



এম এম রহমান এড কোং
M M Rahman & Co.
Chartered Accountants



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***Auditors' Report and
Audited Financial Statements
of
Union Bank PLC.***

For the year ended December 31, 2023



**Independent Auditors' Report
 To the Shareholders of Union Bank PLC.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Union Bank PLC. (the "Bank") which comprises the Balance Sheets as at 31 December 2023 and the Profit and Loss Accounts, Statements of Changes in Equity and Cash Flow Statements for the period from January 01, 2023, to December 31, 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Bank give a true and fair view as at 31 December 2023, and of its financial performance and its cash flows for the period from January 01, 2023, to December 31, 2023, in accordance with International Financial Reporting Standards (IFRSs) as explained in Note 2.

Basis for Opinion

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

Key Audit Matters

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

The key audit matter	How the matter was addressed in our audit
Measurement of provision for Investment	
<p>The process for estimating the provision for investment associated with credit risk is significant and complex. For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous</p>	<p>We tested the design and operating effectiveness of key controls focusing on the provisioning process and identification of loss events including early warning indicator.</p> <p>Our substantive procedures in relation to the provision for investment were reviewing the adequacy of the provision requirements as per circulars and instructions given by Bangladesh Bank</p>



<p>databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At December 31, 2023, the Bank reported total gross investments of BDT 255,691,913,189 (2022: BDT 222,275,438,478) and the Bank reported provision for investments of BDT 6,716,000,000 (2022: BDT 6,121,400,000). Refer to note nos. 6 & 11.2 to the financial statements.</p>	<p>from time to time and communicated the provision requirements with the management and those charged with governance and</p> <p>the representatives of Bangladesh Bank, assessing the methodology on which the provision amounts are based, recalculating the provisions and tested the completeness and accuracy of the underlying information and</p> <p>finally assessing the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank's guidelines.</p>
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The key audit matter	How the matter was addressed in our audit
<p>Measurement of deferred tax assets</p> <p>The Bank have recognized deferred tax assets for deductible temporary difference that it believes are recoverable.</p> <p>We have determined this to be a key audit matter, due to the inherent uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences where significant judgement is involved.</p> <p>The Bank reports net deferred tax assets totaling to BDT 99,931,145 (2022: 105,734,209) as at 31 December 2023.</p> <p>Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years. Refer to the note no. 8.3 to the financial statements.</p>	<p>The Bank have recognized deferred tax assets for deductible temporary difference that it believes are recoverable.</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 deferred tax assets and assumptions used in estimating Bank's future taxable income.</p> <p>We assessed the completeness and accuracy of the data used for estimation of future taxable income. We also assessed the instruction given by Bangladesh Bank related to the deferred tax assets and checked it accordingly which was properly complied and reflected in the financial statements of the Bank.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 - Income Taxes and the instruction of Bangladesh Bank regarding DTA's.</p>

The key audit matter	How the matter was addressed in our audit
Recognition of Investment Income	
<p>Recognition of investment income has a significant and wide influence on financial statements. Recognition and measurement of investment income involve a complex IT environment as well as require critical estimates and judgement.</p> <p>We identify recognition of investment income from investments a key audit matter because investment income from investments one of the key performance indicators of the Bank 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>Moreover, as per Bangladesh Bank BRPD circular no. 53 dated 22 December 2022, considering future risk banks were allowed to recognize outstanding arrear investment income on loans where deferral facilities were given upon receiving at least the required percentage of cash from the borrowers.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> Reviewed transfer of investments to income account in line with the Bangladesh Bank's guideline. Reviewed the grounds for approval for the transfer of investment to the income account. <p>We performed tests of operating effectiveness on automated control in place to measure and recognize profit income.</p> <p>We have also performed substantive procedures to check whether profit income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>

The key audit matter	How the matter was addressed in our audit
Legal and regulatory matters	
<p>We focused on this area because 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 which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Bank's financial position.</p>	<p>We obtained an understanding, evaluated the design, and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. 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 provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>



The key audit matter	How the matter was addressed in our audit
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 keys 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).</p> <p>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. We inspected requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

Other Information

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

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

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

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 Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of financial statements of the Bank that give a true and fair view in accordance with IFRSs as explained in note 2, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended up to date) and the Bangladesh Bank's Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank.



The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Bank 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 investment benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, (amended up to date), the Securities and Exchange Rules 2020, the Bank Company Act 1991 (amended up to date), the Financial Reporting Act 2015, the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the *Auditor's Responsibility for the audit of the Financial statements* section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control, and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate.
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities (other than matters disclosed in these financial statements);
- (iii) in our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appeared from our examination of those books.
- (iv) the records and statements submitted by the branches have been properly maintained and in the financial statements.
- (v) the balance sheet and profit and loss account together with the annexed notes dealt with by the report agree with the books of account and returns.
- (vi) the expenditure incurred were for the purpose of the Bank's business for the year.
- (vii) the financial statements of the 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.



- (viii) provisions have been made for investment, other assets and off balance sheet as per Bangladesh Bank's DBI Letter No: DBI-7/4(4)/2024-364 dated April 22, 2024, which are in our opinion, doubtful of recovery as explained in Note 6.6 and 6.7;
- (ix) the information and explanations required by us have been received and found satisfactory.
- (x) we have reviewed over 80% of the Risk Weighted Assets of the Bank covering 14 branches as well as Head office and spent over 3,115 person hours; and
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) has been maintained as suggested by as per Bangladesh Bank's DBI Letter No: DBI-7/4(4)/2024-364 dated April 22, 2024, and as per DOS letter ref: DOS(CAMS)1157/41(Dividend)/2024-1713, dated April 25, 2024, which is explained in Note no. 12.4.

Name of Firm: **M M Rahman & Co.**
Chartered Accountants

Signature of the Auditor

Name of the Auditor:

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Mohammed Forkan Uddin FCA
Managing Partner
0886

DVC : 2404270886AS452851
Dhaka, Date : 25-04-2024

Enrolment No.:

Firm's FRC Enlistment No.

CAF-001-144

UNION BANK PLC.

BALANCE SHEET As at 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
PROPERTY AND ASSETS			
Cash	3	15,973,061,202	17,438,963,286
In hand (Including foreign currency)	3.1	1,589,598,131	1,516,455,312
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	14,383,463,071	15,922,507,974
Balance with other Banks and Financial Institutions	4.1	450,739,643	152,118,089
In Bangladesh		185,634,792	82,864,911
Outside Bangladesh		265,104,851	69,253,178
Placement with banks & Other Financial Institutions	4.2	4,942,053,359	4,942,053,359
Investments in Shares & Securities	5	10,222,510,658	10,273,676,172
Government		8,521,490,000	8,521,490,000
Others		1,701,020,658	1,752,186,172
Investments	6	255,691,913,189	222,275,438,478
General Investments etc.	6.A	254,855,856,229	221,503,076,683
Bills Purchased and Discounted	6.B	836,056,960	772,361,795
Fixed Assets Including Premises, Furniture and Fixtures	7	5,009,233,585	4,953,125,042
Other Assets	8	3,058,052,892	12,873,442,357
Non Banking Assets		-	-
Total Assets		<u>295,347,564,528</u>	<u>272,908,816,783</u>
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	9	27,725,119,843	27,183,042,310
Deposits and Other Accounts	10	225,585,372,764	213,375,297,519
Mudaraba Savings Deposits	10.1	9,900,330,085	9,572,233,722
Mudaraba Term Deposits	10.2	128,793,323,488	119,170,884,952
Other Mudaraba Term Deposits	10.3	48,605,195,389	47,351,317,059
Al-Wadia Current Accounts and Other Accounts	10.4	37,172,907,600	35,778,558,120
Bills Payable	10.5	1,113,616,202	1,502,303,666
Mudaraba Subordinated Bond		2,400,000,000	3,200,000,000
Other Liabilities	11	23,299,182,588	13,870,175,941
Total Liabilities		<u>279,009,675,195</u>	<u>257,628,515,770</u>
Capital/Shareholders' Equity			
Paid-up Capital	12.1	10,362,804,480	9,869,337,600
Statutory Reserve	13	3,675,520,635	3,028,782,768
Other Reserve	14	145,749,665	145,749,665
Retained Earnings	15	2,153,814,553	2,236,430,980
Total Shareholders' Equity		<u>16,337,889,333</u>	<u>15,280,301,013</u>
Total Liabilities and Shareholders' equity		<u>295,347,564,528</u>	<u>272,908,816,783</u>



UNION BANK PLC.

BALANCE SHEET

As at 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
OFF- BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		1,039,342,650	1,907,268,760
Letters of Guarantee	16	2,619,239,110	2,431,271,913
Irrevocable Letters of Credit	17	1,577,806,499	1,273,884,947
Bills for Collection	18	780,456,686	811,698,824
Other Contingent Liabilities		-	-
Total		6,016,844,945	6,424,124,444
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claims against the bank not acknowledged as debt		-	-
Other Commitments		-	-
Total		-	-
Total Off -Balance Sheet Items		6,016,844,945	6,424,124,444
Contingent Liabilities		6,016,844,945	6,424,124,444

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


Managing Director


Director


Director


Chairman

See annexed auditor's report of even date

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor



Name of the Auditor

Mohammed Forkan Uddin FCA
Managing Partner

Enrolment No.

886

DVC : 2404270886AS452851

Dhaka, Date : 25-04-2024

Firm's FRC Enlistment No:

CAF-001-144



UNION BANK PLC.


PROFIT AND LOSS STATEMENT

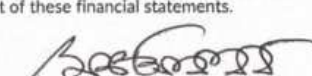
For the year ended 31 December 2023

Particulars	Notes	2023	2022
		Taka	Taka
OPERATING INCOME			
Investments Income	19	23,575,724,297	20,191,265,630
Profit Paid on Deposits	20	(16,269,879,630)	(13,962,509,942)
Net Investment Income		7,305,844,667	6,228,755,688
Income from Investment in Shares and Securities	21	526,614,574	414,689,799
Commission, Exchange and Brokerage	22	419,488,622	722,747,385
Other Operating Income	23	183,120,751	129,316,270
		1,129,223,947	1,266,753,454
Total Operating Income		8,435,068,614	7,495,509,142
Operating Expenses			
Salary and Allowances	24	2,000,356,444	1,893,706,683
Rent, Taxes, Insurances, Electricity etc.	25	659,494,738	400,469,741
Legal Expenses	26	5,521,826	4,837,460
Postage, Stamps, Telecommunication etc.	27	35,547,393	33,027,388
Stationery, Printings, Advertisements etc.	28	148,323,569	113,751,951
Chief Executives Salary and Fees	29	16,305,675	13,375,185
Auditors' Fees		345,000	345,000
Directors' Fees & Expenses	30	2,987,678	3,187,000
Shariah Supervisory Committee's Fees & Expenses	31	334,800	541,800
Depreciation and Repair of Bank's Assets	32	427,652,140	358,854,236
Zakat Expenses		82,000,000	66,100,000
Other Expenses	33	651,309,753	458,735,830
Total Operating Expenses		4,030,179,016	3,346,932,274
Profit/(Loss) before Provision and tax		4,404,889,598	4,148,576,868
Provisions for Classified Investments	11.2.a	660,000,000	703,946,000
Provisions for Unclassified Investments	11.2.a	14,541,340	203,000,000
Provisions for Off Balance Sheet Items	11.2.a	-	80,000,000
Special General Provisions for Covid - 19	11.2.a	-	-
Other Provisions		478,058,924	50,439,005
Provisions for Other Assets		3,600,000	40,400,000
Provisions for diminution in value of investment in share	11.5	15,000,000	-
Total Provisions		1,171,200,264	1,077,785,005
Total Profit/(Loss) before Tax		3,233,689,334	3,070,791,863
Provision for Income Tax			
Current Tax expenses	11.1	1,620,000,000	1,565,120,365
Deferred Tax expenses / (Income)	8.3.1	5,803,064	(7,829,870)
		1,625,803,064	1,557,290,495
Net Profit/(Loss) after Tax		1,607,886,270	1,513,501,368
Retained Earnings from Previous Year		2,236,430,980	1,860,824,892
Add: Net Profit/(Loss) after Tax		1,607,886,270	1,513,501,368
Profit available for Appropriation		3,844,317,250	3,374,326,260
Appropriations:			
Statutory Reserve	13	646,737,867	614,158,373
Start-up Fund		16,078,863	15,135,014
CSR Fund		16,078,863	15,135,014
Stock Dividend		493,466,880	-
Cash Dividend		518,140,224	493,466,880
Retained earnings		2,153,814,553	2,236,430,980
		3,844,317,250	3,374,326,260
Earnings Per Share (EPS)	35	1.58	1.57

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


Managing Director


Director


Director


Chairman

See annexed auditor's report of even date

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor



Name of the Auditor

Mohammed Forkan Uddin FCA
Managing Partner

Enrolment No.

886

Firm's FRC Enlistment No:

CAF-001-144

DVC : 2404270886AS452851

Dhaka, Date : 25-04-2024



UNION BANK PLC.
CASH FLOW STATEMENT
For the year ended 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
A. Cash Flow from Operating Activities			
Investments income receipts		23,724,869,067	20,262,389,080
Profit paid on deposit		(15,442,164,120)	(13,962,989,215)
Fee and Commission receipts		419,488,622	722,747,385
Dividend receipts		3,407,496	180,000
Payments to employees		(2,015,937,184)	(1,897,739,255)
Payments to suppliers		(148,323,569)	(113,751,951)
Income tax paid		(891,395,465)	(1,542,493,668)
Receipts from other operating activities	38	183,120,751	129,316,270
Payments for other operating activities	39	(1,500,836,028)	(1,117,715,417)
Operating Profit before changes in Operating Assets & Liabilities		4,332,229,570	2,479,943,229
Changes in Operating Assets & Liabilities			
(Increase)/ Decrease Investments to Customers		(33,416,474,711)	(28,453,157,997)
(Increase)/ Decrease of Other Assets	40	10,183,648,710	(1,256,700)
Increase/ (Decrease) Deposits from Customers		12,210,075,245	13,145,502,990
Increase/ (Decrease) of Other Liabilities	41	6,410,718,873	(511,440,360)
		(4,612,031,883)	(15,820,352,067)
Net Cash Flow from Operating Activities		(279,802,313)	(13,340,408,838)
B. Cash Flow from Investing Activities			
Payments to Investment in Shares and Securities		51,165,514	1,756,743,828
Purchases of Property, Plant and Equipment		(162,581,040)	(230,548,119)
Net Cash Used in Investing Activities		(111,415,526)	1,526,195,709
C. Cash Flow from Financing Activities			
Receipts from issuance of Mudaraba Subordinated Bond		(800,000,000)	(800,000,000)
Increase/(Decrease) in Share Capital		-	4,280,000,000
Increase/(Decrease) in Other reserve		-	-
Dividend Paid		(518,140,224)	(459,826,272)
Increase/(Decrease) in Placement from Banks & other Financial Institutions		542,077,533	17,149,292,660
Net Cash Flow from Financing Activities		(776,062,691)	20,169,466,388
D. Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C)		(1,167,280,530)	8,355,253,259
E. Add/(Less): Effect of Exchange Rate on Cash & Cash Equivalents		-	-
F. Beginning Cash & Cash Equivalents		22,533,134,734	14,177,881,474
G. Ending Cash & Cash Equivalents (D+E+F)		21,365,854,204	22,533,134,734
The above closing Cash and Cash Equivalents include:			
In hand (Including foreign currency)	3.1	1,589,598,131	1,516,455,312
Balance with Bangladesh Bank and its agent bank(s)	3.2	14,383,463,071	15,922,507,974
Balance with other Banks and Financial Institutions	4.1	450,739,643	152,118,089
Placement with banks & Other Financial Institutions	4.2	4,942,053,359	4,942,053,359
		21,365,854,204	22,533,134,734

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


Managing Director


Director


Director


Chairman

Place: Dhaka, Bangladesh
Dated: 25 April 2024



UNION BANK PLC.
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2023

Particulars	Paid-up Capital Taka	Statutory Reserve Taka	Other Reserve Taka	Retained Earnings Taka	Total Taka
Balance as on 01 January 2023	9,869,337,600	3,028,782,768	145,749,665	2,236,430,980	15,280,301,013
Surplus/Deficit on account of revaluation of properties	-	-	-	-	-
Surplus/Deficit on account of revaluation of investments	-	-	-	-	-
Currency Translation Differences	-	-	-	-	-
Net Gains and Losses not Recognized in the Profit and Loss Statement	-	-	-	-	-
Net Profit for the year	-	-	-	1,607,886,270	1,607,886,270
Dividends					
Stock	-	-	-	(493,466,880)	(493,466,880)
Cash	-	-	-	(518,140,224)	(518,140,224)
Transfer to Statutory Reserve	-	646,737,867	-	(646,737,867)	-
Transfer to Start-up Fund	-	-	-	(16,078,863)	(16,078,863)
Transfer to CSR Fund	-	-	-	(16,078,863)	(16,078,863)
Transfer to Retained Earnings	-	-	-	-	-
Issue of Share Capital during the year	493,466,880	-	-	-	493,466,880
Balance as on 31 December 2023	10,362,804,480	3,675,520,635	145,749,665	2,153,814,553	16,337,889,333
Balance as on 31 December 2022	9,869,337,600	3,028,782,768	145,749,665	2,236,430,980	15,280,301,013


Managing Director


Director


Director


Chairman

Place: Dhaka, Bangladesh
Dated: 25 April 2024



UNION BANK PLC.

LIQUIDITY STATEMENT (ASSETS AND LIABILITY MATURITY ANALYSIS)
As at 31 December 2023

Particulars	Up to 01 month	01-03 months	03-12 months	01-05 years	More than 05 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Assets						
Cash	8,486,561,202	-	-	-	7,486,500,000	15,973,061,202
Balance with banks & Other Financial Institutions	450,739,643	-	-	-	-	450,739,643
Placement with banks & Other Financial Institutions	3,512,053,359	1,430,000,000	-	-	-	4,942,053,359
Investments in Shares and Securities	-	1,829,910,658	2,421,100,000	4,971,500,000	1,000,000,000	10,222,510,658
Investments	51,902,900,000	61,103,700,000	124,614,213,189	7,789,500,000	10,281,600,000	255,691,913,189
Fixed Assets including Premises, Furniture & Fixtures	-	-	-	445,837,061	4,563,396,524	5,009,233,585
Other Assets	1,327,300,000	1,340,000,000	390,752,892	-	-	3,058,052,892
Non-banking Assets	-	-	-	-	-	-
Total Assets	65,679,554,204	65,703,610,658	127,426,066,081	13,206,837,061	23,331,496,524	295,347,564,528

Liabilities						
Placement from Banks & Other Financial Institutions	22,556,900,000	3,678,400,000	1,489,819,843	-	-	27,725,119,843
Deposits and Other Accounts	23,168,600,000	69,248,500,000	71,700,972,764	53,878,700,000	7,588,600,000	225,585,372,764
Mudaraba Subordinated Bond	-	200,000,000	600,000,000	1,600,000,000	-	2,400,000,000
Other Liabilities	7,379,000,000	1,769,200,000	4,727,300,000	2,271,482,588	7,152,200,000	23,299,182,588
Total Liabilities	53,104,500,000	74,896,100,000	78,518,092,607	57,750,182,588	14,740,800,000	279,009,675,195
Net Liquidity Gap	12,575,054,204	(9,192,489,342)	48,907,973,474	(44,543,345,527)	8,590,696,524	16,337,889,333


Managing Director


Director


Director


Chairman



Place: Dhaka, Bangladesh
Dated: 25 April 2024

UNION BANK PLC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

1.00 The Bank and its activities

1.01 Status of the Bank

Union Bank PLC. is one of the fourth generation private commercial bank in Bangladesh. The Bank has incorporated (Inc. no. C-107837) on March 07, 2013 as a Public Limited Company under the Companies Act, 1994 (Act No.18 of 1994) and also is governed by the Bank Company Act, 1991 (Amendment up to 2023). The Bank has raised paid-up capital through Initial Public Offering (IPO) under fixed price method and listed Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC on January, 2022. Union Bank PLC. has started its debut trading with both Stock Exchange on January 26, 2022 as a listed company.

Particulars	Dhaka Stock Exchange PLC.	Chittagong Stock Exchange PLC.
Trading name	UNIONBANK	UNIONBANK
Company ID	11152	22036
Subscription Date	December 26, 2021- December 31, 2021	December 26, 2021- December 31, 2021
Listing Year	18-Jan-22	17-Jan-22
Debut Trading	26-Jan-22	26-Jan-22
Market Category	B	B
Electronic Share	Yes	Yes

The registered office of the Bank is located at Bahela Tower, 72 Gulshan Avenue, Gulshan-1, Dhaka-1212.

1.02 Nature of business/principal activities of the Bank

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Sharia'h, the provisions of the Bank Company Act 1991 and Bangladesh Bank's directives.

The bank renders commercial banking services to all types of customers. The range of services offered by the bank includes accepting deposit, making investment, discounting bills, conducting domestic and international money transfer, carrying out foreign exchange transactions in addition to international money transfers, and offering other customer services such as safe keeping, collections and issuing guarantees, acceptances and letters of credit. Core business of the bank includes deposit mobilization and investing activities comprising short-term, long-term, import and export financing. Financing activities are extended to different sectors of the economy that could be grouped into several sectors including Rural & Agriculture, Garments & Textiles, Jute, Cement & Bricks, Tannery, Steel & Engineering, Food & Beverage, Chemical & Pharmaceuticals, Printing & Packaging, Glass & Ceramics and Miscellaneous.

At a glance, the principal activities of the bank are:

- (a) To facilitate and handle all kinds of commercial banking services to its customers authorized by Bangladesh Bank.
- (b) To facilitate the export and import business of Bangladesh.
- (c) To take part in international banking services etc.



2.00 Significant accounting policies and basis for preparation of Financial Statements

2.01 Statements of Compliance

The financial statements of the Bank are made up to 31 December 2023 and are prepared under the historical cost convention on a going concern basis and in accordance with the BRPD Circular # 15 dated 09 November 2009, with reference to the " First Schedule of Section 38(4) of the Bank Company Act 1991 as amended and by Bangladesh Bank BRPD Circular # 14 dated 25 June 2003, Other Bangladesh Bank Circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Bank Company Act 1991, The Income Tax Act, 2023 (Act No. XII of 2023), the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and other laws and rules applicable in Bangladesh.

2.01.1 Departures from IAS/IFRS

In case the requirements of guidelines and circulars issued by Bangladesh Bank differ with those of other regulatory authorities and International Financial Reporting Standards (IFRSs), the guidelines and circulars issued by Bangladesh Bank prevails. 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. Provision on investments and off-balance sheet exposures

IAS/IFRS: As per IFRS 9 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012, BRPD circular No. 05 dated 29 May 2013 and BRPD circular No. 16 dated 18 November 2014 a general provision at 0.25% to 5% 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 (except short-term agricultural and micro-credits where 5% for sub-standard and doubtful investments and 100% for bad & loss investments) depending on the duration of overdue. Again as per BRPD Circular No.14 dated 23 September 2012 and BRPD Circular No.19 dated 27 December 2012, a general provision at 1%, 0.50% is required to be provided for all off-balance sheet exposures but 0% against bills for collection under off-balance sheet exposures as per BRPD Circular no. 07 dated 21 June 2018, circular no 13 dated October 18, 2018 and circular no. 06 dated 25 April 2023. Such provision policies are not specifically in line with those prescribed by "IAS 39 "Financial Instruments: Recognition and Measurement".

ii. Recognition of investment income in suspense

IFRS: Loans and advances to customers are generally classified as "loans and receivables" as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired , interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

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 recognized as income, rather the corresponding amount needs to be credited to profit suspense account, which is presented as liability in the balance sheet.



iii. Investment in shares and securities

IAS/IFRS: As per requirements of IFRS 9 investment in shares and securities generally falls under "Amortized cost", "fair value through profit or loss" or "fair value through other comprehensive income" where any change in the fair value at the year-end is taken to profit or loss account or other comprehensive income/revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

iv. Revaluation gains/losses on Government securities

IAS/IFRS: : As per requirement of IFRS 9 where T-bills and T-bonds will fall under the category of "held for trading", any change in the fair value of held for trading assets is recognized through profit or loss. T-bills/bonds designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit and loss account.

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

v. Other comprehensive income

IAS/IFRS: As per IAS 1 "Presentation of Financial Statements" 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 statement.

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 statements of changes in equity.

vi. Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 is not made in the accounts.

vii. Financial guarantees

IAS/IFRS: : As per IFRS 9, financial guarantees are contracts that require an entity to make specified payments to reimburse to 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 recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within Other Liabilities.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.



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

IAS/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.

ix. Cash flow statement

IAS/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 statements is to be prepared following a mixture of direct and indirect methods.

x. Non-banking asset

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

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, there must exist a face item named Non-banking asset.

xi. Presentation of intangible asset

IAS/IFRS: An intangible asset must be identified and recognized, 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.

xii. Recognition of Lease Rent of the Office premises

IAS/IFRS: As per IFRS 16, specifies single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a leased liability representing its obligation to make lease payments.

Bangladesh Bank : As per BRPD circular no. 14 dated 25 June 2003 (First Schedule of under section 38 of Banking Company Act, 1991, lease rent of the office Premises must be shown in the Profit and Loss account under "Rent, taxes, insurance, electricity etc."

(f) Income Tax Act 2023: According to section 53A of the act, where any specified person is a tenant/lessee in respect of a house property, the tenant has obligation to deduct tax from the rent of such house property which is preclude to treat it's shown Asset (right-of-use asset) and the lease liability instead of as direct expense.

VAT Act, 2012 : According to VAT S-074 (Place and establishment renter) refer to any person, Organization or Corporation, who or whose has got the right to use of the place and establishment for certain period or renewal after period expire against consideration. VAT will be payable on basis of use of place and establishment for such period.

xiii. Off-balance sheet items

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



Bangladesh Bank: As per BRPD 14 dated 25 June 2003, BRPD 15 dated 09 November 2009, and BRPD Circular no. 06 dated 25 April 2023, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xiv. Investments net of provision

IAS/IFRS: Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, provision on investments is presented separately as liability and cannot be netted off against investments.

xv. Revenue

As per IFRS 15 "Revenue from Contract with Customers", 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 Ijarah modes is accounted for on realization basis as per AAOIFI and Bangladesh Bank guidelines.

2.01.2 Authorization of the financial statements for issue

The financial statements of the Bank have been authorized for issue by the Board of Directors on 25 April 2024.

2.01.3 Changes in accounting standards

No new International Financial Reporting Standards (IFRSs) have been adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRSs) during the year that are effective for the first time for the financial year 2018 that have a significant impact on the Bank Company and accordingly no new accounting standards have been applied in preparing these financial statements.

2.01.4 Prior period adjustments

Prior period adjustments, if any, is recognized respectively as per IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.02 Basis of Preparation of Financial Statements

The Financial Statements of Union Bank PLC. represent Balance Sheet and Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity and Liquidity Statement which comprise of the financial information/ transaction of all branches. All significant inter-branches transactions are eliminated on preparation of these financial statements.

2.03 Use of estimates and Judgements

In the preparation of the financial statements management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

2.04 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.



2.05 Accruals and Deferrals

Accruals and deferrals have been made as per the guidance of IAS # 1: Presentation of Financial Statements. In order to meet their objectives, financial statements except for Cash Flow Statement and related information are prepared on accrual basis of accounting. Under this basis, the effects of transactions and other events are recognized when they occur (and not when cash or its equivalent is received or paid) and they are recorded in accounts and reported in the financial statements of the year to which they relate.

2.06 Revenue Recognition

The revenues during the year are recognized on an accrual basis, which comply with the conditions of revenue recognition as provided in IFRS 15 "Revenue from Contract with Customers".

2.06.1 Income from Investments

Income from investments has been accounted for on accrual basis except investment under Musharaka, Mudaraba and Bai-Salam. Income in case of Musharaka is accounted for on realization basis. The bank does not charge any rent during the gestation/interim period of investment under hire purchase, but it fixes the rent of the assets at a higher price in such a way to cover its expected rate of return. Such income is recognized on realization basis.

Income was calculated on daily product basis and charged periodically.

2.06.2 Income from Investments in Share and Securities

Investment in shares and securities are recorded at cost. Provisions have been made against probable losses on the basis of year end reviewed by the management and in compliance with Bangladesh Bank circulars.

As per IFRS 15 "Revenue from Contract with Customers" dividend income from investments in shares is recognized when the "Bank's" right to receive dividend is established. Bank recognized dividend income when:

- a. It is probable that economic benefits, associated with transaction will flow to the entity; and
- b. The amount of the revenue can be measured reliably.

Gain on sale of shares transferred to other income on realization basis.

Profit on investment in Bangladesh Govt. Islamic Investment Bond is recognized on accrual basis.

2.06.3 Commission Income

Commission and discount on Bills Purchased and Discounted are recognized at the time of realization. Commission charged to customers on letter of credit and guarantees are credited to income at the time of effecting the transactions.

2.06.4 Profit/Rent/Compensation Suspense Account prohibited by Sharia'h

Profit/rent/compensation accrued on classified investments are suspended and accounted for as per circulars issued by the Bangladesh Bank. Moreover, income which are irregular (doubtful) as per Sharia'h are not included in the distributable income of the Bank.

Compensation on unclassified overdue Bai-Murabaha investments is charged as per Islamic Sharia'h such compensation is not shown as income of the Bank. This fund is transferred to Union Bank Foundation as per policy of the Bank.

Profit received from the balances held with foreign banks and foreign currency charging account with Bangladesh Bank are also not credited to regular income since it is not permissible as per Sharia'h.

2.06.5 Profit paid and Other Expenses

Profit paid and other expenses incurred by the Bank are recognized on accrual basis.



2.06.6 Dividend Payments

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders. The proposed dividend for the year ended 31 December 2023 has not been recognized as a liability in the balance sheet in accordance with the IAS # 10: Events After the Balance Sheet Date.

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 payment is established.

Statement of Unclaimed Cash Dividend

Cash Dividend for the year 2021	33,061,528
Cash Dividend for the year 2022	32,094,560
Total	65,156,088

2.07 Foreign Currency Transactions

2.07.1 Foreign Currency

Items included in the financial statements of each entity of the bank are measured using the currency of the primary economic environment in which entity operates i.e. functional currency. The financial statements of the bank are presented in Taka which is bank's functional and presentation currency.

2.07.2 Foreign Currency Translations

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per IAS # 21. Assets and liabilities in foreign currencies as at 31 December 2023 have been converted into Taka currency at the average of the prevailing buying and selling rates of the concerned foreign currencies at that date except "balances with other banks and financial institutions" which have been converted as per directives of Bangladesh Bank vide its circular no BRPD(R) 717/2004-959 dated 21 November 2004.

2.07.3 Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date. The outstanding balances for the same as at 31 December 2023 have been shown in the Balance Sheet under Off-Balance Sheet items.

Exchange rates with major foreign currencies as on 31 December 2023 were as:

Currency Name	Exchange Rate (Taka)
USD	109.5000
Euro	130.9691
JPY	0.8365
ACU	109.7500
GBP	142.4296
CHF	130.5527
SGD	83.3155
AUD	75.2756
CAD	83.1635



2.07.4 Translation gains and losses

As per provision of IAS # 21: The Effects of Changes in Foreign Exchange Rates, foreign currency transactions are translated into Taka at rates prevailing on the dates of such transactions. The resulting exchange transaction gains and losses arising through foreign currency buying and selling transactions effected on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account.

2.08 Assets and their basis of valuation

2.08.1 Cash and Cash Equivalents

As per provision of IAS # 7 Cash Flow Statements of Banks and Similar Financial Institutions for the purpose of the cash flow statement, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including: cash and balances with central banks, treasury bills, and other eligible bills, amounts due from other banks and dealing securities other than those which are not available to finance the UBL day to day operations.

2.08.2 Investments

a) Investments are stated in the balance Sheet at the net amount excluding unearned income and profit receivable.

b) Provision for Investments Impairment:

As per instructions contained in Bangladesh Bank's BRPD circular no. 14, dated September 23, 2012, BRPD circular no. 05, dated May 29, 2013, BRPD circular no. 08, dated August 02, 2015, BRPD circular no. 12, dated August 20, 2017, BRPD circular no. 15, dated September 27, 2017, BRPD Circular no. 01, dated February 20, 2018, BRPD Circular no. 07, dated June 21, 2018, BRPD Circular no. 13, dated October 18, 2018, BRPD Circular no. 03, dated April 21, 2019, BRPD Circular no.16, dated July 21, 2020, BRPD Circular no. 52, dated October 20, 2020 BRPD Circular no. 14, dated June 22, 2022, BRPD Circular no. 51, dated December 18, 2022 and BRPD Circular no. 53, dated December 22, 2022, BRPD Circular no. 03 dated February 02, 2023, BRPD Circular no. 06 dated April 25, 2023 respectively specific provisions are made against non performing investments are at the following rates:

Particulars	Rates
Provision on Substandard Investments:	
Cottage, Micro, Small and Medium Enterprise (CMSME)	5%
Other than Cottage, Micro, Small and Medium Enterprise (CMSME)	20%
Provision on Doubtful Investments:	
Cottage, Micro, Small and Medium Enterprise (CMSME)	20%
Other than Cottage, Micro, Small and Medium Enterprise (CMSME)	50%
Provision on Bad & Loss Investments	100%

As per instructions of BRPD circular nos. 14, 05, 08, 12, 15, 07, 13, 03, 16, 52, 14, 03, 06 dated September 23, 2012, May 29, 2013, August 02, 2014, August 02, 2015, August 20, 2017, September 27, 2017, February 20, 2018, June 21, 2018, October 18, 2018, April 21, 2019, July 21, 2020, October 20, 2020, June 22, 2022, February 02, 2023 and April 25, 2023 respectively and BRPD Circular letter no. 51 & 53 dated December 18, 2022 & December 22, 2022 an amount has been set aside up of the total unclassified investments as on the balance sheet date at the following rates:



General Provision on:

Particulars	Rates
• All Unclassified Investments of Small and Medium Enterprise (SME)	0.25%
• All Unclassified Investments (Other than investments under Consumer Financing, SME Financing, Housing Finance, Investment to professionals to set up business, Investment to Brokerage Houses, Merchant Banks, Stock Dealers etc.,)	1.00%
• Unclassified Consumer Financing (Other than Housing Finance and Investment for Professionals to set up business)	2.00%
• Unclassified Investment to Housing Finance	1.00%
• Unclassified Investment for Professionals to set up business under Consumer Financing Scheme	2.00%
• Unclassified Investment to Brokerage House, Merchant Banks, Stock dealers, etc.	2.00%
• Special General Provision - COVID - 19:	
CMSME	1.50%
Other than CMSME	2.00%
COVID - 19	1.00%

Provision for Short-term Agricultural and Micro-Credits:

Particulars	Rates
• All unclassified investments (irregular & regular)	1.00%
• Classified as "Sub-Standard" & "Doubtful"	5.00%
• Classified as "Bad/Loss"	100.00%

Provision for Off-Balance Sheet Exposures

Contingent Liabilities	Provisioning requirement (% of the exposure amount)
A. Contingent Liabilities:	
i) Acceptances and Endorsements	1.00%
ii) Letters of Guarantee:	
Provisioning requirement against letters of guarantee	1.00%
Considering the risk mitigating effect of guarantees against which government has issued counter-guarantee: banks will not have to maintain any provision against such guarantees	NIL (0%)
The provisioning requirement for the bank guarantees, against which a counter guarantee has been issued, is stated as follows:	

BB rating grade equivalence of the Bank/financial institution/organization providing the counter-guarantee	
1	NIL
2	0.50%
3 or 4	0.75%
iii) Irrevocable Letters of Credit:	
Short-term self-liquidating trade L/C:	0.50%
Other LCs including L/C used as guarantee or confirmation:	1.00%
iv) Bills for Collection:	NIL
v) Other Contingent Liabilities:	
With an original maturity up to one year:	0.50%
With an original maturity over one year:	1.00%
B. Other Commitments:	

Unconditionally cancellable	NIL
With certain drawdown	1.00%
Others with an original maturity up to one year	0.50%
Others with an original maturity over one year	1.00%

C. Additional provisioning:		
OBS exposures remaining overdue for	03 (three) months or beyond but less than 12 (twelve) months.	1%
	12 (twelve) or beyond but less than 24 (twenty four) months.	2%
	24 (twenty four) months or beyond.	5%
In case of OBS exposure under litigation, banks have to maintain additional provision over the provision requirement mentioned above		5%

c) When an investment is deemed to be uncollectible, it is written off against the related provision for impairments. Subsequent recoveries of such investments are credited to the income statement.

d) Investment are normally written off, when there is no chance of recovery of these amounts in accordance with BRPD Circular no. 01, Dated 06 February 2019. A separate Special Asset Management Division (SAMD) has been set up at the Head Office, which monitors investment Written-off and legal action through the Money Court. The process of Write-offs does not undermine or affect the amount claimed against the borrower by the Bank.

2.08.3 Investment in shares and securities

Investment in shares and securities (other than government treasury securities) are initially measured at fair value (which is actually the cost) and subsequently accounted for depending on their classification as either held to maturity, fair value through profit or loss, or available for sale.

Investment in Bangladesh Government Islamic Investment Bond (BGIIB) is measured both initially and subsequently at cost, which is also the fair value.

2.08.3.1 Valuation Method

Considerable value of Investments has been considered as follows:

Particulars	Valuation Method
Bangladesh Government Islamic Investment Bonds	Cost Price
Shares	Cost Price

2.08.4 Off setting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.08.5 Property, Plant and Equipment

All property and equipment are classified and grouped on the basis of their nature as required in as per provision of IAS # 16: Property, Plant and Equipment.

The major categories of property and equipment held by the bank are furniture and fixtures, office equipment's, motor vehicles and books.



As guided in paragraph 30 of IAS # 16 Property Plant and Equipment: all property and equipment are stated at historical cost less accumulated depreciation. The opening and closing carrying amounts of all property and equipment are presented including the amount of additions, disposals and depreciation charged during the year as required IAS # 16. Maintenance expenses that does not increase the value of assets is charged to profit & loss account.

Depreciation on Property, Plant and Equipment

As required in paragraph 43 of IAS # 16 Property Plant and Equipment depreciation has been charged on property and equipment at the following rates using reducing balance method, except on office equipment, motor vehicles on which straight-line method is applied.

Nature of Assets	Rate	Method of Depreciation
Land	Nil	Not Applicable
Furniture and Fixtures	10%	Reducing Balance Method.
Office Equipment	20%	Reducing Balance Method except Computer Equipment where used Straight Line Method.
Vehicles	20%	Straight Line Method.
Books	20%	Reducing Balance Method.

Depreciation on addition to fixed assets is charged in compliance with International Accounting Standard (IAS) # 16.

2.08.6 Leases

IFRS 16 Leases, defines a lease as "A contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration". In order for such a contract to exist the user of the asset needs to have the right to:

- * Obtain substantially all the economic benefits from the use of asset (identifiable asset)
- * The right to direct the use of asset

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition the bank assesses whether the contract meets two key evaluations which are whether:

- * the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank.
- * the Bank has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Bank has the right to direct the use of the identified asset throughout the period of use. The bank assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

The Bank depreciates the right-of-use assets on a straight-line basis over the remaining useful life of the asset. The Bank also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.



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.

2.09 Statutory Reserve

As per section 24 of Bank Company Act 1991 (amended up to 2023), at least 20% of the profit before tax is transferred to the statutory reserve each year until the balance of the reserve equates with the paid-up capital.

2.10 Liabilities and Provisions

2.10.1 Taxation

Tax expenses represent the sum of the tax which are payable during the current period.

2.10.1.1 Current Tax

Provision for corporate current income tax has been made @ 37.50% as prescribed in the Finance Act 2023 of 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 in compliance with IAS # 12: Income Taxes.

2.10.1.2 Deferred Tax

Deferred tax is recognized in compliance with IAS 12 "Income Taxes" and BRPD Circular no. 11 dated 12 December 2011, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of balance sheet. Deferred tax assets and liabilities are offset as there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each date of balance sheet and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. As shown in note no. 8.3.1

2.10.2 Retirement Benefits of Employees

Required in IAS # 19: Employee Benefit, provident fund and gratuity benefits are given to eligible employee of the bank in accordance with the locally registered rules and the entity shall disclose the amount recognized as an expense for defined contribution plan.

2.10.2.1 Provident Fund

Provident fund benefits are given to employees of Union Bank PLC. in accordance with the locally registered Provident Fund Rules. The employees' provident fund is administered by a Board of Trustees and is funded by contributions of employees and the Bank at predetermined rates in equal proportion. These contributions are invested separately from the assets of UBL and the profit on such contributions credited to the members' account. The Fund is recognized by the National Board of Revenue (NBR) vide their letter # PFR(UBL)/LTU/2013-2014/1057(1-3) dated 30/04/2014.



2.10.2.2 Gratuity

The Company operates an unfunded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits if his/her length of service is at least seven (07) years. Adequate provision has been made for gratuity in line of IAS # 19 "Employee Benefits". The Fund is recognized by the National Board of Revenue (NBR) vide their letter No. 08.01.0000.035.02.0043.2016/28 dated 02/04/2017.

2.10.2.3 Employees' Social Security & Benevolent Fund (ESSBF)

The Bank operates a Employees' Social Security & Benevolent Fund (ESSBF) by all regular employees' contribution for the sake of death and disability of employees.

2.10.2.4 Employees Group Life Insurance Fund

The bank makes Employees Group Life Insurance Fund commence with effect from 01 January 2020. The purpose of the fund is to provide medical and death cum survival benefit in lieu of group insurance (death cum endowment). The fund shall be subscribed by the employees on Yearly basis and with the contribution of the Bank.

2.10.2.5 Death Risk Coverage Scheme (DRCS)

The bank operates a Death Risk Coverage Scheme (DRCS) in Employee House Building Investment Scheme (EHBIS) with following objectives:

- a). To ensure 100% repayment of EHBIS of the Bank even in the case of death/disability, staying the Bank away from the threat of any financial loss due to non-repayment hazards.
- b). To cushion the bereaved/disabled families of the employees of the Bank from the burden of paying EHBIS installment from their own in the event of death/disability case.

2.10.2.6 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. But the provision for WPPF as per Bangladesh Labour Act 2006 as amended 2013 contradicts with the Bank Company Act 1991, section 11 sub section b(ii). As such the Bank did not make any provision during the year for WPPF.

2.10.3 Deposits and Other Accounts

Deposit include non-profit bearing deposits, saving deposits, term deposits etc. They are brought to account at the gross value of the outstanding balance. Profit paid is charged to the Income Statement.

2.10.4 Contingent Liabilities, Commitments and Other Off-Balance Sheet items

As required in IAS # 37, Contingent Liabilities, commitments and other Off-Balance Sheet items are presented in details in the financial statements as per BB Circular no. BRPD 14 Dated 25 June 2003 and BRPD -15 Dated 09 November 2009.

2.10.5 Sharing of Investment Income

In case of investments, 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-determined ratio fixed by the bank.



2.10.6 Zakat

Zakat is paid by the bank at the rate of 2.58% (instead of 2.50% as the bank maintains its account following Gregorian year) on the closing balances of share premium, statutory reserve, general reserve and exchange equalization account. Payment of zakat on paid up capital and deposits is the responsibility of the shareholders and depositor's respectively.

2.11 Others

2.11.1 Cash Flow Statement

Cash Flow Statement is prepared in accordance with IAS 7 "Statement of Cash Flows", and as per "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 financial year.

2.11.2 Liquidity Statement

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

- Balance with other Banks and financial institutions are on the basis of their maturity term;
- Investments are on the basis of their respective maturity and repayment schedule;
- Fixed assets are on the basis of their useful lives;
- Other assets are on the basis of their realization / amortization;
- Borrowing from other Banks, financial institutions and agents, etc. are as per their maturity / repayment term;
- Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors;
- Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.11.3 Comparative Information

As guided in paragraph 36 and 38 of IAS # 1 presentation of financial statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

2.11.4 Earnings Per Share (EPS)

2.11.4.1 Basic Earnings Per Share

Earnings per share have been calculated in accordance with IAS # 33 "Earnings Per Share" (EPS) which has been shown on the face of profit and loss account. These have been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.11.4.2 Diluted Earnings Per Share

No Diluted Earning per share is required to calculate for the year as there was no such component existed during the year under review.

2.11.5 Functional and Presentation Currency

The financial statements are presented in Bangladesh Taka (BDT).



2.12 Risk Management

Risk is an inherent part of banking business. Through issuing and adopting risk management policies, UBL continues to focus on improving its risk management systems and practicing same in its day to day business operation. UBL conducts its risk management activities by following Bangladesh Bank risk management guidelines, circulars, instructions, core risk management guidelines, bank's internal comprehensive risk management guidelines and Basel-III accord; etc. as amended from time to time. As per directive of Bangladesh Bank, UBL established a separate Risk Management Division (RMD) to identify, monitor and manage evolving risks effectively and efficiently.

Key risk management areas of the bank are described below:

2.12.1 Investments Risk

Investment risk is one of the major risks of the banks which can be described as potential losses arising from the failure of counterparty to perform according to the agreed terms. The failure may result from unwillingness of the counterparty or decline due to economic condition, market situation etc. Macro level investment risk management issues cover sectoral concentration, industry-wise concentration, area concentration, non-performing/classified investments, provisioning, top-20 borrower concentration, single borrower exposure limit, forced investment, status of top-20 defaulters, status of law suit, status of provisioning against classified investments, error in valuation of collateral, documentation lapses, recovery from overdue investments, rescheduled/restructured/ written-off investment, status of credit rating of eligible corporate and SME clients; etc. To manage investments risk, the bank applies investment limits to its customers and obtains adequate collaterals. Investments risks are monitored, reviewed and analyzed by the Investment Committee (IC), Investment Risk Management Committee (IRMC), Executive RISK Management Committee (ERMC), Board Risk management committee (BRMC) and Board of Directors at a regular interval in its meetings.

2.12.2 Foreign Exchange Risk

Foreign Exchange Risk is defined as the potential change in earnings arising due to change in market prices. Foreign exchange risk arises due to unexpected movement of market price of the holding of currencies or the price of the assets denominated in foreign currencies. Macro level FEx risk covers open position risk, exchange rate, violation of dealer's limit and loss for the violation, un-reconciled nostro account, non-repatriation of export bills and overdue accepted bills; etc. Union Bank PLC. has a well-developed and structured Foreign Exchange Risk Manual for effective and efficient risk management. In order to mitigate the risk, bank follows related directives as issued by Bangladesh Bank from time to time.

2.12.3 Asset Liability Management Risk

Asset Liability Management is the key success of any financial intermediary especially for Banks. Asset Liability Management (ALM) can be defined as a mechanism to address the risk faced by a bank due to a mismatch between rate sensitive assets and liabilities either due to liquidity or changes in profit/interest rates. Asset-Liability Committee (ALCO) of the bank monitors balance sheet risk and liquidity risks of the bank. The balance sheet risk encompasses most part of the asset-liability and deal with change in earnings due to change in rate of profit, foreign exchange rates which are not of trading nature. On the other hand, liquidity risk can be defined as the risk or chance of failure to meet up any withdrawal /disbursement request by a counterparty/customer. ALCO reviews source of fund and application of fund, day to day liquidity requirement, the maturity of assets and liabilities, deposits and investments pricing strategy and the liquidity contingency plan. The primary objective of the ALCO is to monitor and avert significant volatility in Net Investment Income (NII), investment value and exchange earnings for the purpose of taking future action plan for better interest of the Bank.

2.12.4 Money Laundering and Terrorist Financing Risk

Money Laundering now a day is one of the greatest challenges that the Governments, Banks and Financial Institutions face in the globalize financial system. Identifying, assessing, and understanding ML/TF risks is an essential part of the implementation and development of a national anti-money laundering / Combating Financing Terrorism (AML/CFT) regime, which includes laws, regulations, enforcement and other measures to mitigate ML/TF risks. The Central Compliance Committee (CCC) looks after the overall compliance related to AML/CFT regulations. Main functions of Anti-Money Laundering & Terrorist Financing Divisions are to formulate, monitor, review and enforce the Bank's Anti-Money Laundering/Combating Financing Terrorism Policy & ML/TF Risk Assessment Guideline in line with BFIU of Bangladesh Bank, creation of awareness among the officers/employees about the internal AML/CFT policies, procedures and programs, conduct inspection on branches regarding anti-money laundering compliance, conducting of CCC meeting quarterly, ensure timely anti-money laundering reporting and compliance to Bangladesh Bank.

2.12.5 Internal Control and Compliance Risk

An internal control system oversees the whole process in relation with the policies, processes, laws, regulations, tasks, behaviors and other aspects of a banking company to facilitate its effective and efficient operation. It is a continuing series of activities planned, implemented and monitored by the Board of Directors, Board Audit Committee and Management at all levels within an organization. Effective internal controls strengthen the base of safe and sound banking. The main objectives of Internal Control are to ascertain the efficiency and effectiveness of activities, reliability, completeness and timeliness of financial and management information, compliance with applicable laws and regulations.

Audit & Inspection Unit undertakes periodical and special audit & inspection of its branches and departments/divisions of Head Office for reviewing its operation and compliance in line with the regulatory and internal policies and procedures. Compliance Unit ensures regulatory and internal compliances and Monitoring Unit monitors the operational lapses & other defined activities of the unit. The Board Audit Committee plays a vital role in providing a bridge between the Board and Management. The Committee reviews the financial reporting process, audit process and the bank's process for compliance with laws, regulations and code of conduct.

2.12.6 Information & Communication Technology Risk

Integration of information and communication technologies helps banks to develop and maintain their competitive advantages which bring numerous benefits including faster business transactions, increasing automation, improved customer service through several innovative products in the ground-breaking new forms of internet banking, mobile banking, ATM facility etc. The importance of information security for the banks has gained much importance, and it is of the critical essence for us to ensure that the ICT risks are being properly identified measured and adequate mitigation strategies are in place. For this purpose, a risk management process consisting of assessing, controlling and monitoring risks should be in place.

Information assets are critical to the services provided by the Bank to its customers. Protection and maintenance of these assets are vital to its sustainability. In order to ensure protection of critical IT assets from unauthorized access modification, disclosure and destruction, the Bank has already taken initiatives, which safeguard the interest of customers. The basic functions regarding ICT risk management is safeguarding the interest of the bank, establishing, implementing, operating, monitoring, reviewing, exercising, maintaining and improving a documented Information and Communication Technology Assets within the context of managing the overall business risks. ICT Risk covers business disruption and system failures, execution, delivery and process management, data entry errors, vendor disputes, data security, physical security, network security and other potential risks; etc.



The Bank has already developed its own ICT policies for various operation and services which are closely in line with the ICT guidelines of Bangladesh Bank and continuously conducting training sessions on sensitive IT tasks (i.e. operational procedure, Business Continuity Planning, Disaster Recovery Planning etc.) for relevant employees. The Bank is strictly following the Information Security Standard of Bangladesh Bank covering Password Control, User ID Maintenance, Input Control, Network Security, Data Encryption, Virus Protection and Access Control to Internet and Emailing. The bank is regularly conducting internal ICT audit to all its' branches and divisions at Head Office to ensure proper implementation of the ICT policies.

2.13 Internal audit

Internal Audit is used as an important element to ensure good governance within the bank. Internal Audit activity 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 Unit conducted inspection a number of the branches/divisions of Head Office of the bank and submitted reports covering the findings of the audits/inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations provided in these reports. The reports or key points of the reports have also been discussed in the meetings of the Board Audit Committee and necessary steps have been taken according to the decision of the Committee to mitigate the risks in time.

2.14 Fraud and forgeries

Fraud means wrongful or criminal deception intended to result in financial or personal gain. UBL continuously pays attention to implement and improve the anti-fraud internal controls for prevention of frauds and forgeries. Moreover, UBL has developed own fraud detection and management process policy guideline and assesses/evaluates the effectiveness of its anti-fraud internal control measures. During the year 2023, no incident of fraud has been detected by the related organs.

2.15 Stress Testing

Stress testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of a specific event and/or movement in a set of financial variables. It has become an essential and very prominent tool in the analysis to measures the shock absorbing capability of a bank. Stress testing framework is being used to assess risk absorbing capacity of the bank considering its impact on bank's capital adequacy by using minor, moderate & major level of shock in terms of investment risk, exchange rate risk, equity price risk, profit rate risk and liquidity risk on quarterly basis and communicate the results of stress test to the Senior Management and Board to ensure maintenance of adequate capital for absorbing any unforeseen losses.

2.16 Reporting Period

The accounting year is 01 January to 31 December. The reporting year of 2023 is from 01 January 2023 to 31 December 2023.

2.17 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 Companies Act, 1994
- c) "Guidelines for Islamic Banking" and BRPD Circular No. 14 dated 25.06.2003 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) Income Tax Act, 2023
- f) Value Added Tax and Supplementary Duty Act, 2012 as passed 13 June 2019,
- g) Standards issued by AAOIFI
- h) The Stamp Act, 1899
- i) The Customs Act, 1969
- j) The Money Laundering Prevention Act, 2012
- k) The Anti-Terrorism (Amendment) Act, 2012 etc.

2.18 Compliance with Financial Reporting Standards as applicable in Bangladesh subject to departure described in note-2.1, where we have followed Bangladesh Bank guideline:

Sl. No.	IASs/IFRS s No.	IFRS Title	Compliance Status
IFRS			
01	IFRS-1	First-time adoption of International Financial Reporting Standards	Not Applicable
02	IFRS-2	Share-based Payment	Not Applicable
03	IFRS-3	Business Combinations	Not Applicable
04	IFRS-4	Insurance Contracts	Not Applicable
05	IFRS-5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
06	IFRS-6	Exploration for and Evaluation of Mineral Resources	Not Applicable
07	IFRS-7	Financial Instruments: Disclosures	Complied
08	IFRS-8	Operating Segments	Complied
09	IFRS-9	Financial Instruments	Complied
10	IFRS-10	Consolidated Financial Statements	Not Applicable
11	IFRS-11	Joint Arrangements	Not Applicable
12	IFRS-12	Disclosure of Interests in other Entities	Not Applicable
13	IFRS-13	Fair Value Measurement	Complied
14	IFRS-14	Regulatory Deferral Accounts	Complied
15	IFRS-15	Revenue from Contract with Customers	Complied
16	IFRS-16	Leases	Complied
17	IFRS-17	Insurance Contracts	Not Applicable
IAS			
01	IAS-1	Presentation of Financial Statements	Complied
02	IAS-2	Inventories	Not Applicable
03	IAS-7	Statement of Cash Flows	Complied
04	IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	IAS-10	Events after the Reporting Period	Complied
06	IAS-12	Income Taxes	Complied
07	IAS-16	Property, Plant & Equipment	Complied



08	IAS-19	Employee Benefits	Complied
09	IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
10	IAS-21	The Effects of Changes in Foreign Exchange Rates	Complied
11	IAS-23	Borrowing Costs	Not Applicable
12	IAS-24	Related Party Disclosures	Complied
13	IAS-26	Accounting and Reporting by Retirement Benefit Plans	Complied
14	IAS-27	Separate Financial Statements	Not Applicable
15	IAS-28	Investments in Associates and Joint Ventures	Not Applicable
16	IAS-29	Financial Reporting in Hyperinflationary Economics	Not Applicable
17	IAS-32	Financial Instruments: Presentation	Complied
18	IAS-33	Earnings per Share	Complied
19	IAS-34	Interim Financial Reporting *	Complied
20	IAS-36	Impairment of Assets	Complied
21	IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	IAS-38	Intangible Assets	Complied
23	IAS-39	Financial Instruments: Recognition and Measurement	Not Applicable
24	IAS-40	Investment Property	Not Applicable
25	IAS-41	Agriculture	Not Applicable

(*) Complied while the quarterly and half-yearly interim financial reports were prepared during the year.

2.19 General

2.19.1 The figures have been rounded off to the nearest Taka.

2.19.2 Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison.



	2023 Taka	2022 Taka
3 CASH		
3.1 Cash in Hand		
In Local Currency	1,589,554,231	1,516,413,312
In Foreign Currencies	43,900	42,000
Sub-total	1,589,598,131	1,516,455,312
3.2 Balance with Bangladesh Bank and its Agent Bank		
In Local Currency	14,185,039,729	15,762,968,464
In Foreign Currencies	198,423,342	159,539,510
Sub-total	14,383,463,071	15,922,507,974
Total	15,973,061,202	17,438,963,286

3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 25 & 33 of the Bank Companies Act, 1991 (amended upto 2018), and subsequent BCD Circular No.13 dated May 24,1992; BRPD Circular No. 12 dated September 06, 1998, BRPD Circular No.12, dated September 20, 1999, BRPD Circular No. 22 dated November 06, 2003, BRPD Circular No. 03 dated 17 February 2005 and BRPD Circular No. 11 & 12 dated 25 August 2005, Bangladesh Bank Letter # DOS (SR) 1153/120-A/2009-46 dated 22 March 2009, MPD circular # 01 dated 04 May 2010, DOS Circular # 01 dated 19 January 2014, MPD circular # 04 & 05 dated 01 December 2010, MPD circular # 01 dated 23 June 2014, MPD circular # 01 dated 03 April 2018, DOS Circular # 26 dated 19 August 2019 and MPD Circular # 03 dated 09 April 2020.

The statutory Cash Reserve Ratio on the Bank's time and demand liabilities at the rate 4.0% (conventional and islamic) has been calculated and maintained with Bangladesh Bank in local currency 5.5% Statutory Liquidity Ratio for Islamic Banking, on the same liabilities has also been maintained in the form of cash in hand, balance with Bangladesh Bank, treasury bills, and bonds. CRR and SLR maintained by the Bank are shown below:

3.4 Cash Reserve Ratio (CRR): 4.00 % (Bi-Weekly) of Average Demand and Time Liabilities

Required Reserve	7,484,515,655	6,684,642,664
Actual Reserve maintained	14,032,537,243	15,637,004,798
Surplus/(Shortfall)	6,548,021,588	8,952,362,134

3.5 Statutory Liquidity Ratio (SLR): 5.50% of Average Demand and Time Liabilities:

Required Reserve	10,291,209,026	9,191,383,663
Actual Reserve	12,042,197,967	14,276,864,486
Surplus/(Shortfall)	1,750,988,941	5,085,480,823

4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS AND PLACEMENT

4.1 Balance with other banks and financial institutions

A. Inside Bangladesh

Al-Wadiah Current Accounts
Janata Bank PLC.

2,015,471	14,671
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Others Accounts:

Mudaraba Short Notice Deposits

First Security Islami Bank PLC.

Global Islami Bank PLC.

AB Bank PLC.

Trust Bank PLC.

Agrani Bank PLC.

Exim Bank PLC.

Islami Bank Bangladesh PLC.

147,511,396	17,304,614
196,800	10,621,612
741,060	730,995
14,655,080	16,000,793
7,150	8,121
875,000	-
19,632,835	38,184,105
183,619,321	82,850,240
185,634,792	82,864,911

Sub-total



B. Outside Bangladesh

Particulars	Currency	Amount	Rate	2023 Taka	2022 Taka
Current Account					
Banco De Sabadell S.A., Spain	EURO	370,828.90	130.9691	48,567,127	3,234,381
Sonali Bank (UK) Limited, UK	GBP	114.00	142.4246	16,236	14,238
Sonali Bank (UK) Limited, UK	ACU	3,750.17	109.7500	411,581	9,926,346
Habib American Bank, New York, USA	USD	1,477,191.57	109.7500	162,121,775	38,947,905
Kookmin Bank, Seoul	USD	261,747.95	109.7500	28,726,838	3,662,380
Axis Bank Limited, Kolkata	ACU	1,460.72	109.7500	160,314	2,513,612
Meezan Bank Limited, Karachi	ACU	22,004.50	109.7500	2,414,994	1,490,948
AB Bank Ltd., Mumbai, India	ACU	13,056.91	109.7500	1,432,996	9,063,646
United Bank of India, Kolkata, India	ACU	193,060.15	109.7500	21,188,351	339,359
National Bank of Pakistan, Tokyo, Japan	JPY	77,878.00	0.8300	64,639	60,363
Sub-Total				265,104,851	69,253,178
Total (A+B)				450,739,643	152,118,089



	2023 Taka	2022 Taka
4.1.1 Maturity-wise Grouping (Inside and Outside Bangladesh)		
Payable on Demand	450,739,643	152,118,089
Up to Three Months	-	-
Three Months to One Year	-	-
One Year to Five Years	-	-
Above Five Years	-	-
Total	450,739,643	152,118,089
4.2 Placement with banks & Other Financial Institutions		
Aviva Finance Limited	4,732,618,099	4,732,618,099
Phoenix Finance and Investments Ltd.	80,000,000	80,000,000
International Leasing and Financial Services Ltd.	129,435,260	129,435,260
Islamic Finance and Investment Ltd.	-	-
Total	4,942,053,359	4,942,053,359
4.2.1 Maturity-wise Grouping (Placement with banks & other FI)		
Payable on Demand	3,512,053,359	3,512,053,359
Up to Three Months	1,430,000,000	1,430,000,000
Three Months to One Year	-	-
One Year to Five Years	-	-
Above Five Years	-	-
Total	4,942,053,359	4,942,053,359
5 INVESTMENTS IN SHARES AND SECURITIES		
Government Securities		
Bangladesh Govt. Islamic Investment Bonds	3,550,000,000	3,550,000,000
Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)	4,971,490,000	4,971,490,000
Sub-total	8,521,490,000	8,521,490,000
Others		
Subordinated Bond	60,000,000	60,000,000
Beximco Green SUKUK	500,000,000	500,000,000
Mudaraba Perpetual Bond (standard Bank)	1,000,000,000	1,000,000,000
Quoted Shares (Note - 5.1)	141,020,658	192,186,172
Sub-total	1,701,020,658	1,752,186,172
Total	10,222,510,658	10,273,676,172
5.1 Quoted Shares		
Name of Companies	Acquisition cost	Acquisition cost
Aamra Networks Limited	-	4,793,635
Aamra Tevhologies Limited	158,876	-
ACI Formulations Limited	8,653,358	8,653,358
ADN Telecom Limited	1,245,606	5,597,994
Anwar Galvanizing Ltd.	13,798,251	9,521,586
Baraka Power Limited	1,362,899	1,362,899
BDCOM Online Ltd.	-	3,403,204
Beacon Pharmaceuticals Limited	8,922,850	6,466,725
Bangladesh Export Import Company Ltd.	12,534,845	12,534,845
Baraka Patenga Power Limited	1,577,935	1,577,935
Bangladesh Shipping Corporation	3,397,636	15,614,880
Beximco Pharmaceuticals Ltd.	3,081,808	3,081,808

	2023 Taka	2022 Taka
Dhaka Electric Supply Company Ltd.	1,863,869	1,863,869
Doreen Power Generations and Systems Limited	2,722,090	2,722,090
Dragon Sweater and Spinning Limited	882,200	882,200
eGeneration Limited	-	2,791,058
Eastern Housing Limited	1,229,566	1,541,043
Energypac Power Generation Limited	2,939,831	2,939,831
Fortune Shoes Limited	1,593,975	1,593,975
Genex Infosys Limited	4,423,632	7,497,634
Grameenphone Ltd.	15,911,713	15,911,713
Intraco Refueling Station Limited	3,884,748	2,109,289
Islami Bank Bangladesh Limited	-	3,685,220
Islamic Finance & Investment Ltd.	2,119,285	2,119,285
Islami Insurance Bangladesh Limited	-	4,213,176
Jamuna Oil Company Limited	-	851,387
Kohinoor Chemicals Company (Bangladesh) PLC.	3,446,120	1,971,968
LafargeHolcim Bangladesh Limited	2,320,779	725,610
Linde Bangladesh Limited	2,512,137	2,512,137
MJL Bangladesh Limited	1,025,270	1,025,270
Meghna Petroleum Limited	-	1,001,999
Olympic Industries Ltd.	-	17,068,157
Orion Infusion Ltd.	914,879	1,568,363
Orion Pharma Ltd.	10,459,886	10,459,886
Padma Oil Co. Ltd.	957,833	957,833
Pharma Aids	1,197,029	1,197,029
Paramount Textile Limited	2,446,501	1,944,750
Quasem Industries Ltd.	428,741	428,741
SAIF Powertec Limited	787,333	787,333
Summit Alliance Port Limited	-	3,478,216
Sinobangla Industries Ltd.	-	3,800,278
Square Pharmaceuticals Ltd.	8,511,640	8,511,640
Summit Power Limited	521,483	521,483
Titas Gas Transmission & Dist. Co. Ltd.	2,037,973	2,037,973
Unique Hotel & Resorts Ltd.	2,291,214	-
United Power Generation & Distribution Company PLC.	3,600,251	3,600,251
Walton Hi-Tech Industries Ltd.	5,256,616	5,256,616
Total	141,020,658	192,186,172
5.2 Market Value of Quoted Shares	129,551,139	181,329,544
5.3 Maturity Grouping of Investments in Shares and Securities		
On Demand	-	-
One Month to three Months	1,829,910,658	1,957,876,172
Three Months to One Year	2,421,100,000	2,344,300,000
One Year to Five Years	4,971,500,000	4,971,500,000
More than Five Years	1,000,000,000	1,000,000,000
Total	10,222,510,658	10,273,676,172
6 INVESTMENTS (All Inside Bangladesh)		
General Investments etc. (Note-6.A)	254,855,856,229	221,503,076,683
Bills Purchased and Discounted (Note - 6.B)	836,056,960	772,361,795
Total	255,691,913,189	222,275,438,478



	2023 Taka	2022 Taka
6.A General Investment etc.		
Inside Bangladesh		
Bai Murabaha (Hypo)	632,932,879	632,848,879
Bai Murabaha against MTDR	24,455,717,660	16,093,250,903
Bai Murabaha TR (Non INST)	184,031,204,394	163,171,769,562
Bai Murabaha TR (INST)	3,673,548,593	3,250,136,322
Bai Murabaha (Post Import) TR	3,148,198,522	3,118,344,038
Bai Murabaha Real Estate Material	2,417,748,611	2,221,262,500
Bai Murabaha (TR) SME	4,031,178,157	4,934,286,351
Bai Murabaha Agriculture	1,010,129,733	1,053,838,602
Bai Murabaha (TR) Agriculture	536,500,630	241,486,593
Bai Murabaha (TR) Women Entrepreneur	17,005,723	20,274,697
Bai Murabaha Import Bill (MIB)	7,458,863	7,045,102
Bai Murabaha under Stimulus Package	2,032,879,510	2,027,520,024
Bai Murabaha (TR) under Credit Guarantee Scheme	470,645	823,900
Bai Murabaha (TR) under CMSME	22,113,425	35,269,080
Bai Murabaha (TR) under Line of Finance	66,154,176	33,663,241
Bai Muazzal Real Estate (Short Term)	768,140,548	765,785,195
Bai Muazzal (Guarantee)	69,575,906	72,740,106
Bai Muazzal TR	1,089,154,672	1,091,680,000
Bai Muazzal against BG (Bid Bond)	218,029,589	69,240,947
Bai Muazzal against Import Bill	8,514,510,086	7,150,789,293
Bai Muazzal Back to Back Bill	1,532,282,296	1,566,761,252
Mudaraba Investment	498,307,210	592,522,193
HPSM (Real Estate)	3,002,693,459	3,012,015,052
HPSM (Transport)	348,255,151	280,087,042
HPSM (SME)	85,773,050	81,897,890
HPSM House Building Staff	565,425,862	618,090,676
HPSM Rural Housing	339,077	644,071
HPSM House Building General	271,265,441	292,586,540
HPSM Industrial Term	2,652,708,179	2,320,280,652
HPSM Machinery	4,498,619,711	3,931,749,776
HPSM Machinery Women Entrepreneur	1,976,058	2,136,035
HPSM Machinery and Industrial under CMSME	274,937,696	-
Quard Investment	2,683,248,539	1,265,585,032
Car Leasing Scheme Staff	47,159,351	32,114,313
Murabaha EDF Investment General	125,653	125,653
Murabaha EDF Investment	1,495,681,789	1,365,339,810
Bai Istisna	118,625,717	113,342,850
HPSM Consumer Durables (Scheme)	35,779,668	35,742,511
	254,855,856,229	221,503,076,683
Outside Bangladesh	-	-
Sub-Total	254,855,856,229	221,503,076,683
6.B Bills Purchased and Discounted		
Payable in Bangladesh	836,056,960	772,361,795
Payable outside Bangladesh	-	-
Sub-total	836,056,960	772,361,795
Total (A+B)	255,691,913,189	222,275,438,478

The Financial Reporting Council (FRC) issue a letter vide # 178/FRC/APR/2021/27/(57) dated 12 December 2021 regarding the compliance issue of Bangladesh Bank BRPD circular letter no. 04 dated 04 January 2021 and BRPD Circular Letter no. 35 dated 06 July 2021 the collection of audited financial statements and statutory audit report for sanctioned/renewed investments. Regarding this issue, we have compiled are as follows:

Particulars	Total Files	Compiled Files	% of Compliance
BRPD Circular Letter no. 04	290	47	16
BRPD Circular Letter no. 35	290	29	10



	2023 Taka	2022 Taka
6.1 Maturity Grouping of Investments		
Payable on Demand	51,902,900,000	45,141,900,000
Up to Three Months	61,103,700,000	53,118,800,000
Three Months to One Year	124,614,213,189	108,188,238,478
One Year to Five Years	7,789,500,000	6,770,100,000
Above Five Years	10,281,600,000	9,056,400,000
Total	255,691,913,189	222,275,438,478
6.2 Analysis to disclose the following Significant Concentration including Bills Purchased & Discounted		
Investments to Directors of other Banks	12,703,507,946	12,718,548,635
Investments to Chief Executive and Other high Officials	-	-
Investments to Customers Group	184,347,886,049	156,753,369,699
Investments to Industry	58,007,096,191	52,131,691,275
Investment to staff	633,423,003	671,828,869
Total	255,691,913,189	222,275,438,478
6.3 Investments to Customers amounting to 10% or more of UBL's Total Regulatory Capital		
Number of Clients	18	14
Amount of Outstanding Investments:		
Funded	21,307,100,000	18,543,400,000
Non-funded	1,434,300,000	783,700,000
Total	22,741,400,000	19,327,100,000
6.4 Sector wise Investments		
Agriculture	1,594,435,484	1,407,399,322
Ready Made Garments (RMG)	4,413,786,691	4,060,955,438
Textile	17,617,775,435	15,171,916,578
Ship Building	-	7,279,577
Other Manufacturing industry	10,078,529,188	15,110,008,831
SME Investment	3,977,352,470	5,338,308,735
Construction	3,478,624,156	6,461,203,277
Power, Gas	1,847,605,727	1,913,618,227
Transport, Storage and Communication	315,394,033	287,094,026
Trade Service	180,448,311,157	153,444,664,781
Commercial real estate financing	12,110,430,009	11,407,054,343
Residential real estate financing	282,885,810	928,871,285
Consumer investment	661,558,679	69,458,104
Capital market	498,307,210	1,332,076,893
Others	18,366,917,140	5,335,529,061
Total	255,691,913,189	222,275,438,478
6.5 Geographical Location-wise Investments		
<u>Urban</u>		
Dhaka	117,074,149,090	110,631,598,344
Chattogram	108,753,031,965	88,488,036,516
Barishal	125,532,195	78,376,930
Rajshahi	224,136,575	206,756,003
Khulna	251,960,563	189,232,472
Rangpur	341,017,352	194,505,086
Sylhet	215,116,474	101,767,757
Mymensingh	92,414,709	16,109,027
	227,077,358,923	199,906,382,135



	2023 Taka	2022 Taka
Rural		
Dhaka	486,702,386	553,724,043
Chattogram	27,914,734,913	21,599,387,226
Barishal	-	-
Rajshahi	39,667,728	31,197,926
Khulna	7,349,529	440,802
Rangpur	68,493,361	90,596,423
Sylhet	97,606,349	93,709,923
Mymensingh	-	-
Total	28,614,554,266	22,369,056,343
Total	255,691,913,189	222,275,438,478

6.6 Classification of Investments as per Bangladesh Bank (BRPD) Circular

Unclassified

Standard	244,326,319,215	212,175,103,243
Special Mention Account	2,102,543,616	2,235,618,809
Total	246,428,862,831	214,410,722,052

Classified

Sub-standard	1,945,139,993	1,499,478,472
Doubtful	818,047,039	726,563,309
Bad & Loss	6,499,863,327	5,638,674,645
Total	9,263,050,359	7,864,716,426
Total	255,691,913,189	222,275,438,478

6.7 Particulars of Required Provision for Investments and Off Balance Items

Classification status	Rate	Base for Provision	31.12.2023 Taka	31.12.2022 Taka
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Unclassified (a)

Standard :

Unclassified investment (excluding Staff Investments)	1 % (Ex. RSDL BB NOC)	226,822,007,080	2,332,520,071	1,964,219,615
Staff Investments	0%	620,848,251	-	-
Small & Medium Enterprise Financing (SMEF)	0.25%	3,030,675,936	7,576,690	32,592,745
Consumer Financing (Other than HF & LP)	2%	28,066,893	561,338	389,461
Housing Finance (HF)	1%	245,448,271	2,454,482	2,751,021
Investment to BHs/MBs/SDs	2%	498,307,210	4,983,072	10,236,538
Short Term Agriculture Credit	1%	898,703,872	8,987,039	9,701,646
Reschedule BB NOC		12,182,261,703	254,918,784	563,483,300
Special Mention Account (SMA)		2,081,336,697	13,886,038	19,171,263
			2,625,887,514	2,602,545,590

Classified (b)

Sub-Standard	20 % & 50% (Agi, Cottage & Micro Credit) 50 %- 20% (Cottage & Micro Credit) & 5% (Agri)	877,541,851	165,082,873	94,264,991
Doubtful		578,081,612	280,512,089	132,584,343
Bad & Loss	100%	3,445,550,080	3,265,290,380	2,829,959,274
			3,710,885,342	3,056,808,608



	2023 Taka	2022 Taka
Off-Balance Sheet Exposure (c)	48,000,000	136,124,263
SPECIAL GENERAL PROVISION COVID-19 (d)	316,000,000	315,148,593
Required Provision for Investment (a+b+c+d)	6,700,772,855	6,110,627,054
Total Provision Maintained	6,716,000,000	6,121,400,000
Provision Excess/(Shortfall)	15,227,145	10,772,946

Particulars of Provision for Off-Balance Sheet Items :

Acceptance and Endorsements	1.00%	1,039,342,650	10,393,427	12,738,856
Letter of Guarantee	1.00%	3,251,832,396	32,880,507	24,312,719
Irrevocable Letters of Credit	0.50%	945,213,213	4,726,066	19,072,688
Bills for Collection	0.00%	780,456,687	-	-
Others			-	80,000,000
			48,000,000	136,124,263

* Details of provision is shown in note 2.8.2

6.8 Particulars of Investments

i)	Investments considered good in respect of which the Bank Company is fully secured	172,236,004,013	205,252,507,487
ii)	Investments considered good for which the bank holds no Security other than the debtors personal security	83,455,909,176	17,022,930,991
iii)	Investment considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors	-	-
iv)	Investments considered bad or doubtful not provided for	-	-
	Total	255,691,913,189	222,275,438,478
v)	Investments due by directors or executives of the banking company or any of them taken either severally or jointly with any other person.	-	-
vi)	Investments due by companies or firms in which the directors of the bank company are interested as directors partners or managing agents or in case of private companies, as members.	-	-
vii)	Maximum total amount of investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	-	-
viii)	Maximum total amount of investments, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members.	-	-
ix)	Investment due from other banking companies	-	-
x)	Total amount of classified Investments on which profit is not credited to income	-	-
a.	Movement of classified Investments		
	Opening balance	7,864,716,426	6,756,128,599
	Increase/ (Decrease) during the year	1,398,333,933	1,108,587,827
		9,263,050,359	7,864,716,426

	2023 Taka	2022 Taka
b. Amount of provision kept against investment classified as 'bad/loss' on the reporting date of Balance Sheet	3,718,000,000	3,058,000,000
c. Profit credited to the profit/Rent/Compensation Suspense	2,427,548,281	2,256,320,294
xi) Amount of written off Investment:		
a. Cumulative amount	18,615,691	18,615,691
b. Amount written off during the period	-	-
c. Total amount of written off (a+b)	18,615,691	18,615,691
d. Amount recovered against such written- off up to this year	709,092	669,092
e. Amount of investment written- off against which suit has been filled to recover the same.	-	-

6.9 Security against Investments including bills purchased and discounted

Collateral of movable/immovable assets	144,923,871,329	197,021,428,549
Local banks & financial institutions guarantee	-	-
Government Guarantee	-	-
Foreign Banks guarantee	-	-
Export documents	139,916,362	1,077,602,836
Fixed deposits receipts:		
Own MTDR	25,508,015,324	8,231,078,938
MTDR of other Banks	-	-
Government Bonds	-	-
Personal guarantee	83,455,909,177	-
Other security	1,664,200,997	15,945,328,155
Unsecured	-	-
Total	255,691,913,189	222,275,438,478

6.10 Maturity Grouping of Bills Purchased and Discounted

Payable within one month	572,456,960	528,861,795
Over one month but less than three months	183,400,000	169,400,000
Over three months but less than six months	80,200,000	74,100,000
Six Months and Above	-	-
Total	836,056,960	772,361,795

7 FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES AT COST LESS ACCUMULATED DEPRECIATION

Land	2,666,750,340	2,666,750,340
Furniture & Fixtures	1,299,972,044	1,218,427,738
Office Equipment	1,222,466,035	1,148,135,640
Vehicles	130,455,767	123,769,259
Books	532,445	512,614
	5,320,176,631	5,157,595,591
Less: Accumulated Depreciation	1,458,418,269	1,273,204,128
	3,861,758,362	3,884,391,463
Lease Assets-Premises		
Right-of-use assets	1,506,945,203	1,249,060,400
Less: Accumulated Depreciation	359,469,980	180,326,821
	1,147,475,223	1,068,733,579
Total	5,009,233,585	4,953,125,042

Right of use assets:

The bank has leases mainly for rental basis branch office premises has been recognized as a right-of-use asset according to the IFRS-16 "Leases". With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The bank classifies its right-of -use assets in a consistent manner to its property, plant and equipment.



	2023 Taka	2022 Taka	
8 OTHER ASSETS			
Inter - branch Transaction Account (Note - 8.a)	1,124,497,424	11,237,330,520	
Accrued Income on MTDR	1,005,895,697	631,833,389	
Advances, Deposits and Prepayment (Note - 8.1)	357,583,042	332,071,490	
Stock of Stationery	21,499,382	26,826,728	
Suspense Account (Note - 8.2)	445,671,467	536,534,912	
Deferred tax asset (Note - 8.3)	99,931,145	105,734,209	
Stamps on Hand	2,974,735	3,111,109	
Total	3,058,052,892	12,873,442,357	
8.a Inter-branch transaction account represents outstanding Inter-branch and Head Office transaction (net) originated but yet to be responded at the balance sheet date.			
8.1 Advance, Deposits and Prepayment			
Advance against Rent - Office	23,486,945	58,049,648	
Prepayment	334,096,097	274,021,842	
Total	357,583,042	332,071,490	
8.2 Suspense Account			
Sundry Debtors	445,671,467	536,534,912	
Advance against New Branch	-	-	
Total	445,671,467	536,534,912	
8.3 Deferred Tax Assets			
Opening Balance	105,734,209	97,904,339	
Add: Addition during the year	(5,803,064)	7,829,870	
	99,931,145	105,734,209	
Less: Adjustment during the year	-	-	
Closing Balance	99,931,145	105,734,209	
8.3.1 Deferred tax income Recognized in Profit and Loss Account:			
	Accounting base	Tax base	Deductible temporary difference
As on 31 December 2023			
Property, plant and equipment	3,861,758,362	4,073,236,616	211,478,254
Deferred liability - Gratuity	55,004,799	-	55,004,799
			266,483,053
Current tax rate			37.50%
Deferred tax Asset at closing			99,931,145
Deferred tax Asset at beginning			105,734,209
Deferred tax expense Recognized during the year			(5,803,064)
9 PLACEMENT FROM BANK AND OTHER FINANCIAL INSTITUTIONS			
Inside Bangladesh			
Bangladesh Bank (Refinance Scheme)	128,473,430	47,385,000	
Bangladesh Govt. Islami Investment Bond Funds	6,500,000,000	6,500,000,000	
Bangladesh Bank Cover Fund against QSF	808,216,000	808,216,000	
Bangladesh Bank Export Development Fund (EDF)	435,272,570	453,441,310	
Islamic Banks Liquidity Facility Fund (IBLF)	4,720,000,000	4,620,000,000	
Line of Finance to Support SME Project	55,000,000	104,000,000	
Banagladech Bank CMSME Pre-Finance Scheme	719,800,000	-	
Export Facilitation Pre-Finance Fund	358,357,843	-	
Overnight Overdraft Facility	14,000,000,000	14,650,000,000	
	27,725,119,843	27,183,042,310	
Outside Bangladesh	-	-	
Total	27,725,119,843	27,183,042,310	



	2023 Taka	2022 Taka
A. Security- wise grouping		
Secured Placement	-	-
Unsecured Placement	27,725,119,843	27,183,042,310
Total	27,725,119,843	27,183,042,310
B. Repayment Nature wise Grouping		
Repayable on demand	-	-
Others	27,725,119,843	27,183,042,310
Total	27,725,119,843	27,183,042,310
C. Maturity Analysis		
Repayable on Demand	-	-
Repayable within One Month	22,556,900,000	23,068,500,000
One Month to Six Months	3,678,400,000	3,670,200,000
Six Month to One Year	1,489,819,843	444,342,310
One Year to Five Years	-	-
Five Years to Ten Years	-	-
Unclaimed Deposits Ten Years and Over	-	-
Total	27,725,119,843	27,183,042,310
10 DEPOSITS AND OTHER ACCOUNTS		
Mudaraba Savings Deposits (Note-10.1)	9,900,330,085	9,572,233,722
Mudaraba Term Deposits (Note-10.2)	128,793,323,488	119,170,884,952
Other Mudaraba Term Deposits (Note-10.3)	48,605,195,389	47,351,317,059
Al-Wadia Current Accounts and Other Accounts (Note-10.4)	37,172,907,600	35,778,558,120
Bills Payable (Note-10.5)	1,113,616,202	1,502,303,666
Total	225,585,372,764	213,375,297,519
10.1 Mudaraba Savings Deposits		
As per BRPD Circular No. 06, dated 24 June 2007, total saving bank deposits amount is bifurcated into:		
9 % of total Mudaraba Savings Deposits	891,029,708	861,501,035
91% of total Mudaraba Savings Deposits	9,009,300,377	8,710,732,687
Total	9,900,330,085	9,572,233,722
10.2 Mudaraba Term Deposits- Maturity wise Grouping		
Payable on Demand	4,321,549,826	2,729,227,272
Up to Three Months	44,440,002,628	37,326,494,166
From Three Months to Six Months	22,444,159,646	21,072,598,480
Above Six Months to One Year	35,194,151,037	36,167,937,856
Above One Year to Two Years	46,772,545	65,368,550
Above Two Years	22,346,687,806	21,809,258,628
Total	128,793,323,488	119,170,884,952
10.3 Other Mudaraba term Deposits		
Mudaraba Monthly Savings Scheme	7,428,586,827	7,182,985,979
Mudaraba Double Benefit Deposits Scheme	9,861,928,725	8,583,581,853
Mudaraba Monthly Profit Scheme	26,731,054,661	26,812,645,847
Mudaraba Millionaire Savings Scheme	1,471,778,679	1,570,413,187
Mudaraba Kotipoti Deposit Scheme	82,258,627	103,950,010
Mudaraba Marriage Scheme	211,504,920	191,337,812
Mudaraba Probashi Sanchay Prokolpo	44,147,979	22,722,769
Mudaraba Hajj Deposit Scheme	46,727,844	44,558,767
Mudaraba Union Pension Prokolpa	46,722,456	65,199,980
Mudaraba Muhor Savings Scheme	101,749,291	89,474,027
Mudaraba Corepoty Sanchaya Scheme	917,357,635	759,466,429
Mudaraba Privileged Deposit Scheme	183,335,650	155,119,156
Mudaraba Barakah Deposit Scheme	22,805,282	37,891,216
Mudaraba Femina Deposit Scheme	340,141,858	94,994,000
Mudaraba Senior Citizen Deposit Scheme	81,406,149	18,419,000
Mudaraba Waleda Monthly Profit Scheme	973,168,676	1,572,749,027
Mudaraba Lifestyle Deposit Scheme	60,520,130	45,808,000
Total	48,605,195,389	47,351,317,059



10.4 Al-Wadiah Current Accounts & Other Deposit Accounts

Al-wadiah Current Deposits
Unclaimed Cash Dividend
Mudaraba Short Notice Deposits
Sundry Deposits (Note-10.4.1)
Total

2023 Taka	2022 Taka
5,387,434,680	6,091,082,278
65,156,088	33,640,608
29,122,439,638	27,557,205,999
2,597,877,194	2,096,629,235
37,172,907,600	35,778,558,120

10.4.1 Sundry Deposits

Security Deposit
Sundry Creditors
Income Tax Deduction at Source -Profit on Deposits
Income Tax on Profit Paid on Mudaraba Subordinated Bond
Income Tax on Export bill (Foreign)
Income Tax on Export bill (Local)
Income Tax on Local/Buying Agents Commission & Others
Excise Duty on Deposits & Investments
Tax on Payment to Foreign Person
VAT on Online Charge
VAT on Commission TT/DD/PO/LG
VAT on Service Charge and Others
VAT Deduction Bills Paid
VAT Deduction from advertisement Bill
VAT on Rent
VAT on Director's Fee
VAT on Indenting Commission
VAT on L/C Commission
VAT on Postage
VAT on Security Service
VAT on Swift Charge
VAT on L/C Advising Charge
VAT on Pally Bidyut bill
VAT on Acceptance Commission
VAT on Bank Guarantee Commission
VAT on PO/DD/FDD Collection charge
VAT on commission on export bill
VAT on income from ATM
VAT on Processing Fee on Investment
VAT in Misc. Earnings
Income Tax Deduction at Source - Office rent
Income Tax Deduction at Source - Bills
Income Tax Deduction at Source - Advertising Bill
Income Tax Deduction at Source-Employee's
Income Tax on Directors' Fee
Income Tax on Indenting Commission
Marginal Deposit Export
F.C. Held against B.B L/C
Sundry Deposit - Swift charge
Sundry Deposit LAC (Export)
S/D/A/C ATM Charge collection Account
Credit report collection fee
ATM Charge Collection (NPSB)
S/D/A/C VAT on Polli Bidyut Samity
Central Fund (RMG Sector)
NR. Taka A/C Small World Finance
Security Deposit A/C Small World Finance
NR. Taka A/C Xpress Money Services
Security Deposit A/C Xpress Money Services
S/D Cash incentive against export
NR. Tk. A/C Transfast Remittance

560,972,749	624,620,062
1,086,729,015	505,438,269
314,810,983	300,511,216
2,538,528	3,062,200
1,794,349	2,929,446
1,349,202	1,246,972
779,828	1,277,611
293,887,169	299,718,223
741,995	447,850
84,871	104,867
39,256	38,236
8,578,254	5,494,854
8,672,439	3,783,142
148,774	666,568
2,876,979	2,556,345
20,000	24,000
1,628	14,230
130,408	113,360
25,666	58,260
716,226	626,342
47,910	17,100
350,234	322,752
1,954,200	1,745,455
22,127	20,338
258,562	231,704
114,559	104,169
11,047	15,399
232,232	64,709
211,156	231,750
44,108	18,087
957,624	846,208
7,386,968	4,480,917
86,331	178,032
5,034,836	5,672,130
20,000	24,000
414,557	173,776
21,432,397	16,173,484
208,894,463	269,229,063
21,946,725	19,928,683
5,632,577	4,616,112
8,259	7,906
433,554	22,743
18,276	20,389
15,780,843	8,136,012
51,830	70,723
1,511,852	222,978
1,097,500	1,050,000
841,539	841,539
1,097,500	1,050,000
337,954	82,205
8,991,185	3,054,348



	2023 Taka	2022 Taka
Settlement A/C Cash Incentive on Foreign Remittance	4,166	58,655
Mobile Top up Settlement Account	689,962	717,004
Nagad Adjustment Account	1,062,382	352,535
Bkash Adjustment Account	3,794,888	3,066,277
Pre-Registration Fee-PVT/GVT MGT. Pilgrim	1,107,072	-
SD. A/C Transfast Remittance, LLC	1,097,500	1,050,000
Total	2,597,877,194	2,096,629,235
10.5 Bills Payable		
Pay Order Issued	1,113,616,202	1,502,303,666
Demand Draft Issued	-	-
Total	1,113,616,202	1,502,303,666
10.6 Maturity wise Grouping of Deposits and Other Accounts		
Repayable within One Month	23,168,600,000	18,468,700,000
One Month to Three Months	69,248,500,000	67,568,500,000
Three Months to One Year	71,700,972,764	68,859,897,519
One Year to Five Years	53,878,700,000	51,210,000,000
Repayable over Five Years	7,588,600,000	7,268,200,000
Total	225,585,372,764	213,375,297,519
10. A Deposits received from Banks (Note A-1)	46,824,121,310	40,405,272,225
10.B Deposits received from other than Bank		
Payable on Demand (Note B-1)	10,055,113,872	10,585,156,822
Other Deposits (Note B-2)	168,706,137,582	162,384,868,472
Total	178,761,251,454	172,970,025,294
10. A.1 Deposits Received from Banks		
AB Bank PLC.	213,264	214,794
Bangladesh Commerce Bank PLC.	1,405,026,336	27,809
Janata Bank PLC.	1,500,000,000	1,300,000,000
Islami Bank Bangladesh PLC.	29,112,853,573	27,344,909,367
BRAC Bank PLC.	502,990	503,490
Al-arafah Islami Bank PLC.	2,500,000,000	2,000,000,000
Agrani Bank PLC.	2,720,000,000	3,495,000,000
Sonali Bank PLC.	798,726,472	977,289,343
Social Islami Bank PLC.	5,824,565,562	3,146,068,434
Rajshahi Krishi Unnayan Bank PLC.	-	50,000,000
Rupali Bank PLC.	2,000,000,000	1,500,000,000
Trust Bank PLC.	3,579	1,211,082
NRB Commercial Bank PLC.	9,389,352	45,111,364
South Bangla Agriculture and Commerce Bank PLC.	3,038	4,318
First Security Islami Bank PLC.	42,053,054	21,689,638
Exim Bank PLC.	60,754,708	207,183,420
Global Islami Bank PLC.	850,029,382	316,059,166
Total	46,824,121,310	40,405,272,225
Maturity wise Grouping of Deposits Received from Banks		
Repayable on Demand	-	-
Repayable within One Month	23,885,394,838	20,582,982,881
Repayable over One Month but within Six Months	22,938,726,472	19,822,289,344
Repayable over Six Months but within one Year	-	-
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-
Unclaimed Deposits for Ten Years and above	-	-
Total	46,824,121,310	40,405,272,225



	2023 Taka	2022 Taka
B-1 Payable on Demand		
Al-wadiah Current Deposits	5,452,590,768	6,124,722,886
Mudaraba Saving Deposits (9%) (Note-10.1)	891,029,708	861,501,035
Bills Payable (Note-10.5)	1,113,616,202	1,502,303,666
Sundry Deposits (Note-10.4.1)	2,597,877,194	2,096,629,235
Total	10,055,113,872	10,585,156,822
B- 2 Other Deposits		
Mudaraba Saving Deposits (91%) (Note-10.1)	9,009,300,377	8,710,732,687
Mudaraba Term Deposits	103,204,597,016	98,048,595,608
Mudaraba Short Notice Deposits	7,887,044,800	8,274,223,118
Other Mudaraba Term Deposits (Note-10.3)	48,605,195,389	47,351,317,059
Total	168,706,137,582	162,384,868,472
11 OTHER LIABILITIES		
Inter - branch Transaction Account	-	-
Current Tax Liabilities (Note-11.1)	1,195,350,962	466,746,427
Accumulated Provision against Investments (Note-11.2)	6,716,000,000	6,121,400,000
Accrued Profit and Expenses Payable (Note-11.3)	3,914,908,378	3,087,192,868
Provision for Gratuity (Note-11.4)	71,004,799	78,028,547
Provisions for diminution in value of Investments in share (Note-11.5)	36,800,000	21,800,000
Provision for Expenses on Borrowing from Bangladesh Bank	11,000,000	-
Provision for Zakat	82,000,000	66,100,000
Provision for Expenses on Mudaraba Subordinated Bond	73,870,363	90,453,589
Other provisions (Note - 11.2.5)	542,837,121	108,474,434
Lease Liabilities	926,978,823	900,463,955
Provident Fund	6,101,776	16,382,494
Benevolent Fund	626,987	1,232,987
Provision for Incentive Bonus	71,098,326	163,068,925
Provision for Audit fee	345,000	345,000
Clearing adjustment account	6,864,061,378	3,378,797
Compensation Realized	64,225,189	60,870,234
NPSB Transaction Adjustment Account	15,628,869	13,980,863
Profit Rent Suspense	2,427,548,281	2,256,320,294
Compensation Receivable	71,591,521	219,937,593
Unclaimed Dividend	24,640,000	24,640,000
Start-up Fund	49,824,964	33,742,651
CSR Fund	39,940,964	23,858,651
Others	92,798,887	111,757,632
Total	23,299,182,588	13,870,175,941
11.1 Current Tax Liabilities		
Provision for Taxation		
Opening balance	7,821,346,523	6,256,226,158
Add : Provision made during the year	1,620,000,000	1,565,120,365
Less : Adjustment during the year	1,045,674,045	-
	8,395,672,478	7,821,346,523
Advance Income Tax		
Opening balance	7,354,600,096	5,812,106,428
Add : Paid during the year	1,210,079,491	1,542,493,668
Less : Adjustment during the year	1,364,358,071	-
	7,200,321,516	7,354,600,096
Net Tax Liabilities	1,195,350,962	466,746,427



2023 Taka	2022 Taka
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Assessment for the year 2013, 2014, 2015, 2016 & 2018 has been settled. Assessment for the year 2017, 2019 & 2020 are pending with the Taxes Appellate Tribunal. Assessment for the year 2021 & 2022 are pending with the Commissioner of Taxes (Appeal). The submission of return for the year 2023 is not yet due. The Bank is confident that once these appeals are finally disposed of, there should not be any additional tax demand against the Bank and hence no further provision is required.

11.1.a Provision for current tax made during the period

Income Tax @ 37.5% on estimated taxable Business Profit	1,618,447,640	1,564,652,260
Income Tax @ 20% on Divident Income	681,499	36,000
Income Tax @ 10% on Capital Gain on Sale of Share	870,861	432,106
Estimated Total Provision Required	1,620,000,000	1,565,120,365
Computation of Taxable Business Profit		
Profit before Taxes & provision	4,404,889,598	4,148,576,868
Add: Inadmissible expenditure	433,872,810	265,572,839
	4,838,762,408	4,414,149,707
Less: Allowable Expenditure & Separate consideration	421,201,209	241,743,681
Estimated Taxable Business Profit for the year	4,417,561,199	4,172,406,026

11.1.b Reconciliation of effective tax rate

Particulars	Effective rate	31.12.2023	31.12.2022
Profit before incomes taxes and provision as per profit and loss account		4,404,889,598	4,148,576,868
Income taxes as per applicable tax rate	37.50%	1,613,695,790	1,555,716,326
Factors affecting the tax charge for current year:			
Inadmissible expenses	3.69%	162,702,304	99,589,815
Admissible expenses in the current year	-3.48%	(153,406,913)	(88,965,983)
Tax saving from reduce tax rates for dividend	-0.01%	(596,312)	(31,500)
Tax loss/(saving) from reduce tax rates for capital gain	-0.05%	(2,394,868)	(1,188,291)
Total income Tax Expenses	37.64%	1,620,000,000	1,565,120,365

11.2 Accumulated Provision against Investments

Specific Provision for Classified Investments (Note -11.2.1)	3,718,000,000	3,058,000,000
General Provision for Unclassified Investment (Note -11.2.2)	2,634,000,000	2,610,400,000
General Provision for off- balance sheet exposure (Note -11.2.3)	48,000,000	137,000,000
Special General Provisions for Covid - 19 (Note -11.2.4)	316,000,000	316,000,000
Total	6,716,000,000	6,121,400,000

11.2.1 Movement in Specific Provision for Classified Investments

Provision held at the beginning of the year	3,058,000,000	2,317,654,000
Fully Provided Debts written off	-	-
Recoveries of amounts previously written off	-	-
Transfer to Unclassified Investments	-	36,400,000
Specific Provision for the year	660,000,000	703,946,000
Recoveries and Provisions no longer required	-	-
Net Charge to Profit and Loss Account	-	-
Provision held at the end of the year	3,718,000,000	3,058,000,000

	2023 Taka	2022 Taka
11.2.2 General Provision for Unclassified Investments		
Provision held at the beginning of the year	2,610,400,000	2,390,000,000
Addition during the year	14,541,340	203,000,000
Transfer from Special General Provision for Covid - 19	-	33,800,000
Transfer to Classified Investments	-	(36,400,000)
Transfer from off-balance sheet exposure with others	9,058,660	20,000,000
Provision held at the end of the year	2,634,000,000	2,610,400,000

11.2.3 General Provision for off-balance sheet exposure		
Provision held at the beginning of the year	137,000,000	77,000,000
Addition during the year	-	80,000,000
Adjustment during the year	(79,941,340)	-
Transfer to Unclassified Investment	(9,058,660)	(20,000,000)
Provision held at the end of the year	48,000,000	137,000,000

11.2.4 Special General Provisions for Covid - 19		
Provision held at the beginning of the year	316,000,000	500,000,000
Addition during the year	-	-
Transfer to Unclassified Investment	-	(33,800,000)
Transfer during the year	-	(150,200,000)
Provision held at the end of the year	316,000,000	316,000,000

11.2.5 Other Provisions		
Provision held at the beginning of the year	108,474,434	17,567,214
Addition during the year	481,942,041	90,907,220
Adjustment/transfer during the year	47,579,354	-
Provision held at the end of the year	542,837,121	108,474,434

Other provisions consist of provision for Good Borrower, Climate Risk Fund and ICT Equipment Insurance Premium Fund.

11.2.5.1 Provision for Good Borrower		
Provision held at the beginning of the year	11,500,000	10,500,000
Addition/transfer during the year	1,000,000	1,000,000
Provision held at the end of the year	12,500,000	11,500,000

To comply BRPD Circular no. 6 dated March 19 2015, BRPD letter no-16 dated 30 December 2015 and BRPD letter no-3 dated 16 February 2016 the Bank has been maintaining a provision of lump sum amount for incentive of good borrower.

11.2.5.2 Provision for doubtful income		
Provision held at the beginning of the year	47,579,354	-
Addition during the year	50,000,000	47,579,354
Adjustment/transfer during the year	47,579,354	-
Provision held at the end of the year	50,000,000	47,579,354

11.2.5.3 Provision for Other Assets		
Provision held at the beginning of the year	40,400,000	-
Addition during the year	3,600,000	40,400,000
Adjustment/transfer during the year	-	-
Provision held at the end of the year	44,000,000	40,400,000



	2023 Taka	2022 Taka
11.2.a Provision for Investments during the year		
Specific Provision for Classified Investments	660,000,000	703,946,000
General Provision for Unclassified Investments	14,541,340	213,000,000
General Provision for off- balance sheet exposure	-	80,000,000
Special General Provisions for Covid - 19	-	-
Provision held at the end of the year	674,541,340	996,946,000
11.3 Accrued Profit and Expenses Payable		
Mudaraba Term Deposit Receipt	2,837,999,867	2,078,384,342
Mudaraba Monthly Benefit Savings Scheme	323,101,747	317,938,157
Mudaraba Double Benefit Savings Scheme	454,354,349	433,949,463
Mudaraba Monthly Profit Scheme	123,921,403	95,619,358
Mudaraba Pension Prokolpa	1,972,721	2,682,499
Mudaraba Marriage Deposit Scheme	8,477,930	7,867,129
Mudaraba Hajj Deposit Scheme	1,842,775	1,811,457
Mudaraba Millionaire Savings Scheme	84,840,163	88,993,970
Mudaraba Kotipoti Deposit Scheme	4,042,078	5,104,349
Mudaraba Probashi Sanchay Prokolpo	1,547,882	824,077
Mudaraba Mohor Saving Scheme	4,023,231	3,716,162
Mudaraba Corepoty Sanchaya Prokalpa	43,463,928	35,101,322
Mudaraba Privileged Deposit Scheme	6,533,293	5,200,082
Mudaraba Femina Deposit Scheme	10,383,425	2,283,168
Mudaraba Senior Citizen Deposit Scheme	2,322,376	410,677
Mudaraba Waleda Monthly Profit Scheme	3,996,029	4,929,564
Mudaraba Lifestyle Deposit Scheme	1,271,525	927,086
Mudaraba Barakah Deposit Scheme	813,656	1,450,006
Total	3,914,908,378	3,087,192,868
11.4 Provision for Gratuity		
Opening Balance	78,028,547	68,887,963
Add: Provision made during the year	71,000,000	75,000,000
	149,028,547	143,887,963
Less: Adjustment	78,023,748	(65,859,416)
Closing Balance	71,004,799	78,028,547
11.5 Provisions for diminution in value of Investments in share		
Opening Balance	21,800,000	21,800,000
Add: Provision made during the year	15,000,000	-
	36,800,000	21,800,000
Less: Adjustment	-	-
Closing Balance	36,800,000	21,800,000
12 CAPITAL		
AUTHORISED CAPITAL		
2,000,000,000 Ordinary Shares of Taka 10 each.	20,000,000,000	20,000,000,000
12.1 Issued, Subscribed and Paid-Up Capital		
428,000,000 nos. of ordinary shares @ Tk. 10 each issued for cash on 07.07.2013	4,280,000,000	4,280,000,000
42,800,000 nos. of bonus shares @ Tk. 10 each issued on 20.06.2017	428,000,000	428,000,000
56,496,000 nos. of bonus shares @ Tk. 10 each issued on 18.10.2018	564,960,000	564,960,000
31,637,760 nos. of bonus shares @ Tk. 10 each issued on 29.12.2020	316,377,600	316,377,600
428,000,000 nos. of shares @ Tk. 10 raised IPO on 18.01.2022	4,280,000,000	4,280,000,000
49,346,688 nos. of bonus shares @ Tk. 10 issued 08.05.2023	493,466,880	-
Total 1036,280,448 Ordinary Shares of Taka 10 each issued	10,362,804,480	9,869,337,600



12.2 Category of shareholding as at 31 December 2023

	2023 Taka	2022 Taka
Name of Category	Percentage (%)	Percentage (%)
Sponsors/Directors	56.50	56.50
Institutes	10.70	10.55
Non-Resident Bangladeshi	0.01	0.01
General Public	32.79	32.94
	100.00	100.00

12.3 Classification of Shareholders by holding position as at 31 December 2023

Shareholding Range	No. of Shares	Percentage (%)
Less than 500 Shares	1,424,303	0.14
501 to 5000 Shares	140,215,852	13.53
5001 to 10,000 Shares	27,181,794	2.62
10,001 to 20,000 Shares	23,932,036	2.31
20,001 to 30,000 Shares	16,586,677	1.60
30,001 to 40,000 Shares	13,034,171	1.26
40,001 to 50,000 Shares	8,770,182	0.85
50,001 to 100,000 Shares	31,969,576	3.09
100,001 to 1,000,000 Shares	102,629,948	9.90
Over 1,000,001 Shares	670,535,909	64.71
	1,036,280,448	100.00

12.4 Regulatory Capital Requirement in line with Basel-III

I. Tier - 1 Capital

a. Common Equity Tier-1 Capital (CET-1)

Paid up Capital	10,362,804,480	9,869,337,600
Statutory Reserve	3,675,520,635	3,028,782,768
Other Reserve	145,749,665	145,749,665
Retained Earnings	2,153,814,553	2,236,430,980
Adjustment for Deferred Tax Assets	(99,931,145)	(105,734,209)
	16,237,958,188	15,174,566,804

b. Additional Tier -1 Capital (AT-1)

	-	-
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Total Tier 1 Capital (a + b)

	16,237,958,188	15,174,566,804
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II. Tier -2 Capital

General Provision	2,998,000,000	3,063,400,000
Mudaraba Subordinated Bond	2,400,000,000	3,200,000,000
Excess Amount over Maximum Limit of T-2	-	-
	5,398,000,000	6,263,400,000

A. Total Regulatory Capital (I+II)

	21,635,958,187	21,437,966,804
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B. Total Risk Weighted Assets

	194,684,743,630	187,564,459,174
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C. Minimum Capital Requirement

	19,468,474,363	18,756,445,917
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D. Capital Surplus/(Shortfall); (A - C)

	2,167,483,824	2,681,520,887
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Capital to Risk Weighted Assets Ratio (CRAR)

	11.11%	11.43%
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Capital to Risk Weighted Assets Ratio (CRAR):

a. Common Equity Tier-1 Capital to Risk Weighted Assets

Held	8.34%	8.09%
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b. Tier - 1 Capital to Risk Weighted Assets

	8.34%	8.09%
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c. Tier - 2 Capital to Risk Weighted Assets

	2.77%	3.34%
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Total (b+c)

	11.11%	11.43%
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At the end of 31 December 2023, Capital to Risk Weighted Assets Ratio (CRAR) stands at 11.11% where total regulatory Capital is BDT 2,163.60 crore and Risk Weighted Assets is BDT 19,468.47 crore.

	2023 Taka	2022 Taka
13 STATUTORY RESERVE		
Opening Balance	3,028,782,768	2,414,624,395
Transferred during the year from Profit & Loss A/C	646,737,867	614,158,373
Closing Balance	3,675,520,635	3,028,782,767
14 OTHER RESERVE	145,749,665	145,749,665
15 RETAINED EARNINGS		
Opening Balance	2,236,430,980	1,860,824,892
Add: Net Profit after tax for the year	1,607,886,270	1,513,501,368
Transferred to Statutory Reserve	(646,737,867)	(614,158,373)
Transferred to Start-up Fund	(16,078,863)	(15,135,014)
Transferred to CSR Fund	(16,078,863)	(15,135,014)
Cash Dividend Paid	(518,140,224)	(493,466,880)
Transferred to Paid up Capital	(493,466,880)	-
Closing Balance	2,153,814,553	2,236,430,980
16 LETTER OF GUARANTEES		
Money for which the Bank is contingently liable in respect of guarantees are given favoring:		
Letters of Guarantee - Local	2,619,239,110	2,431,271,913
Letter of Guarantee - Foreign	-	-
Total	2,619,239,110	2,431,271,913
16.1 Money for Which the Bank is Contingently Liable in respect of Guarantees:		
Directors	-	-
Government	-	-
Banks and Other Financial Institutions	-	-
Others	2,619,239,110	2,431,271,913
Total	2,619,239,110	2,431,271,913
17 IRREVOCABLE LETTERS OF CREDIT		
Letters of Credit - Cash	1,419,570,041	1,048,135,728
Letter of Credit - Cash Inland	-	-
Back to Back Letters of Credit - Local	89,586,890	143,019,334
Back to Back Letters of Credit - Foreign	68,649,568	82,729,885
Total	1,577,806,499	1,273,884,947
18 BILLS FOR COLLECTION ISSUED BY THE BANK		
Foreign Documentary Bills	189,118,785	221,621,457
Outward Bills	-	-
Inland Documentary Bills	591,337,901	590,077,367
Total	780,456,686	811,698,824



19 INVESTMENT INCOME

Profit Received from:

	2023 Taka	2022 Taka
Deposit with Other Banks	402,156,949	416,270,641
Bai Murabaha - General	11,730	3,902,500
Bai Murabaha Hypothecation	-	3,204,682
Bai Murabaha against MTDR	2,858,681,594	4,457,008,619
Bai Murabaha - TR	17,803,492,768	12,895,012,382
Bai Murabaha Real Estate	188,425,992	167,897,500
Bai Murabaha - Agriculture	96,319,535	76,050,494
Bai Murabaha - Stimulus Package	197,132,502	152,661,907
Musharaka - MDB	16,005,443	418,015,774
Bai Muajjal Guarantee	14,888,327	4,940,643
Bai Muajjal Real Estate	4,498,388	1,669,239
Bai Muajjal General	32,675	-
Mudaraba Investment	33,170,440	47,336,658
Bai Murabaha Post Import Bill - TR	185,156,130	241,871,580
HPSM Transport	23,756,680	22,733,095
HPSM Industry	203,202,769	148,692,039
HPSM Real Estate	119,183,131	377,714,088
HPSM Employees House Building	19,190,449	23,038,714
HPSM Machinery	204,958,054	166,822,764
HPSM Consumer Durables	3,255,044	3,398,604
HPSM SME	7,144,630	6,429,546
HPSM Rural House Building	45,871	70,502
Quard against MTDR	23,590,147	4,804,753
Credit Guarantee Scheme	48,725	89,375
Bill Purchased - Foreign	82,656,106	13,665,622
Bai Murabaha Import Bill (MIB)	681,847	523,195
Bai Murabaha EDF Investments	28,700,854	40,891,625
Back to Back Bill	109,243,862	75,342,660
Bai Muajjal against Import Bill	939,854,472	416,822,575
Bai Istisna	10,239,183	4,383,854
Total	23,575,724,297	20,191,265,630

20 PROFIT PAID ON DEPOSITS

Profit Paid on:

Mudaraba Term Deposit	9,412,022,313	7,347,876,446
Mudaraba Double Benefit Deposits Scheme	919,753,388	1,045,797,034
Mudaraba Monthly Savings Scheme	579,444,144	573,353,877
Mudaraba Monthly Benefit Savings Scheme	1,949,585,684	2,220,644,606
Bangladesh Government Islami Bond	752,087,836	427,403,731
Mudaraba Savings Deposits	203,958,735	201,773,972
Mudaraba Short Notice Deposits	1,802,664,218	1,506,459,033
Mudaraba no Frill Savings Deposits	795,257	756,137
Mudaraba Marriage Scheme	15,366,844	14,358,683
Mudaraba Union Pension Prokolpo	4,079,505	6,199,973
Mudaraba Millionaire Deposit Scheme	131,331,749	138,339,045
Mudaraba Hajj Deposit Scheme	3,387,161	3,267,152
Mudaraba Mohor Savings Scheme	7,235,253	6,757,833
Mudaraba Corepoty Savings Scheme	69,464,497	58,403,668
Mudaraba Kotipoti Deposit Scheme	10,305,255	10,978,907
Mudaraba Femina Deposit Scheme	14,879,887	2,330,421
Mudaraba Senior Citizen Deposit Scheme	3,277,906	411,454
Mudaraba Waleda Monthly Profit Scheme	91,903,486	83,520,465
Mudaraba Lifestyle Deposit Scheme	3,160,850	985,055



	2023 Taka	2022 Taka
Mudaraba Barakah Deposit Scheme	2,321,826	3,217,521
Mudaraba Probashi Sanchay Prokolpo	2,225,579	1,001,864
Mudaraba Privileged Deposit Scheme	13,184,005	8,471,989
Mudaraba GIFT Cheque	26,278	6,831
Finance Cost for Lease Liabilities (IFRS - 16)	53,445,478	24,666,789
Mudaraba Subordinated Bond	223,972,496	275,527,456
Total	16,269,879,630	13,962,509,942
21 INCOME FROM INVESTMENT IN SHARES AND SECURITIES		
Bangladesh Govt. Islamic Investment Bond	90,000,000	55,000,000
Bangladesh Govt. Islamic Sukuk	273,998,463	216,479,285
Other Bond	150,500,004	138,709,455
Profit/(Loss) on sale of shares	8,708,611	4,321,059
Dividend Income	3,407,496	180,000
Total	526,614,574	414,689,799
22 COMMISSION, EXCHANGE AND BROKERAGE		
Commission	105,852,556	164,883,180
Exchange Gain	313,636,066	557,864,205
Exchange Earning	313,707,190	557,869,916
Less: Exchange Loss	(71,124)	(5,711)
Total	419,488,622	722,747,385
23 OTHER OPERATING INCOME		
Account maintenance charge	53,921,555	40,858,076
Clearing cheque processing fee	180,735	216,733
Investment processing fee	5,865,097	9,518,679
Miscellaneous Earnings	123,153,364	78,722,782
Total	183,120,751	129,316,270
24 SALARY AND ALLOWANCES		
Basic Salary	828,063,146	828,292,402
Bonus	184,094,574	214,996,722
Bank's Contribution to Staff Provident Fund	78,003,480	65,858,211
Gratuity	71,000,000	75,000,000
House Rent Allowance	378,376,534	326,248,229
Conveyance Allowance	33,592,239	30,534,968
Leave Fare Allowance	949,066	7,512,832
Entertainment Allowance	31,161,756	27,323,637
Medical Allowance	120,176,802	101,727,532
Utility Services	52,805,168	46,436,834
House Maintenance Allowance	87,454,447	71,181,478
Travelling Allowance	94,357,856	68,637,344
Bengali New Year Allowance	14,642,045	13,747,301
Other Allowances	25,679,331	16,209,193
Total	2,000,356,444	1,893,706,683
25 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Rent	152,714,729	256,061,821
Insurance	112,479,942	73,180,773
Rates and Taxes	329,926,061	17,885,479
Water Charges	1,224,254	1,327,981
Gas Charges	898,593	821,132
Electric Bills	62,251,159	51,192,555
Total	659,494,738	400,469,741



	2023 Taka	2022 Taka
26 LEGAL EXPENSES		
Law Charges	505,492	428,314
Stamp	42,027	19,635
Other Professional Charges	4,974,307	4,389,511
Total	5,521,826	4,837,460
27 POSTAGE, STAMP AND TELECOMMUNICATION etc.		
Telephone	5,390,142	4,688,347
Telegram, Telex, Internet, Fax and Email charge	19,004,686	17,065,321
Stamp	86,374	54,129
Swift charge	5,855,590	4,796,277
Postage	5,210,601	6,423,314
Total	35,547,393	33,027,388
28 STATIONERY, PRINTING AND ADVERTISEMENT etc.		
Publicity and Advertisement	118,808,500	85,638,189
Printing and Stationery	29,515,069	28,113,762
Total	148,323,569	113,751,951
29 CHIEF EXECUTIVE'S SALARY & FEES		
Basic Pay	8,483,358	6,873,259
House Rent Allowances	2,778,333	2,160,000
Leave Fare Allowance	135,000	540,000
Bonus	2,500,000	1,923,700
Bengali New Year Allowance	150,000	106,700
House Maintenance Allowance	1,925,000	600,000
Other Allowance	333,984	1,171,526
Total	16,305,675	13,375,185
30 DIRECTORS' FEES & EXPENSES		
Fees	1,487,678	1,552,000
Travel	1,500,000	1,635,000
Total	2,987,678	3,187,000
31 SHARIA'H SUPERVISORY COMMITTEE'S FEES AND EXPENSES		
Fees	184,800	346,800
Travel	150,000	195,000
Total	334,800	541,800
32 DEPRECIATION AND REPAIRS TO FIXED ASSETS		
Depreciation on Fixed Assets (Annexure - A)	364,357,300	301,203,496
Repairs:	63,294,840	57,650,740
Office equipment	52,267,822	45,265,108
Renovation and Maintenance of Office Premises	8,620	98,780
Furniture and Fixtures	114,783	332,936
Repair & Maintenance of Vehicle	10,903,615	11,953,916
Total	427,652,140	358,854,236



	2023 Taka	2022 Taka		
33 OTHER EXPENSES				
Car Expense	45,139,500	45,764,481		
Wages	210,929,183	196,177,850		
Traveling	14,536,285	9,917,043		
Donation and Subscription:				
Donation	209,599,750	43,418,700		
Subscription	8,512,773	5,342,243		
Newspaper and Periodicals	599,479	474,165		
Entertainment	32,106,472	29,446,141		
Conveyance	10,335,392	9,113,272		
Bank charges	14,643,412	12,866,528		
Holiday Banking allowances	1,173,723	1,381,041		
Medical Expense	12,288,474	10,581,717		
Recruitment Expenses	-	700,450		
Training, Seminar and Workshop	1,645,548	1,781,851		
Photocopy, Photograph & Toner	3,026,570	2,845,319		
Generator Expenses	14,448,279	11,667,107		
Washing and Cleaning	383,590	415,874		
Online Expenses	134,156	2,785,621		
Office Maintenance	20,749,681	18,768,438		
Crockery Expense	568,834	620,184		
Meeting Expenses	12,637,853	14,777,881		
IPO Expenses	-	6,678,255		
ATM Expenses	30,576,420	27,761,231		
Miscellaneous Expenses	7,274,379	5,450,438		
Total	651,309,753	458,735,830		
34 NET ASSET VALUE PER SHARE (NAV)				
A. Net Asset Value	16,337,889,333	15,280,301,013		
B. Weighted Average Number of Shares Outstanding	1,019,110,505	965,826,911		
Net Asset Value Per Share (A/B)*	16.03	15.82		
Calculation of Weighted Average Nos. of Shares Outstanding				
Particulars	Weight	Nos. of Shares	Weighted Nos. of Shares	Weighted Nos. of Shares
Opening Balance	1	986,933,760	986,933,760	558,933,760
Issue on 18.01.2022	0.95	428,000,000	-	406,893,151
New Issue on 08.05.2023	0.65	49,346,688	32,176,745	-
			1,019,110,505	965,826,911
35 EARNINGS PER SHARE (EPS)				
A. Net Profit after Tax		1,607,886,270	1,513,501,368	
B. Weighted Average Number of Ordinary Shares		1,019,110,505	965,826,911	
Earnings Per Share (A/B)*		1.58	1.57	
36 NET OPERATING CASH FLOWS PER SHARE (NOCFPS)***				
A. Net Cash Inflow/ (Outflow) From Operating Activities		(279,802,313)	(13,340,408,838)	
B. Weighted Average Number of Shares Outstanding		1,019,110,505	965,826,911	
Net Cash flow Per Share (A/B)		(0.27)	(13.81)	

***There is a decrease in non-payment of other assets and increase in non-payment of other Liabilities. As a result, net operating cash flow (NOCFPS) has been increased to Tk.(0.27) per share for the period ended 31 December 2023 compared to the previous year.



	2023 Taka	2022 Taka
37 Reconciliation of net profit with cash flows from operating activities		
Cash Flow From Operating activities:		
Net Profit After Taxation	1,607,886,270	1,513,501,368
Provision for tax	1,620,000,000	1,557,290,495
Provision for Investment Share & OBS	1,171,200,264	1,087,785,005
(Increase)/ Decrease Profit Receivable	(374,062,308)	(343,386,349)
Increase/ (Decrease) Profit Payable on Deposit	834,243,509	(93,957,118)
Depreciation & amortization of fixed assets	364,357,300	301,203,496
Income tax Paid	(891,395,465)	(1,542,493,668)
Operating Profit before changes in Operating Assets & Liabilities	4,332,229,570	2,479,943,229
38 RECEIPTS FROM OTHER OPERATING ACTIVITIES		
Account maintenance charge	53,921,555	40,858,076
Clearing cheque processing fee	180,735	216,733
Investment processing fee	5,865,097	9,518,679
Miscellaneous Earnings	123,153,364	78,722,782
Total	183,120,751	129,316,270
39 PAYMENTS FOR OTHER OPERATING ACTIVITIES		
Rent, Taxes, Insurances, Electricity etc.	659,494,738	493,290,199
Legal Expenses	5,521,826	4,837,460
Postage, Stamps, Telecommunications etc.	35,547,393	33,027,388
Directors' fees	2,987,678	3,187,000
Sharia'h Supervisory Committee's fees and expenses	334,800	541,800
Auditor's Fee	345,000	345,000
Repair of Fixed Assets	63,294,840	57,650,740
Zakat Expenses	82,000,000	66,100,000
Other Expenses	651,309,753	458,735,830
Total	1,500,836,028	1,117,715,417
40 INCREASE / DECREASE OF OTHER ASSETS		
Inter - branch Transaction Account	1,124,497,424	11,237,330,520
Advances, Deposits and Prepayment	357,583,042	332,071,490
Stock of Stationery	21,499,382	26,826,728
Suspense Account	445,671,467	536,534,912
Stamps on Hand	2,974,734	3,111,109
Total	1,952,226,049	12,135,874,759
(Increase)/Decrease during the year	10,183,648,710	(1,256,700)
41 INCREASE / DECREASE OF OTHER LIABILITIES		
Provision for Zakat	82,000,000	66,100,000
Benevolent Fund	626,987	1,232,987
Clearing Adjustment Account	6,864,061,378	3,378,797
Others	1,580,892,277	2,046,149,985
	8,527,580,642	2,116,861,769
Increase /(Decrease) during the year	6,410,718,873	(511,440,360)
42 NUMBER OF EMPLOYEES		
Executives and Officers	1,735	1,776
Members of Staff (Contractual)	338	349
	2,073	2,125

43 RELATED PARTY TRANSACTIONS

During the year, the Bank carried out some transaction with related party in the normal course of business and on an arm's length basis. The name of this related party, nature of this transaction and total value has been set out in accordance with provisions of International Accounting Standard # 24 (IAS# 24) Related Party disclosure and as defined in the BRPD Circular no. 14 issued by the Bangladesh Bank on June 25, 2003. The significant related party transactions during the year were as follows:

i) Significant Contracts where Bank is a Party and wherein Directors have Interest

Name of the Party	Nature of Transaction	Nature of Relationship	Total Value (in Taka)
Times Securities Ltd.	Trading of Share (Investment in Shares)	Common Director	141,132,685

ii) Related Party Transactions Nil

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

iv) Lending to Related Parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991. Nil

v) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991 Nil

vi) Investment in the Securities of Directors and their related concern Nil

44 DIRECTORS' INTEREST IN DIFFERENT BUSINESS OR ENTITIES

Sl. No	Name of the Directors	Status with the Bank	Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc.
1	Professor Dr. Md. Salim Uddin, FCA, FCMA	Chairman	Professor Department of Accounting University of Chittagong Chairman Bangladesh House Building Finance Corporation
2	Mollah Fazle Akbar	Vice Chairman	Lt. General (Retd) Bangladesh Army
3	Mohammed Delwar Hossain, FCA	Director	Chartered Accountant
4	Rashedul Alam	Director	Managing Director Ocean Resorts Ltd. Global Trading Corporation Ltd. Director Bangladesh Petro Chemical Ltd. S. Alam Hatchery Ltd. S. Alam Properties Ltd. Fatehabad Farm Ltd. Shareholder S. Alam Steels Ltd. Partner M/s. Rafi Enterprise M/s. Khorshed Paribahan Sangstha



5	Mohammad Mostan Billah Adil	Director	Proprietor M/s. Adil Corporation Managing Director Sparrow Spinning Limited Platinum Endeavors Limited Priority Security & Other Services Ltd Director Infina Spinning Mills Limited
6	Osman Goni	Director	Managing Director S.Alam Cold Rolled Steels Ltd. Director S.Alam Trading Company Ltd. S.Alam Bag Manufacturing Mills Ltd. Ocean Resorts Ltd. Modern Properties Ltd Shah Amanat Prakritik Gas Co. Ltd. Shareholder S.Alam Cement Ltd.
7	Mohammad Fazlay Morshed	Director	Managing Director M.R.M. Trading Ltd. Chittagong Logistics Ltd. Worth Avenue Steels Ltd. Adviser C & A Fabrics Ltd.
8	Ms. Halima Begum	Director	Proprietor M/s. Halima Trading Entrepriise
9	Md. Abdus Salam, FCA	Independent Director	EX- Managing Director Bangladesh Krishi Bank EX- CEO & Managing Director Janata Bank Ltd.

45 AUDIT COMMITTEE

a) Constitution

Name	Status with the Bank	Status with the Committee	Educational Qualification
Md. Abdus Salam, FCA	Independent Director	Chairman	M. Com, Fellow Chartered Accountant
Mohammad Fazlay Morshed	Director	Member	B. Com.
Md. Delwar Hossain, FCA	Director	Member	M. Com, Fellow Chartered Accountant

b) During the year under review, the Audit Committee of the Board conducted 06 (Six) meeting.

c) The following steps have been taken for implementation of an effective Internal Control Procedure of the Bank:

A strong powerful division formed for internal audit and inspection as well as compliance thereof.

The division is divided into three separate units i.e. Audit & Inspection , Compliance and Monitoring to implement effective internal control and compliances headed by highly experienced bankers.

Audit and Inspection unit is established with a view to carrying out comprehensive internal audit in the branch level and ensure the transparency and accountability in the banking operations in light of the guidelines of the regulatory authorities and policies set by the bank with regular intervals.

Monitoring Unit is established with a view to implementing proper banking practices in the branches. Day to day operations is the focusing area to implement the rules and procedures of the regulatory bodies, bank's policies and other prudential guidelines.

Compliance unit is established to take effective measures for collection and timely submission of compliances of internal, external and Bangladesh Bank Inspection Reports.



The committee is placing its report regularly to the Board of Directors of the bank mentioning its review and recommendations on internal system, compliance of rules and regulations and establishment of good governance within the organization.

The board has given the responsibility to implement internal control system in the bank as per requirement of core risk management and framework provided by the Bangladesh Bank.


46 EVENTS AFTER BALANCE SHEET DATE

a) The Board of Directors of the Bank in its 116th Board meeting held on 25 April 2024 approved the financial statements of the Bank for the year ended 31 December 2023 and recommended 5% cash dividend for shareholders for the year 2023 to be approved in the next Annual General Meeting and authorized the same for issue.

b) There is no other significant event that has occurred between the balance Sheet date and the date when the financial statements were authorized for issue by the Board of Director which require adjustment in the financial statements.



Managing Director



Director



Director

Chairman

Place: Dhaka, Bangladesh

Dated: 25 April 2024



UNION BANK PLC.
SCHEDULE OF FIXED ASSETS
 As on December 31, 2023

Figure in Taka

Particulars	C O S T					D E P R E C I A T I O N					Written down value as on 31 December'23
	Balance as on 01 January'23	Additions During the Year	Sales/Transfer during the period	Balance as on 31 December'23	Balance as on 01 January'23	Charged for the period	Adjustment on sale/transfer during the period	Balance as on 31 December'23			
Furniture & Fixtures	1,218,427,738	81,544,306	-	1,299,972,044	476,803,597	73,997,486	-	550,801,083	749,170,961		
Office Equipment	1,148,135,640	74,330,395	-	1,222,466,035	708,405,631	99,248,580	-	807,654,211	414,811,824		
Vehicles	123,769,259	6,686,508	-	130,455,767	87,746,290	11,911,687	-	99,657,977	30,797,790		
Books	512,614	19,831	-	532,445	248,610	56,388	-	304,998	227,447		
Land	2,666,750,340	-	-	2,666,750,340	-	-	-	-	2,666,750,340		
Sub Total	5,157,595,591	162,581,040	-	5,320,176,631	1,273,204,128	185,214,141	-	1,458,418,269	3,861,758,362		
Lease Assets - Premises											
Right-of-use assets	1,249,060,400	257,884,803	-	1,506,945,203	180,326,821	179,143,159	-	359,469,980	1,147,475,223		
Total Dec' 2023	6,406,655,991	420,465,843	-	6,827,121,834	1,453,530,949	364,357,300	-	1,817,888,249	5,009,233,585		
Total Dec' 2022	5,216,935,061	1,199,783,252	10,062,322	6,406,655,991	1,162,389,774	301,203,496	10,062,321	1,453,530,949	4,953,125,042		



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

Figure in Taka

SL #	Particulars	2023	2022
1	Paid-up Capital	10,362,804,480	9,869,337,600
2	Total Regulatory Capital	21,635,958,187	21,437,966,804
3	Total Regulatory Capital Surplus/(deficit)	2,167,483,824	2,681,520,886
4	Total Assets	295,347,564,528	272,908,816,783
5	Total Deposits	225,585,372,764	213,375,297,519
6	Total Investments	255,691,913,189	222,275,438,478
7	Total Contingent Liabilities and Commitments	6,016,844,945	6,424,124,444
8	Investment Deposit Ratio (in %)	108.50%	99.64%
9	Percentage of Classified Investments against total Investments (in %)	3.62%	3.54%
10	Profit after Provision and Tax	1,607,886,270	1,513,501,368
11	Amount of Classified Investments	9,263,050,359	7,864,716,426
12	Provision kept against Classified Investments	3,718,000,000	3,058,000,000
13	Investments Provision Surplus/(deficit)	15,227,145	10,772,946
14	Cost of Fund	9.23%	8.48%
15	Profit Earning Assets	271,307,216,849	237,643,286,098
16	Non-profit Earning Assets	24,040,347,679	35,265,530,686
17	Income from Investment in Shares & securities	526,614,574	414,689,799
18	Return on Investment in Shares & securities (ROI) (in %)	5.15%	4.04%
19	Return on Assets (ROA)(in %)	0.57%	0.59%
20	Earnings Per Share (Tk.)	1.58	1.57
21	Net Income Per Share (Tk.)	1.58	1.57
22	Price Earnings Ratio (Times)	5.63	5.92
23	Net Asset Value (NAV) per share (Taka)	16.03	15.82
24	Net Operating Cash Flow per shar (NOCEPS) (Taka)	(0.27)	(13.81)

