024 recommended 10% Cash Dividend for the year 2023 subject to approval of the shareholders in the ensuing 41st Annual General Meeting to be held on 25 June 2024.

	2023 Taka	2022 Taka
42.0 Earnings per share (EPS)		
a) Attributable profit for the year	6,114,152,254	5,923,445,627
b) Weighted average number of ordinary share during the year	1,609,990,668	1,609,990,668
Basic earnings per share (EPS) (a ÷ b)	3.80	3.68

Diluted earnings per share is not applicable since there is no possibility of dilution of shares during the year.

42(a) Consolidated earnings per share

Consolidated net profit after tax	6,353,330,930	6,166,998,229
Less: Profit attributable to non-controlling interest	13,246	13,536
Attributable profit for distribution to shareholders of IBBPLC.	6,353,317,684	6,166,984,693
Weighted average number of ordinary share during the year	1,609,990,668	1,609,990,668
Consolidated basic earnings per share	3.95	3.83
	31.12.2023 Taka	31.12.2022 Taka

43.0 Net asset value per share (NAV) of the Bank

a) Capital/shareholders' equity for the year	71,192,786,164	68,162,154,084
b) Weighted average number of ordinary share during the year	1,609,990,668	1,609,990,668
Net asset value per share (NAV) (a ÷ b)	44.22	42.34

Net asset value per share (NAV) has been disclosed as per the Bangladesh Securities and Exchange Commission's Notification No.BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018.

	2023 Taka	2022 Taka
44.0 Net operating cash flow per share (NOCFPS)		
a) Net cash flows from operating activities	(17,351,396,647)	(89,655,476,581)
b) Weighted average number of ordinary share during the year	1,609,990,668	1,609,990,668
Net operating cash flow per share (NOCFPS) (a ÷ b)	(10.78)	(55.69)

The Net Operating Cash Flow Per Share (NOCFPS) on solo basis has significantly increased by Tk. 44.91 than that of previous year mainly due to increase of deposit mobilization from customers Tk. 89,485.54 million, as well as decrease of investment to customers of Tk. 131,292.33 million during the year 2023. **However, the cash & cash equivalents balance of the bank is Tk. 219,483.55 million as on 31 December 2023.**

	31.12.2023 Taka	31.12.2022 Taka
45.0 Reconciliation of cash and cash equivalent at the end of the year		
Cash in hand	35,241,123,870	30,645,815,136
Balance with Bangladesh Bank and its agent banks (Sonali Bank PLC.)	82,663,599,136	92,858,977,487
Balance with other banks and financial institutions	101,578,824,230	110,787,004,358
Total	219,483,547,236	234,291,796,982

45(a) Reconciliation of consolidated cash and cash equivalent at the end of the year		
Cash in hand	35,241,166,165	30,645,839,722
Balance with Bangladesh Bank and its agent banks (Sonali Bank PLC.)	82,663,599,136	92,858,977,487
Balance with other banks and financial institutions	106,258,372,039	115,248,794,287
Total	224,163,137,340	238,753,611,497

Note: The reconciliation of net profit with cash flows from operating activities has been presented at **Annexure- E**.

- 46.0 Currency wise exposures**
Currency wise exposures are shown at **Annexure- C**.

Director

Director

Director

Managing Director & CEO

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Fixed Assets Schedule

As at 31 December 2023

Annexure - A
(Amount in Taka)

Group of Fixed Assets	Cost			Depreciation/Amortization			Written Down Value	
	Balance as at 01.01.2023	Addition during the year	Sale / adjustment during the year	Total as at 31.12.2023	Charged up to 01.01.2023	Charged during the year	Adjustment during the year	Total as at 31.12.2023
1	2	3	4	5 (2+3-4)	6	7	8	9 (6+7-8)
A. Tangible Assets								
i) Premises								
Cost								
Land	682,129,033	-	127,173,090	554,955,943	-	-	-	554,955,943
Building	1,981,662,887	10,023,979	51,253,705	1,940,433,161	626,868,352	32,832,106	-	1,280,732,703
Construction/ capital work in process	-	-	-	-	-	-	-	-
Sub total	2,663,791,920	10,023,979	178,426,795	2,495,389,104	626,868,352	32,832,106	-	1,835,688,646
Revaluation								
Land	6,941,521,852	-	1,965,826,910	4,975,694,942	-	-	-	4,975,694,942
Building	4,557,449,467	-	137,942,230	4,419,507,237	1,235,002,305	80,516,223	44,569,126	3,148,557,835
Sub total	11,498,971,319	-	2,103,769,140	9,395,202,179	1,235,002,305	80,516,223	44,569,126	8,124,152,777
Sub total (i)	14,162,763,239	10,023,979	2,282,195,935	11,890,591,283	1,861,870,657	113,348,329	44,569,126	9,959,941,423
ii) Other fixed assets								
Furniture and fixtures	1,728,582,193	67,946,373	2,302,900	1,794,225,666	858,850,653	81,203,221	1,705,753	938,348,121
Mechanical appliances	3,078,275,343	88,355,544	10,575,800	3,156,055,087	2,373,594,880	149,829,461	9,184,943	2,514,239,398
Computer	2,307,615,731	290,965,881	18,519,830	2,580,061,782	1,884,638,848	211,006,645	18,097,085	2,077,548,408
Motor vehicles	1,631,823,019	62,871,942	60,664,179	1,634,030,782	1,219,933,596	163,979,230	57,705,964	1,326,206,862
Books	11,547,478	55,444	-	11,602,922	10,031,625	389,055	-	1,182,241
ATM	3,896,801,136	304,800,227	27,109,000	4,174,492,363	1,493,640,840	529,608,014	22,884,258	2,000,364,596
ROU-Assets for lease rent	2,380,392,163	-	-	2,380,392,163	1,234,167,749	275,247,816	-	1,509,415,565
Sub Total (ii)	15,035,037,063	814,995,411	119,171,709	15,730,860,765	9,074,858,192	1,411,263,441	109,578,003	10,376,543,630
Total (i+ii)	29,197,800,302	825,019,390	2,401,367,644	27,621,452,048	10,936,728,849	1,524,611,770	154,147,129	12,307,193,490
B. Intangible assets								
	822,847,696	15,272,971	-	838,120,667	646,599,061	70,116,964	-	15,314,258,558
Total (A+B)	30,020,647,998	840,292,361	2,401,367,644	28,459,572,715	11,583,327,910	1,594,728,734	154,147,129	15,435,663,200
								18,437,320,088

Islami Bank Bangladesh PLC.

Consolidated Fixed Assets Schedule

As at 31 December 2023

Annexure - B
(Amount in Taka)

Group of Fixed Assets	Cost				Depreciation/Amortization			Written Down Value	
	Balance as at 01.01.2023	Addition during the year	Sale /adjustment during the year	Total as at 31.12.2023	Charged up to 01.01.2023	Charged during the year	Adjustment during the year	Total as at 31.12.2023	as at 31.12.2022
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9 (6+7-8)	10 (5-9)
11									11
A. Tangible Assets									
i) Premises									
Cost									
Land	682,129,033		127,173,090	554,955,943	-	-	-	554,955,943	682,129,033
Building	1,981,662,887	10,023,979	51,253,705	1,940,433,161	626,868,352	32,832,106	-	1,280,732,703	1,354,794,535
Construction/capital work in process	-	-	-	-	-	-	-	-	-
Sub total (i)	2,663,791,920	10,023,979	178,426,795	2,495,389,104	626,868,352	32,832,106	-	1,835,688,646	2,036,923,568
Revaluation									
Land	6,941,521,852	-	1,965,826,910	4,975,694,942	-	-	-	4,975,694,942	6,941,521,852
Building	4,557,449,467	-	137,942,230	4,419,507,237	1,235,002,305	80,516,223	44,569,126	3,148,557,835	3,322,447,162
Sub total	11,498,971,319	-	2,103,769,140	9,395,202,179	1,235,002,305	80,516,223	44,569,126	8,124,252,777	10,263,969,014
Sub total (i)	14,162,763,239	10,023,979	2,282,195,935	11,890,591,283	1,861,870,657	113,348,329	44,569,126	9,959,941,423	12,300,892,582
ii) Other fixed assets									
Furniture and fixtures	1,740,059,301	67,954,436	2,302,900	1,805,710,837	861,764,276	82,059,745	1,705,753	863,592,568	878,295,025
Mechanical appliances	3,083,245,559	88,517,289	10,669,400	3,161,093,448	2,375,417,021	150,333,378	9,184,943	644,507,992	707,828,538
Computer	2,314,613,059	291,154,481	18,519,830	2,587,247,710	1,888,591,919	212,732,576	18,190,685	504,113,900	426,021,140
Motor vehicles	1,639,180,519	62,871,942	60,664,179	1,641,388,282	1,225,602,611	165,450,730	57,705,964	308,040,905	413,577,908
Books	11,547,478	55,444	-	11,602,922	10,031,625	389,055	-	1,182,241	1,515,853
ATM	3,896,801,136	304,800,227	27,109,000	4,174,492,363	1,493,640,840	529,608,014	22,884,258	2,174,127,767	2,403,160,296
ROU-Assets for lease rent	2,382,852,126	2,676,082	2,459,963	2,383,068,245	1,236,627,712	276,320,910	2,459,963	872,579,586	1,146,224,414
Sub Total (ii)	15,068,299,178	818,029,901	121,725,272	15,764,603,807	9,091,676,005	1,416,914,408	112,131,566	10,396,458,847	5,976,623,173
Total (i+ii)	29,231,062,417	828,053,880	2,403,921,207	27,655,195,090	10,953,546,662	1,530,262,737	156,700,692	12,327,108,707	18,277,515,755
B. Intangible Assets									
	825,242,886	15,272,971	30,000	840,485,857	647,388,201	70,708,262	-	122,389,394	177,854,685
Total (A+B)	30,056,305,303	843,326,851	2,403,951,207	28,495,680,947	11,600,934,863	1,600,970,999	156,700,692	15,450,475,777	18,455,370,440

Islami Bank Bangladesh PLC.

Currency wise Exposures

As at 31 December 2023

Annexure - C
(Amount in Taka)

ASSETS	Taka		Equivalent Taka of US Dollar		Equivalent Taka of GBP		Equivalent Taka of EURO		Equivalent Taka of Other Currency		Total Taka	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
1	2	3	4	5	6	7	8	9	10	11	12	13
Cash in hand	35,168,504,840	30,624,295,167	72,481,197	21,335,048	64,251	94,945	-	-	73,582	89,976	35,241,123,870	30,645,815,136
Balance with Bangladesh Bank & its agent bank	78,097,359,658	91,135,288,482	4,556,428,967	1,708,202,944	695,842	931,628	8,935,126	14,323,325	179,542	231,109	82,663,599,136	92,858,977,487
Balance with banks & other financial institutions	84,526,717,667	86,842,245,128	10,859,494,576	22,848,152,057	139,866,950	120,177,808	1,394,631,101	378,728,738	4,658,113,937	597,700,627	101,578,824,231	110,787,004,358
Placement with other banks & financial institutions	-	-	-	-	-	-	-	-	-	-	-	-
Investments (in shares & securities)	87,055,162,121	89,471,452,136	983,211,300	983,211,300	-	-	-	-	-	-	88,038,373,421	90,454,663,436
Investments	1,378,802,628,149	1,273,462,599,343	221,463,033,951	187,902,898,171	-	-	-	-	-	-	1,600,265,662,100	1,461,365,497,513
Fixed assets including premises	15,435,663,200	18,437,320,088	-	-	-	-	-	-	-	-	15,435,663,200	18,437,320,088
Other assets	108,309,536,758	33,530,927,106	-	-	-	-	-	-	-	-	108,309,536,758	33,530,927,106
Non banking assets	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	1,787,395,572,392	1,623,504,127,450	237,934,649,991	213,463,799,519	140,627,043	121,204,381	1,403,566,227	393,052,063	4,658,367,061	598,021,712	2,031,532,782,714	1,838,080,205,126

LIABILITY	Taka		Equivalent Taka of US Dollar		Equivalent Taka of GBP		Equivalent Taka of EURO		Equivalent Taka of Other Currency		Total Taka	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Placement from Bangladesh Bank, other banks, financial institutions and agents	195,428,924,541	143,000,000,000	15,950,000,000	44,438,569,400	-	-	-	-	-	-	211,378,924,541	187,438,369,400
Deposits	1,480,237,264,962	1,344,897,302,309	41,661,538,881	55,244,978,947	4,580,325	8,901,926	3,542,685	4,835,928	844,685	988,690	1,521,907,771,538	1,400,157,007,800
Bills payable	12,658,234,695	10,288,421,539	-	-	-	-	-	-	-	-	12,658,234,695	10,288,421,539
Other liabilities	183,135,518,584	140,987,421,049	59,547,191	46,831,254	-	-	-	-	-	-	183,195,065,776	141,034,252,303
Mudaraba Perpetual Bond	11,000,000,000	11,000,000,000	-	-	-	-	-	-	-	-	11,000,000,000	11,000,000,000
Mudaraba Redeemable Subordinated Bond	20,200,000,000	20,000,000,000	-	-	-	-	-	-	-	-	20,200,000,000	20,000,000,000
Total liabilities	1,902,659,942,782	1,670,173,144,897	57,671,086,072	99,730,179,601	4,580,325	8,901,926	3,542,685	4,835,928	844,685	988,690	1,960,339,996,550	1,769,918,051,042
Net position	(115,264,370,390)	(46,669,017,447)	180,263,563,919	113,733,619,918	136,046,718	112,302,455	1,400,023,542	388,216,135	4,657,522,376	597,033,022	71,192,786,164	68,162,154,083

Islami Bank Bangladesh PLC.

Consolidated Segment Reporting

For the year ended 31 December 2023

A. Segmental operating profit and loss

Annexure-D

Amount in Taka

Particulars	Head Office Controlled Branches	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Cumilla Zone	Rajshahi Zone	Chattogram South Zone	Noakhali Zone	Common	Consolidated
Investment income	32,730,150,000	12,080,180,000	1,405,660,000	2,740,980,000	3,224,320,000	1,314,620,000	9,074,030,000	4,378,770,000	1,285,260,000	41,391,892,688	109,625,862,688
Profit paid on mudaraba deposits	(5,713,217,204)	(4,637,109,108)	(2,360,719,706)	(3,926,490,292)	(2,193,852,275)	(4,035,429,779)	(2,670,207,038)	(3,454,182,851)	(3,912,697,136)	(32,710,892,712)	(65,614,798,101)
Profit received/(paid) on IB General A/C	(18,135,000,000)	(259,060,000)	3,104,430,000	4,350,210,000	1,525,080,000	6,570,970,000	(3,717,900,000)	2,299,250,000	5,790,620,000	1,528,600,000	-
Net investment income	8,881,932,796	7,184,010,892	2,149,370,294	3,164,699,708	2,555,547,725	3,850,160,221	2,685,922,962	3,223,837,149	3,163,182,864	10,209,599,976	44,011,064,587
Commission, exchange & other income	3,692,050,000	2,058,050,000	449,230,000	736,050,000	501,780,000	440,150,000	561,810,000	446,760,000	419,620,000	7,564,840,512	16,870,340,512
Total operating income	12,573,982,796	9,242,060,892	2,598,600,294	3,900,749,708	3,057,327,725	4,290,310,221	3,247,732,962	3,670,597,149	3,582,802,864	17,774,440,488	60,881,405,099
Total operating expenses	(1,324,216,753)	(1,677,211,715)	(1,158,377,412)	(1,554,887,123)	(1,350,356,605)	(1,238,293,323)	(1,335,770,959)	(1,291,105,109)	(1,224,603,953)	(25,666,739,384)	(37,821,562,336)
Operating Profit	11,249,766,043	7,564,849,177	1,440,222,882	2,345,862,585	1,706,971,120	3,052,016,898	1,911,962,003	2,379,492,040	2,358,198,911	(7,892,298,896)	23,059,842,763

There are 19 operating segments including subsidiaries as on 31 December 2023. Out of which only 9 are reportable as per IFRS-8 "Operating Segments". Hence other non-reportable segments have been shown as under 'Common'.

Consolidated Segment Reporting

For the year ended 31 December 2022

Amount in Taka

Particulars	Head Office Controlled Branches	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Cumilla Zone	Rajshahi Zone	Chattogram South Zone	Noakhali Zone	Common	Consolidated
Investment income	31,625,640,000	10,446,790,000	1,348,290,000	2,654,110,000	2,954,810,000	1,383,490,000	5,402,790,000	2,973,820,000	1,286,330,000	30,791,016,427	90,867,086,427
Profit paid on mudaraba deposits	(4,617,016,952)	(4,360,159,424)	(2,155,671,976)	(3,487,252,804)	(2,065,145,738)	(3,779,108,376)	(2,229,894,339)	(2,952,114,449)	(3,513,383,410)	(24,858,737,013)	(54,018,484,481)
Profit received/(paid) on IB General Account	(13,990,000,000)	(1,057,400,000)	2,267,200,000	3,120,100,000	1,370,680,000	5,341,920,000	1,68,050,000	3,223,020,000	4,504,680,000	4,948,250,000	-
Net investment income	13,018,623,048	5,029,230,576	1,459,818,024	2,286,957,196	2,260,344,262	2,946,301,624	3,340,945,661	3,244,725,551	2,277,626,590	10,880,529,414	36,848,601,946
Commission, exchange & other income	3,464,850,000	1,708,080,000	301,880,000	456,650,000	357,160,000	227,660,000	376,730,000	218,780,000	234,530,000	8,921,184,749	16,267,504,749
Total operating income	16,483,473,048	6,737,310,576	1,761,698,024	2,743,607,196	2,617,504,262	3,173,961,624	3,717,675,661	3,463,505,551	2,512,156,590	19,801,714,163	53,116,106,695
Total operating expenses	(1,284,424,831)	(1,382,205,069)	(951,185,326)	(1,291,912,858)	(1,076,339,484)	(1,022,964,556)	(1,062,730,234)	(992,840,927)	(1,009,958,859)	(21,291,812,514)	(31,366,374,658)
Operating Profit	15,199,048,217	5,355,105,507	810,512,698	1,451,694,338	1,541,164,778	2,150,997,068	2,654,945,427	2,470,664,624	1,502,197,731	(1,490,098,352)	21,749,732,036

B. Segmental assets and liabilities

The necessary information regarding assets and liabilities of operating segments (except subsidiaries) are not separable and individually identifiable for this purpose. For this reason the assets and liabilities of the respective segments have not been presented here.

Islami Bank Bangladesh PLC.
Reconciliation of Net Profit with Cash Flows from Operating Activities
For the year ended 31 December 2023

Annexure-E

Particulars	Note	2023 Taka	2022 Taka
Profit before tax as per profit and loss accounts		16,501,660,106	14,592,921,537
Adjustment for non cash items			
Provision for investments & off- balance sheet exposures		5,715,676,548	6,364,930,031
Provision for diminution in value of investments in shares		114,330,599	326,256,888
Other provisions		281,901,053	(36,700,445)
Depreciation of property plant & equipment		1,594,728,734	1,558,889,409
Foregin exchange gain/(Loss)		(20,341,230)	28,826,224
Profit on sale of the fixed assets		(3,886,500)	9,490,861
		7,682,409,204	8,251,692,969
Increase/decrease in operating assets & liabilities			
Investments to customers		(138,900,164,587)	(270,192,497,267)
Placement from other banks		23,940,555,141	150,673,069,400
Other assets		(74,778,609,651)	(24,228,468,461)
Deposits from other banks		11,300,560,101	5,131,425,754
Deposits received from customers		112,820,016,793	23,334,474,088
Other liabilities		32,566,778,785	9,534,387,245
Income tax paid		(8,484,602,539)	(6,752,481,846)
		(41,535,465,957)	(112,500,091,087)
Cash flows from operating activities as per cash flow statement		(17,351,396,647)	(89,655,476,581)

Islami Bank Bangladesh PLC.

Financial Highlights

As at and for the year ended 31 December 2023

Amount in Million Taka

Sl. No.	Particulars	2023	2022
1	Paid-up Capital	16,099.91	16,099.91
2	Total Capital (Equity)	108,376.71	102,738.44
3	Capital Surplus/(Deficit)	1,072.17	318.84
4	Total Assets (Excluding contra)	2,031,532.78	1,838,080.21
5	Total Deposits	1,534,566.01	1,410,445.43
6	Total Investments (excluding Investment in shares/securities)	1,600,265.66	1,461,365.50
7	Total Contingent Liabilities and Commitments	223,707.34	268,015.46
8	Investment Deposit Ratio (IDR)	91.90%	91.64%
9	Percentage of classified investment against total general investments	4.32%	3.70%
10	Profit after Tax & Provision	6,114.15	5,923.45
11	Amount of classified investment during current year	15,166.09	14,634.90
12	Provision kept against classified investments	48,662.86	42,073.98
13	Provision surplus/ (deficit)	0.50	0.50
14	Cost of Fund	7.17%	6.55%
15	Profit Earning Assets	1,264,162.31	1,423,908.05
16	Non-profit Earning Assets	767,370.47	414,172.16
17	Return on Investments	6.76%	6.39%
18	Return on Assets	0.32%	0.34%
19	Income from Investments	109,595.56	90,685.73
20	Earnings Per Share (EPS) in Taka	3.80	3.68
21	Net Income Per Share in Taka	3.80	3.68
22	Price Earning Ratio (Times)	8.58	8.70
23	Net Asset Value (NAV)	71,192.79	68,162.15
24	Net Asset Value (NAV) Per Share in Taka	44.22	42.34
25	Net Operating Cash Flow Per Share (NOCFPS) in Taka	(10.78)	(55.69)
26	Dividend Yield Per Share	3.07%	3.03%
27	Dividend Pay Out Ratio Per Share	26.33%	27.18%
28	Dividend Cover Ratio (Times)	3.80	3.68

Islami Bank Bangladesh PLC. (Off-Shore Banking Unit)

Balance Sheet

As at and for the year ended 31 December 2023

Particulars	Notes	31.12.2023		31.12.2022	
		USD	BDT	USD	BDT
Property and assets					
Cash in hand		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)		-	-	-	-
Balance with other banks & financial institutions		409,523.83	45,047,621	2,518,483.50	260,151,791
In Bangladesh	2.0	409,523.83	45,047,621	2,518,483.50	260,151,791
Outside Bangladesh		-	-	-	-
Placement with banks & other financial institutions	3.0	-	-	2,587,480.50	267,278,973
Investments in shares & securities		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Investments	4.0	1,704,844,789.76	187,532,926,874	1,333,023,489.10	137,697,327,353
General investments etc.		-	-	-	-
Bills purchased & discounted	4.1	1,704,844,789.76	187,532,926,874	1,333,023,489.10	137,697,327,353
Fixed assets		-	-	-	-
Other assets	5.0	396,784.71	43,646,318	783,263.97	80,908,818
Non - banking assets		-	-	-	-
Total property and assets		1,705,651,098.30	187,621,620,813	1,338,912,717.07	138,305,666,935
Liabilities and Capital					
Liabilities					
Placement from banks & other financial institutions	6.0	1,650,373,838.80	181,541,122,268	1,294,440,615.04	133,711,832,212
Deposits & other accounts		112,898.06	12,418,787	211,938.93	21,892,655.00
Mudaraba Savings Deposits		1,990.70	218,977	1,991	205,633
Mudaraba Term Deposits		110,907.36	12,199,810	209,948	21,687,022
Other Mudaraba Deposits		-	-	-	-
Al- Wadeeah Current and other deposit accounts		-	-	-	-
Bills payable		-	-	-	-
Other liabilities	7.0	55,164,361.44	6,068,079,758	44,260,163.10	4,571,942,068
Deferred tax liabilities /(assets)		-	-	-	-
Total liabilities		1,705,651,098.30	187,621,620,813	1,338,912,717.07	138,305,666,935
Capital/ share-holders' equity		-	-	-	0
Paid - up capital		-	-	-	-
Statutory reserve		-	-	-	-
Translation reserves	8.0	-	26,112,120	-	46,453,350
Retained earnings	17.0	-	(26,112,120)	-	(46,453,350)
Total liabilities & shareholders' equity		1,705,651,098.30	187,621,620,813	1,338,912,717.07	138,305,666,935
Off-balance sheet items					
Contingent liabilities					
Acceptances & endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Irrevocable letters of credit (including back to back bills)		-	-	-	-
Bills for collection		-	-	-	-
Other contingent liabilities		-	-	-	-
Total		-	-	-	-
Other commitments					
Documentary credits, short term and trade related transactions		-	-	-	-
Forward assets purchased and forward deposits placed Undrawn note		-	-	-	-
issuance, revolving and underwriting facilities		-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-	-
Total		-	-	-	-
Total off-balance sheet items including contingent liabilities		-	-	-	-

The annexed notes form an integral part of these financial statements.

Islami Bank Bangladesh PLC. (Off-Shore Banking Unit)

Profit & Loss Account

For the year ended 31 December 2023

Particulars	Notes	2023		2022	
		USD	BDT	USD	BDT
Operating income					
Investment income	9.0	85,148,828.31	9,328,054,141	48,578,733.99	4,908,881,070
Profit paid on mudaraba deposits/placement	10.0	(29,491,752.30)	(3,230,821,464)	(28,603,007.46)	(2,890,333,904)
Net investment income		55,657,076.01	6,097,232,677	19,975,726.53	2,018,547,166
Income from investments in shares & securities		-	-	-	-
Commission, exchange & brokerage income		-	-	-	-
Other operating income	11.0	2,899,252.48	317,613,109	2,396,059.21	242,121,783
Total operating income		58,556,328.49	6,414,845,786	22,371,785.74	2,260,668,949
Operating expenses					
Salary & allowances	12.0	-	-	3,252.97	328,713
Rent, taxes, insurances, electricity etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamps and telecommunication etc.	13.0	-	-	-	-
Stationery, printing and advertisement etc.		-	-	-	-
Chief executive's salary & fees		-	-	-	-
Directors' fees & expenses		-	-	-	-
Shari'ah supervisory committee's fees & expenses		-	-	-	-
Auditors' fees		-	-	-	-
Charges on investment losses		-	-	-	-
Depreciation and repair to bank's assets		-	-	-	-
Zakat expenses		-	-	-	-
Other expenses	14.0	529,396.72	57,995,411	1,695,034.54	171,283,240
Total operating expenses		529,396.72	57,995,411	1,698,287.51	171,611,953
Profit/ (loss) before provision		58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Provision for investments & off- balance sheet items	15.0	-	-	-	-
Provision for diminution in value of investments in shares		-	-	-	-
Other provisions		-	-	-	-
Total provision		-	-	-	-
Total profit/(loss) before taxes		58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Provision for taxation for the period					
Current tax	16.0	-	-	-	-
Deferred tax	16.0	-	-	-	-
Net profit/ (loss) after tax		58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Retained earnings from previous year		-	-	-	-
Less: Interim dividend paid		-	-	-	-
Add: Net profit after tax		58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Profit available for appropriation		58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Less: Appropriation		58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Retained earnings (Transferred to main operation)	17.0	58,026,931.77	6,382,962,495	20,673,498.23	2,135,510,346
Translation reserve movement		-	(26,112,120)	-	(46,453,350)

The annexed notes form an integral part of these financial statements.

Islami Bank Bangladesh PLC. (Off-Shore Banking Unit)

Cash Flow Statement

For the year ended 31 December 2023

Particulars	2023		2022	
	USD	BDT	USD	BDT
Cash flows from operating activities				
Investment income	85,148,828.31	9,328,054,141	48,578,733.99	4,908,881,070
Profit paid on mudaraba deposits/placement	(29,491,752.30)	(3,230,821,464)	(28,603,007.46)	(2,890,333,904)
Income/ dividend receipt from investments in shares & securities	-	-	-	-
Fees & commission receipt in cash	-	-	-	-
Recovery from written off investments	-	-	-	-
Payments to employees	-	-	(3,252.97)	(328,713)
Cash payments to suppliers	-	-	-	-
Income tax paid	-	-	-	-
Receipts from other operating activities	2,899,252.48	317,613,109	2,396,059.21	242,121,783
Payments for other operating activities	(529,396.72)	(57,995,411)	(1,695,034.54)	(171,283,240)
i) Operating profit before changes in operating assets & liabilities	58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Changes in operating assets and liabilities				
Increase/(decrease) of statutory deposits	-	-	-	-
(Increase)/decrease of net trading securities	-	-	-	-
(Increase)/decrease of placement to other banks	2,587,480.50	267,278,973	45,962,941.52	3,898,347,236
(Increase)/decrease of investments to customers	(371,821,300.66)	(49,835,599,521)	(684,527,226.30)	(82,056,348,005)
(Increase)/decrease of other assets	386,479.26	37,262,500	(692,236.19)	(73,098,634)
Increase/(decrease) of placement from other banks	-	-	-	-
Increase/(decrease) of deposits from other banks	-	-	-	-
Increase/(decrease) of deposits received from customers	(99,040.87)	(9,473,868)	132,232.03	15,053,803
Increase/(decrease) of other liabilities account of customers	-	-	-	-
Increase/(decrease) of trading liabilities	-	-	-	-
Increase/(decrease) of other liabilities	10,904,198.34	1,548,361,929	31,842,790.74	3,599,438,219
(ii) Cash flows from operating assets and liabilities	(358,042,183.43)	(47,992,169,987)	(607,281,498.20)	(74,616,607,381)
Net cash flows from operating activities (A)=(i+ii)	(300,015,251.66)	(41,635,319,612)	(586,607,999.97)	(72,527,550,385)
Cash flows from investing activities				
Proceeds from sale of securities	-	-	-	-
Payment for purchase of securities/membership	-	-	-	-
Purchase/sale of property, plants & equipments	-	-	-	-
Purchase/sale of subsidiaries	-	-	-	-
Net cash flows from investing activities (B)	-	-	-	-
Cash flows from financing activities				
Receipts from issue of debt instruments	-	-	-	-
Payment for redemption of debt instruments	-	-	-	-
Fund obtained from banks & other financial institutions	355,933,223.76	47,829,290,056	607,782,715.28	74,796,584,413
Profit transferred to main operation	(58,026,931.77)	(6,382,962,495)	(20,673,498.23)	(2,135,510,346)
Net cash flows from financing activities (C)	297,906,291.99	41,446,327,561	587,109,217.05	72,661,074,067
Net increase/(decrease) in cash (A+B+C)	(2,108,959.67)	(188,992,051)	501,217.08	133,523,682
Add/(less) effects of exchange rate changes on cash & cash equivalent	-	(26,112,120)	-	(46,453,350)
Add: cash & cash equivalents at beginning of the year	2,518,483.50	260,151,791	2,017,266.42	173,081,459
Cash & cash equivalents at the end of the year	409,523.83	45,047,621	2,518,483.50	260,151,791

Islami Bank Bangladesh PLC. (Off-Shore Banking Unit)

Notes to the Financial Statements

As at and for the year ended 31 December 2023

1.0 Status of the Units

Off-shore Banking Units (OBU) of Islami Bank Bangladesh PLC. governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission from Bangladesh Bank for operating of Off-shore Banking Units located at Head Office Complex Branch, Dhaka, Agrabad Branch, Chottogram and Uttara Branch, Dhaka vide Bangladesh Bank letter no. BRPD (P-3)744 (111)/2010-1032 dated 28 March 2010. The Bank has Commenced the operation of its Off-shore Banking Units from 08.02.2011 at Head Office Complex Branch, Dhaka, from 27.09.2011 at Agrabad Branch, Chottogram and from 01.06.2015 at Uttara Branch.

1.1 Principal activities

The principal activities of the OBU are to provide mudaraba investment against payment of import bills under UPAS (Usance Payment at Sight) to its customers of Off-shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act, 1991 as amended, International Financial Reporting Standards (IFRSs) and other applicable directives issued by Bangladesh Bank. All the financial statements relating to the OBU has already been accounted for in the separate financial statements of the Bank (considering necessary adjustments relating to intra-units transactions and balances). Along with that, this financial statements relating to OBU only is prepared and disclosed in compliance with the requirements of Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the report amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The figures (BD Taka/BDT) appearing in these Financial Statements have been rounded off to the nearest integer.

1.2.3 Foreign currency transactions

a. Foreign currency transactions

Foreign currency transactions are converted in to equivalent Taka using the ruling 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 Dollars (USD) are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

b. Transaction gains and losses

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

1.2.4 Translation reserve

The activities of OBU is considered as foreign operation due to it's different functional currency other than the non-OBU operation of the Bank. As per IAS - 21, items of balance sheet of OBU has been translated to presentation currency using closing rate and items of income and expenditure has been translated to presentation currency using spot rate prevailing on the date of actual transaction, otherwise average rate has been used. Due to the above translation using two rates the arising differences have been kept as translation reserve.

1.2.5 Retained earnings/Net profit transferred to main operation

As on 31 December the net income in USD/foreign currency of OBU is transferred to main operation of the Bank at exchange rate prevailing on that date.

1.2.6 Cash flow statement

Cash flow statement has been prepared as per BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

1.2.7 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

1.2.8 Reporting period

The financial statements cover from 01 January 2023 to 31 December 2023.

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on 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 unit's management for its short-term commitments.

1.3.2 Investments

Investment of OBU are stated in the balance sheet on net basis. Profit is calculated on daily product basis but charged and account for on realisation/cash basis.

1.4 Allocation of common expenses

Establishment expenses in the nature of rent, rates, taxes, management expenses, printing and stationery, electricity, postage, stamps, telecommunication and audit fees etc. have not been separately accounted for in the financial statements, but staff costs (salaries and allowances) are separately accounted for OBU.

1.5 Profit paid on mudaraba deposits/placement

OBU obtains fund under placement from abroad (different foreign Banks) and OBUs of different Banks in Bangladesh (BD) based on Mudaraba Agreement and pays proportionate amount of investment income earned through deploying these fund as profit. In some cases OBU pays profit at provisional rate in advance which is shown as “Prepaid profit on placement” under other assets.

1.6 Placement from banks & other financial institutions

Off-shore Banking Units (OBUs) of IBBPLC obtains fund under placement from its Head Office (Treasury Division), abroad (different foreign Banks) and OBUs of different Banks in Bangladesh (BD) as per Bangladesh Bank Letter No.BCD(P)744(27)/1416, dated 17 December 1985.

2.0 Balance with other banks & financial institutions

	31.12.2023		31.12.2022	
	USD	BDT	USD	BDT
In Bangladesh (balance with Treasury Division)	409,523.83	45,047,621	2,518,483.50	260,151,791
Outside Bangladesh	-	-	-	-
Total	409,523.83	45,047,621	2,518,483.50	260,151,791

3.0 Placement with banks & other financial institutions

Fund provided to AD Branches for MDB in FC (*)	-	-	2,587,480.50	267,278,973
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(*) This amount has been provided to AD branches to finance investment in MDB in FC as per the requirement of the AD branches as per Bangladesh Bank FE Circular No. 03 dated 04 February 2013.

4.0 Investments

General investments etc.	-	-	-	-
Bills purchased & discounted (Note-4.1)	1,704,844,789.76	187,532,926,874	1,333,023,489.10	137,697,327,353
Total	1,704,844,789.76	187,532,926,874	1,333,023,489.10	137,697,327,353

4.1 Bills purchased & discounted

Mudaraba Documentary Import Bills (MDIB-UPAS) (*)	1,597,844,233.30	175,762,865,663	1,218,344,824.46	125,851,365,332
Hire-Purchase under Shirkatul Meelk (HPSM in FC)	107,000,556.46	11,770,061,211	114,678,664.64	11,845,962,021
Total	1,704,844,789.76	187,532,926,874	1,333,023,489.10	137,697,327,353

(*) OBU allows the facilities as per Bangladesh Bank BRPD Circular No. 28, dated 05 September 2010.

5.0 Other assets

Prepaid profit on placement from banks & other financial institutions	396,784.71	43,646,318	783,263.97	80,908,818
Total	396,784.71	43,646,318	783,263.97	80,908,818

6.0 Placement from banks & other financial institutions

IBB PLC -main operation (Treasury Division)	1,505,373,838.80	165,591,122,268	864,240,615.04	89,273,462,812
Banks in BD (OBU)	20,000,000.00	2,200,000,000	146,500,000.00	15,133,010,500
Banks (abroad)	125,000,000.00	13,750,000,000	283,700,000.00	29,305,358,900
Total	1,650,373,838.80	181,541,122,268	1,294,440,615.04	133,711,832,212

7.0 Other liabilities

Profit payable	2,416,092.12	265,770,133	6,121,402.40	632,322,504
Unearned Income	5,391,750.69	593,092,576	5,395,759.72	557,365,792
Profit Receivable UPAS	47,356,518.63	5,209,217,049	32,743,000.98	3,382,253,772
Profit during the year	-	-	-	-
Total	55,164,361.44	6,068,079,758	44,260,163.10	4,571,942,068

	31.12.2023		31.12.2022	
	USD	BDT	USD	BDT
8.0 Translation reserve				
Balance as on 01 January	-	46,453,350	-	17,627,126
Addition/(adjustment) during the year	-	(20,341,230)	-	28,826,224
Balance as at 31 December	-	26,112,120	-	46,453,350
	2023		2022	
	USD	BDT	USD	BDT
9.0 Investment income				
Mudaraba documentary import bills (MDIB-UPAS)	76,471,215.57	8,377,421,666	39,903,767.03	4,032,275,658
Hire-Purchase under Shirkatul Meelk (HPSM in FC)	8,568,504.53	938,679,671	6,973,883.18	704,710,895
Placement to AD branches (MDB-FC)	90,816.54	9,948,952	1,701,083.78	171,894,516
Mudaraba investment income	18,291.67	2,003,852	-	-
Total	85,148,828.31	9,328,054,141	48,578,733.99	4,908,881,070
10.0 Profit paid on mudaraba deposits/placement				
Profit paid on mudaraba deposits	8,968.01	982,445	59,455.34	6,007,962
Profit paid on Placement from Banks/FIs in Abroad	18,420,282.16	2,017,941,911	13,887,882.77	1,403,370,554
Profit paid on Placement from Banks/FIs in BD (OBU)	11,062,502.13	1,211,897,108	14,655,669.35	1,480,955,388
Total	29,491,752.30	3,230,821,464	28,603,007.46	2,890,333,904
11.0 Other Income				
Service charge realized (MDIB-UPAS)	96,597.82	10,582,291	416,327.57	42,069,901
Management fees (Mura UPAS, MDB & HPSM in FC)	2,802,654.66	307,030,818	1,979,731.64	200,051,882
Total	2,899,252.48	317,613,109	2,396,059.21	242,121,783
12.0 Salary & allowances				
Basic pay	-	-	1,193.47	120,600
Allowances	-	-	1,403.15	141,788
Bonus	-	-	537.00	54,264
Contribution to Provident Fund	-	-	119.35	12,060
Total	-	-	3,252.97	328,713
13.0 Postage, stamps and telecommunication etc.				
Telephone Bill	-	-	-	-
14.0 Other expenses				
Profit Share of ADs	529,396.72	57,995,411	1,695,034.54	171,283,240
Printing & Stationery	-	-	-	-
Entertainment	-	-	-	-
Total	529,396.72	57,995,411	1,695,034.54	171,283,240
15.0 Provision for investment				
Provision for investment have not been separately accounted for in the financial statements of OBU. These are accounted for directly in the main financial statements of the Bank.				
16.0 Provision for tax				
Provision for current and deferred tax have not been separately accounted for in the financial statements of OBU. These are accounted for directly in the main financial statements of the Bank.				
17.0 Retained earnings				
Balance as on 01 January	-	(46,453,350)	-	(17,627,125)
Addition during the year	58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
Effect of translation reserve	-	46,453,350	-	17,627,125
Transferred to main operation	58,026,931.77	6,382,962,495	20,673,498.23	2,135,510,346
Balance as on 31 December	-	(26,112,120)	-	(46,453,350)