ANNUAL REPORT 2023

SMART BANKING BETTER TOMORROW

Islami Bank Bangladesh PLC. | Based on Shari'ah

بسم الله
الرحمن الرحيم

Smart Banking involves the integration of smart and digital technologies in all areas of banking operations to provide customers with more efficient, innovative, user-friendly, and personalized banking experiences. In recent past, banking sector has experienced a paradigm shift where customers prefer to interact with banks using multiple digital channels instead of physical presence in branch premises.

During more than four decades of its long journey, IBBPLC. has become the industry leader in all business parameters having a strong cliental base, notable business portfolio, expanded banking network, tech-based modern banking products and solutions, and massive contributions to the national economy keeping intact the Shari'ah values. The mission of smart banking has been designed to win people's trust keeping strategic focuses on sustaining financial resilience, balanced expansion, sound asset management, upholding professionalism & compliance and promoting ethical banking and governance.

Islami Bank
Bangladesh PLC. | Based on Shari'ah

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MESSAGE FROM THE HOLY QUR'AN

بسم الله الرحمن الرحيم

وَلَا تُصَعِّرْ خَدَّكَ لِلنَّاسِ وَلَا تَمْشِ فِي الْأَرْضِ مَرَحًا ۖ إِنَّ اللَّهَ لَا يُحِبُّ كُلَّ مُخْتَالٍ فَخُورٍ ۔سورة لقمان : ١٨

And do not turn your face away from people with pride, and do not walk on the earth arrogantly. Surely, Allah does not like anyone who is arrogant, proud. (Surah Lukman: 18)

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ ۚ وَلَا تَقْتُلُوا أَنْفُسَكُمْ ۚ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا ۔سورة النساء : ٢٩

You who believe, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent. And do not kill yourselves [or one another]. Indeed, Allah is ever Merciful to you. (Surah Nisa: 29)

يَمْحَقُ اللَّهُ الرِّبَا وَيُرْبِي الصَّدَقَاتِ وَاللَّهُ لَا يُحِبُّ كُلَّ كَفَّارٍ أَثِيمٍ ۔سورة البقرة : ٢٧٦

Allah destroys interest and gives increase for charities, and Allah does not like any ungrateful sinner. (Surah Al Baqarah: 276)

إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ وَإِيتَاءِ ذِي الْقُرْبَىٰ وَيَنْهَىٰ عَنِ الْفَحْشَاءِ وَالْمُنْكَرِ وَالْبَغْيِ ۚ يَعِظُكُمْ لَعَلَّكُمْ تَذَكَّرُونَ ۔سورة النحل : ٩٠

Indeed, Allah orders justice and kindness and giving relatives (their due rights) and forbids shameful acts, evil deeds and oppression. He instructs you so perhaps you will be mindful. (Surah Nahl: 90)

GUIDANCE FROM THE HOLY HADITH

عَنْ اَبِي ذَرٍ. قَالَ قَالَ لِيَ النَّبِيُّ صَلَّى اللهُ عَلَيْهِ وَسَلَّمَ لَا تَحْقِرَنَّ مِنَ الْمَعْرُوفِ شَيْئًا وَلَوْ اَنْ تَلْقَى اَخَاكَ بِوَجْهٍ طَلْقٍ. (رواه مسلم)

Abu Dharr (RA) reported: The Messenger of Allah (ﷺ) said to me, "Do not belittle any good deed, even your meeting with your brother (Muslim) with a cheerful face." (Sahih Muslim)

عَنْ عَبْدِ اللهِ بْنِ عَمْرٍو. قَالَ: لَعَنَ رَسُولُ اللهِ صَلَّى اللهُ عَلَيْهِ وَسَلَّمَ الرَّاشِي وَالْمُرْتَشِي. (رواه ابو داود)

Abdullah bin Amr (RA) narrated: The Messenger of Allah (ﷺ) cursed the one who bribes and the one who takes bribe. (Abu Daud)

عَنْ عَمْرِو بْنِ الشَّرِيدِ، عَنْ اَبِيهِ، عَنْ رَسُولِ اللهِ صَلَّى اللهُ عَلَيْهِ وَسَلَّمَ قَالَ: لَيُّ الْوَاجِدِ يُحِلُّ عِرْضَهُ وَعُقُوبَتَهُ. (رواه النسائي)

It was narrated from 'Amr bin Ash-Sharid, that his father said: "The Messenger of Allah said: Delay in payment on the part of one who possesses the means makes it lawful to dishonor and punish him." (Nasa'i)

عَنْ عَبْدِ اللهِ بْنِ عَمْرِو بْنِ الْعَاصِ، اَنَّ رَسُولَ اللهِ صَلَّى اللهُ عَلَيْهِ وَسَلَّمَ قَالَ يُغْفَرُ لِلشَّهِيدِ كُلُّ ذَنْبٍ اِلَّا الدَّيْنَ. (رواه مسلم)

It has been reported on the authority of Abdullah bin 'Amr bin Al'-As that the Messenger of Allah (ﷺ) said: All the sins of a Shahid (martyr) are forgiven except debt. (Sahih Muslim)

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Islami Bank Bangladesh PLC. | Based on Shari'ah

Letter of Transmittal

All Honourable Members/Shareholders,
Bangladesh Bank,
Registrar of Joint Stock Companies and Firms,
Bangladesh Securities and Exchange Commission,
Dhaka Stock Exchange PLC and
Chattogram Stock Exchange PLC

Subject: Annual Report for the Year ended December 31, 2023

Dear Sir,

Assalamu Alaikum.

Please find an enclosed copy of the Annual Report along with the audited Financial Statements including consolidated and separate Balance Sheet as at December 31, 2023 and Income Statements, Cash Flow Statements and Statement of Changes in Equity for the year ended December 31, 2023 along with the notes thereon of Islami Bank Bangladesh PLC. and its subsidiaries (Islami Bank Securities Limited and Islami Bank Capital Management Limited) for your kind perusal and record.

Thank you

Yours faithfully,

(J Q M Habibullah, FCS)
AMD & Company Secretary

Islami Bank Bangladesh PLC. | Based on Shari'ah

Head Office, Islami Bank Tower
40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh

NOTICE OF THE 41st ANNUAL GENERAL MEETING

Notice is hereby given that the **41st** Annual General Meeting of **Islami Bank Bangladesh PLC. will be held on Tuesday, the 25th June, 2024 at 11.30 A.M through Digital Platform** to transact the following businesses :

Agenda

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended 31st December, 2023 along with the Reports of the Auditors' and the Directors' thereon.
2. To declare Dividend for the year ended 31st December, 2023 as recommended by the Board of Directors.
3. To appoint Statutory Auditors for the Year 2024 and to fix their remuneration.
4. To appoint Corporate Governance Compliance Auditor for the Year 2024 and to fix their remuneration.
5. To elect / re-elect Directors.

By order of the Board

(J Q M Habibullah FCS)
AMD & Company Secretary

Dated: Dhaka
24th April 2024

Notes:

a) Members whose names will appear in the Members / Depository Register on Record Date i.e.16th May, 2024 will be eligible to participate and vote at the Annual General Meeting through Digital Platform and to receive the dividend.

b) Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Directive No. BSEC/CMRRCD/ 2009-193/08 dated March 10, 2021 and Letter No. BSEC/ICAD/SRIC/2024/318/87 dated March 27, 2024, the AGM will be a virtual meeting of the Members, which will be conducted via live webcast by using Digital Platform.

c) Link for joining in AGM through Digital Platform and details log in process will be notified to the respective email address. Full log in/participation process for the Digital Platform meeting will also be available in the Bank's **website : www.islamibankbd.com.**

d) A member eligible for participating and voting at the Annual General Meeting may appoint a proxy on his / her behalf. Power of Attorney / Proxy Form must be submitted to the Registered Office or Share & Bond Division (63 Dilkusha C/A, 5th Floor, Dhaka) of the Company at least 48 (Forty Eight) hours before the Meeting i.e. **11.30 A.M. on Sunday the 23rd June, 2024**. Revenue Stamp of Tk.20/- (Taka Twenty) only shall have to be affixed on the Proxy Form.

e) As per Bangladesh Securities and Exchange Commission (BSEC) Gazette Notification No.BSEC/ CMRRCD/2006-158/208/ admin/81, dated 20th June, 2018, soft copy of Annual Report along with the Attendance Slip, Proxy Form and the Notice will be forwarded to all the members at their respective email addresses available in their beneficiary owner (BO) accounts as per CDBL record. Member may collect the printed copy of the Annual Report from the Registered Office or Share & Bond Division (63, Dilkusha C/A, 5th Floor, Dhaka) if required in writing beforehand. Soft copy of Annual Report for the Year 2023 shall be available on Bank's **website: www.islamibankbd.com**.

f) Election of Directors will be dealt in terms of Articles of Association of the Bank and relevant rules/laws/circulars in force.

VISION

Our vision is to always strive to achieve superior financial performance, be considered a leading Islami Bank by reputation and performance.

Our goal is to establish and maintain modern banking techniques, to ensure soundness and development of the financial system based on Islamic Principles and to become a strong and efficient organization with highly motivated professionals, working for the benefit of people, based on accountability, transparency and integrity to ensure stability of the financial systems. We will try to encourage savings in the form of direct investment. We will also try to encourage investment particularly in projects, which are more likely to lead to higher employment.

MISSION

To establish Islamic Banking through introduction of a welfare oriented banking system and also ensure equity and justice in all economic activities, achieve balanced growth and equitable development through diversified investment operations particularly in the priority sectors and less developed areas of the country.

To encourage the socio-economic development and financial services to the low-income community particularly in the rural areas.

Our Strategic Objectives

Sustaining Financial Resilience

- Efficient Fund Management & Effective Resource Utilization
- Making all Strategic Business Units (SBUs) Effective, Operational and Profit Centric
- New Avenues for Ancillary Business
- Ensuring Accountability for all SBUs

Balanced Expansion

- Calculative and Rational Physical Expansion
- Market Driven Digital Expansion
- Spreading Digital Banking Products for Financial Inclusion

Professionalism and Compliance

- Ensure Professionalism in All Banking Operation
- Capacity Building for Leadership
- Develop Compliance Culture

Wining People's Trust

- Sustainable Customer Relationship
- Greater Connectivity through Networking
- Better Service, Better Care
- Widening Mass Acceptance
- Develop Mutual Trust and Respect

Sound Asset Management

- Prioritizing Need based Investment
- Cautious in New Project Investment
- Ensure String Monitoring and Follow up for Timely Recovery
- Re-Shaping Distressed Assets

Promoting Ethical Banking & Governance

- Upholding Ethical Values in All Banking Operations
- Self Accountability

Core Values & Commitments

Adherence to Islamic Shari‘ah

- Islamic Financial System is the source of all strength and inspirations
- Principles of deposit, investment and operational ethics are guided by Islamic Financial System
- Ensuring Halal income for the depositors and shareholders
- Abstaining from financing in any area deemed to have been Haram

Welfare Banking

- Ensuring justice and fairness in all economic activities
- Achieving balanced growth and equitable development
- Inclusion of the unbanked population in the banking channel

Socially Responsible Banking

- Abstaining from financing in any socially and environmentally undesirable project
- Expanding investment to foster the need-based retail and priority sectors
- Promoting the green initiative in minimizing the carbon emission

Integrity

- Performing in accordance with the rules and responsibilities
- Protecting the rights and privileges of the stakeholders
- Maintaining equilibrium between the words and action

Commitments

- Strict compliance to all regulatory requirements
- Optimum care and courtesy to all stakeholders
- Efforts in ensuring continuous quality improvement
- Satisfying clients through effective service delivery

Code of Conduct and Ethical Principles

Shari'ah foundation of ethics

- Avoidance of interest (Riba) in all financial transactions
- Ensuring welfare and justice to all the stakeholders
- Righteousness in dealing with the day to day affairs
- Ensuring transparency & avoidance of obscurity (Gharar)

Principles of personnel ethics

- Trustworthiness in discharging the assigned duties
- Dedication in abiding by the rules and regulations
- Commitment in making actions pure and perfect
- Adherence to the truth and avoidance of falsehood
- Discharging the responsibilities with honesty and integrity

Rules of ethical conduct

- General Code of Conduct of the Bank
- Guidelines of National Integrity Strategy
- Gender Equality & Prevention of Sexual Harassment Policy
- Disciplinary procedures to deal with the violations

Conduct towards shareholders, managers and fellow employees

- Preserving the benefits and interest of the shareholders
- Maximizing company profit and managing the same ethically
- Providing fair and equal employment opportunity
- Ensuring gender equality in the workplace
- Eliminations of all sorts of gender discriminations
- Ensuring logistic support for employee satisfaction
- Providing opportunities for professional development
- Adherence to good corporate governance practices
- Refraining from any sort of favoritism and biasness
- Appreciating the value of individual & team contribution

Rules of conduct towards those who deal with the institution and related parties

- Ensuring prompt & responsive approach to the customer needs
- Treating the customers fairly and without any prejudice
- Ensuring privacy/secrecy of customers/stakeholders information
- Updating the customers regarding suspicious transactions in their accounts.
- Informing the customers regarding all banking products & services
- Acknowledging the norms, customs, values of the community/society
- Treating the external counter-parties professionally and impartially
- Avoiding conflict of interest while negotiating with the counter-parties

Awards & Accolades

- IBBPLC. is the first Bangladeshi Bank listed among the World's Top 1000 Banks ranked by UK's financial intelligence magazine 'The Banker'. IBBPLC. first appeared in the list in 2012 and secured its position every year since then.
- Uk-based the Global Islamic Finance Awards (GIFA) awarded IBBPLC. ''Most Outstanding Islamic Bank Award-2023 and 2021''.
- IBBPLC. achieved Commonwealth Business Excellence Awards 2023.
- Institute of Cost and Management Accountants of Bangladesh (ICMAB) awarded IBBPLC. ICMAB National Best Corporate Award – 2022 and every year since 2010.
- IBBPLC. was awarded Remittance Award by Mukadhara New York Inc. for collection highest remittance in 2023.
- World's largest electronic fund transfer network VISA has awarded IBBPLC. 'Payment Excellence Award 2023' in 'Excellence in Islamic Banking cards', Excellence in Consumer Cards-Prepaid' and 'Excellecne in Consumer Cards-Debit' Categories.
- IBBPLC. achieved "Excellence in Mastercard Prepaid Business (Domestic) Award 2022-2023" Award at the Mastercard Excellence Award 2023
- IBBPLC. achived Excellecnce in Mastercard Prepaid Business (Domestic) Award 2022-2023.
- IBBPLC. achieved the 'Best Bank in Bangladesh' Award in the South Asian Business Excellence Awards 2022 presented by South Asian Partnership Summit.
- IBBPLC. achieved "The Strongest Islamic Retail Bank in Bangladesh 2023" award conferred by UK-based Cambridge IFA.
- IBBPLC. has been awarded Bangladesh Bank Remittance Award for collecting highest remittance in the year 2022 and every year since 2017.
- IBBPLC. achieved the top performing banking award in sustainability rating by Bangladesh Institute of Bank Management (BIBM) in 2022.
- IBBPLC. was awarded for its outstanding contribution to revenue collection by Large Taxpayers Unit of National Board of Revenue in the fiscal year 2022-23 and 4 previous sessions.
- IBBPLC. has been awarded as the highest taxpayer in the banking sector by National Board of Revenue for the fiscal year 2022-23.
- IBBPLC. has achieved Remittance Award 2022 conferred by the Centre for Non Resident Bangladeshi.
- IBBPLC.'s Cellfin app has been awarded for highest bill collection by Dhaka WASA.
- IBBPLC. achieved 8th National Award 2021 and National Gold Award 2019 by Institute of Chartered Secretaries (ICSB) of Bangladesh.
- IBBPLC. achieved 'Best Retail Bank in Bangladesh' award in the category of 'Excellence in Retail Financial Services 2021conferred by The ASIAN BANKER.
- IBBPLC. has been recognized as sustainable bank in the Sustainability Ranking by Bangladesh Bank in 2021.
- The global Council for Islamic Banks and Financial Institutions (CIBAFI) conferred IBBPLC. 'World's
- Best Islamic Bank CIBAFI Award 2019' for Investment Innovation in MSME Financing.
- Islamic Finance News, based on Malaysia, conferred IBBPLC. 'Best Islamic Bank in Bangladesh' award 2018.
- Institute of Chartered Accountants of Bangladesh (ICAB) awarded IBBPLC. '20th ICAB National
- Award' for best presented annual reports 2019' under of Corporate Governance category. ICAB also conferred IBBPLC. the 2nd position for good Corporate Governance for the year 2016.
- The Global Finance, a reputed USA-based Financial Magazine, adjudged IBBPLC. as the best Islamic Financial Institution of Bangladesh five times during the years 2008 to 2013.
- Bangladesh Bank and SME Foundation jointly conferred the prestigious award - the best 'Small Entrepreneur Friendly Bank of the Year' in 2014 to IBBPLC. considering its contribution to SME financing.
- IBBPLC. has been awarded Gold Medal in 2019 and 2016 by Centre for Non-Resident Bangladeshi for highest foreign remittance collection.
- IBBPLC. was awarded the 'Sardar Patel Award' 2016 for outstanding contribution in Sustainable Economic Development.
- IBBPLC. also won "Bank of the Year Award" conferred by 'The Banker' for the Year 2016. The award is regarded as the Oscar in banking industry. Islami Bank is the only Bangladeshi Bank awarded ever by The Banker.

- Most Innovative Private Commercial Bank Award 2023
- GIFA Global Islamic Finance Award Most Outstanding Islamic bank 2023
- Top 10 Remittance Award 2024
- ICMAB Best Corporate Award 2022
- The Strongest Islamic Retail Bank in Bangladesh 2023
- Commonwealth Business Excellence Awards 2023
- Excellence in Mastercard Prepaid Business (Domestic) 2022-23
- Payment Excellence Awards 2023
- Tax Card Recognition 2022
- Bill Collection Award 2022-2023

THE ASIAN BANKER AWARD

South Asian Business Excellence Awards 2022

Bill Collection Award 2022-2023

Tax Card Award 2022

Remittance Award 2024

The Strongest Islamic Retail Bank in South Asia 2022

The Strongest Islamic Retail Bank in Bangladesh 2022

Most Outstanding Islamic Bank 2023

Dhaka WASA Award

Strongest Bank by Balance Sheet & Strongest Islamic Bank by Balance Sheet in bangladesh 2022

Bangladesh Bank Remittance Award 2019

Bangladesh Bank Remittance Award 2020

The Strongest Islamic Retail Bank in Bangladesh 2023

Tax card Recognition 2022-2023

South Asian Business Excellence Awards 2022

Listed among The Banker's Recognition 2023

ICMAB Best Corporate Award 2023

FORWARD LOOKING STATEMENT

Forward Looking Statement

The Annual Report-2023 of Islami Bank Bangladesh PLC. has stated forward-looking statements in its different parts. Forward looking is someone or something with an eye to the future and a focus on what is coming. It often predicts expected future business and financial performance. It contains words such as expect', 'anticipate, believe, seek, will, may, would, presume, assure, hope, so on and so forth. A forward-looking statement naturally addresses matters that are, to certain degrees, uncertain and may not happen. In most cases, a forward-looking statement been made in respect of company's expected income, earning, business growth, horizontal expansion, cost structure, capital structure, dividends etc. Such a statement was made based on some assumptions about future events, which may happen or may not happen. The following major factors that may affect overall business conditions of the Bank are mentioned below:

- Changes in national economy, political and financial conditions, changes in the government's adjustments and control policies, and regulatory issues, securities and capital markets behavior including changes in market liquidity and volatility, global economic downturn including a significant decline in global trade volumes;
- Global unrest in Middle-east countries affecting flow of remittances and trade;
- Changes in fiscal, monetary and trade policies;
- Natural catastrophes and political disturbances;
- Changes in consumer behaviors, technologies and commodity price;
- Changes in financial and capital market;
- Changes in interest rates and forex rates locally and internationally;
- Changes in legal and regulatory framework;
- Dollar crisis in the national economy;
- Withdrawal of incentives given to any sectors.

While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. Since there are uncertainties about the occurrence of the future events, those should be treated from that viewpoint in decision making by the users of the Annual Report.

Ahsanul Alam
Chairman

Respected shareholders,

Assalamu Alaikum Wa Rahmatullah.

Before I delve into the presentation of the Annual Report 2023, I want to express my heartfelt gratitude to the Almighty Allah SWT for His countless blessings upon us. I extend my warmest thanks to all stakeholders of Islami Bank Bangladesh PLC: our shareholders, esteemed customers, dedicated employees, our distinguished management, Honourable Board members, and the policymakers who have continuously supported our beloved Bank.

It fills me with immense pleasure to announce that Islami Bank Bangladesh PLC. has firmly established itself among the top 1000 banks globally. Currently commanding over 8% of the country's banking market share, our Bank boasts strong business portfolios across various indices, including deposit mobilization, investment disbursement, import-export operations, foreign remittances, and digital banking transformation. These achievements warrant recognition both domestically and internationally.

With a customer base of 23 million, our Bank significantly contributes to the national economy. We offer sophisticated banking products and services while fostering employment generation, economic upliftment, and financial inclusion on a large scale. As we present the Annual Report 2023, we aim to provide timely insights into our Bank's performance and celebrate our successes across various esteemed platforms.

As the first Shariah-based banking institution in Southeast Asia, Islami Bank Bangladesh PLC. has navigated numerous challenges since its inception. Over 41 years, we have prioritized national interests, economic growth, and the needs of our people, supported by extensive networks and a dedicated workforce. This commitment has earned us unwavering trust and goodwill from millions, both at home and abroad.

On this occasion, we pay homage to Bangabandhu Sheikh Mujibur Rahman, whose vision led to the establishment of IBBPLC. laying the foundation for Islamic banking in Bangladesh and beyond. We also extend our gratitude to the Honourable Prime Minister, H.E. Sheikh Hasina, whose leadership and vision have propelled our nation's growth amidst global challenges.

The year 2023 presented formidable challenges for the banking industry, including geopolitical tensions, economic uncertainties, and inflationary pressures. Despite these hurdles, Islami Bank Bangladesh PLC. concluded the year with remarkable achievements, witnessing growth across all key performance indicators. Notably, our Bank excelled in deposit mobilization, demonstrating the trust and confidence placed in us by our diverse customer base.

Global Economy

Global economy in 2023, encountered a diverse array of challenges and opportunities, resulting in a complex interplay of factors that influenced economic growth, inflation rates, and various other indicators, reshaping the financial landscape in new dimensions. While certain regions witnessed post-pandemic economic recovery, others faced setbacks due to ongoing geopolitical tensions and disruptions in the supply chain. International cooperation and technological advancements played pivotal roles in shaping the global economic landscape.

Numerous regions experienced a moderate rebound from the impacts of the COVID-19 pandemic. Advanced economies demonstrated signs of steady recovery driven by consumer spending and robust industry structures with diversified business portfolios. However, emerging markets encountered diverse challenges; while some achieved growth through export diversification, others grappled with structural issues and external pressures. Globally, inflation rates surged due to disruptions in the supply chain, escalating commodity prices, and monetary policy decisions. While the degree of inflation varied from country to country, some economies faced significantly elevated inflation rates, prompting central banks to recalibrate their strategies to maintain price stability. Initially, the World Bank and IMF projected a more optimistic global economic outlook, which evolved over time due to various factors. Although certain stimulus measures aided in addressing some crises, not all challenges were alleviated. Consequently, 2023 proved to be a challenging year worldwide, marked by disparities among regions, impacting the overall direction of the global economic cycle. Geopolitical tensions, trade disputes, and regional conflicts posed threats to global economic stability, particularly affecting developing countries. Supply chain disruptions and production downtimes exacerbated this complex situation.

In response to Russia's invasion of Ukraine, Western nations imposed financial sanctions and embargoed Russian oil exports, leading to retaliatory actions such as Russia cutting gas supplies to Europe. Major importers like Germany had to curtail their energy usage, while low- and middle-income nations and developing countries struggled to access affordable energy. Bangladesh, along with countries like Pakistan and Sri Lanka, grappled with these adverse situations, with fuel price hikes impacting food markets.

Growth in advanced economies was projected to decline from 2.7% in 2022 to 1.3% in 2023. Similarly, for developing countries in emerging markets, growth was expected to decrease from 4.0% in 2022 to 3.9% in 2023. Global inflation had been on the rise since 2021, reaching peak levels in recent years. Despite these challenges, 2023 witnessed some positive developments. Sustainable development gained traction, with increased focus on green investments, renewable energy, and environmentally conscious business practices, paving the way for long-term growth opportunities.

In summary, the global economy in 2023 navigated a dynamic landscape characterized by a mix of successes and hurdles. While economic growth and innovation presented opportunities, challenges such as geopolitical tensions and supply chain disruptions underscored the importance of resilient and adaptive economic strategies on a global scale. The disparity between predictions and actual outcomes emphasized the necessity of agile responses to adverse situations.

National Economy

In 2023, the national economy witnessed a blend of challenges and commendable achievements across various fronts. Throughout the year, several indicators faced volatility, including foreign reserves, the dollar's value, inflation rates, remittance inflows, and levels of debt, both domestic and external. These factors had notable ramifications on the banking sector. Despite these hurdles, there were positive highlights towards the year's end, such as moderate GDP growth, satisfactory per capita income levels, significant infrastructural advancements, and promising prospects for trade and commerce expansion.

Initially targeting a 6.03% economic growth rate for the year, slightly lower than the previous fiscal year's 7.1%, we ultimately saw our projections align closely with those of the Bangladesh Bureau of Statistics (BBS). Despite global challenges, including exacerbation by the Middle East conflict, our nation's economic trajectory remained relatively stable. Notably, GDP growth hovered around 6%, with per capita GDP and national income experiencing minor fluctuations mainly attributed to currency exchange rate variations.

Consumption expenditure, as a percentage of GDP, observed a slight decrease, while total investment surged to 31.25%, supported by both public and private sectors. Revenue mobilization efforts aimed at 9.68% of GDP showcased our commitment to fiscal discipline. The monetary policy framework adopted for the fiscal year focused on managing demand-side pressures while ensuring adequate financing for productive sectors. This cautious approach facilitated economic recovery while effectively addressing inflationary concerns and exchange rate fluctuations.

In 2023, a notable stride was the government's alignment of growth projections with those of development partners, fostering a more strategic planning environment. However, challenges persisted, particularly in the industrial sector, which grappled with currency devaluation and diminished investment, resulting in a decline in growth. Similarly, the agriculture and services sectors experienced marginal contractions. Despite these setbacks, Bangladesh showcased resilience and adaptability, with the services sector progressively assuming a larger share of GDP contribution.

Nevertheless, it remains imperative to prioritize the agricultural sector's pivotal role in our economy, alongside fostering growth in both services and industry. In summary, the year 2023 presented Bangladesh with a blend of obstacles and opportunities. Our prudent fiscal management and strategic initiatives underpinned sustained growth, while ongoing challenges underscored the need for agile policy responses. Moving forward, a continued emphasis on sustainable development and attracting foreign investment will be instrumental in propelling Bangladesh along a trajectory of enduring economic advancement.

Global Banking

The global banking sector underwent significant transformations in 2023, primarily driven by the continued digitalization and emphasis on cybersecurity. Technological advancements, particularly in financial technologies (Fintech), provided avenues for innovation in banking services. Collaborations with Fintech firms and the integration of Artificial Intelligence (AI) into banking operations enhanced efficiency and facilitated customer-centric solutions. Despite increased profits in many countries, largely attributed to rising interest rates, financial institutions globally grappled with the need to adapt to major structural and macroeconomic shifts.

Central banks in several large economies empowered commercial banks to increase lending rates, thereby bolstering returns. European banks encountered new regulations limiting certain commissions from asset managers or insurers. Additionally, nonbank financial institutions, such as insurance companies and sovereign wealth funds, posed a growing threat, diverting a significant portion of financial funds away from traditional banking channels. This shift signalled a pivotal moment for the traditional core of the banking sector—the balance sheet.

The surge in interest rates across various economies in 2023 promised to reshape the banking landscape. Experts outlined five key priorities for financial institutions to reinvent themselves: leveraging advanced technologies like AI, optimizing balance sheets, reconsidering transaction businesses, enhancing distribution networks, and adapting to evolving risk landscapes.

Performance varied widely among banking entities in 2023. While some institutions boasted premium Returns on Equity (ROE), robust earnings growth, and high price-to-earnings ratios, others lagged behind. Roughly 40% of banks and financial institutions achieved an ROE above 14%, whereas nearly 35% fell below 8%. These discrepancies underscored the significance of operational excellence and strategic decision-making, particularly regarding cost management, efficiency, customer retention, and technology adoption.

In response to economic challenges, the IMF and World Bank implemented policies influencing banking regulations and capital requirements to prioritize stability. However, the effectiveness of these measures varied across regions. Sustainable finance, digital banking, and the integration of AI contributed to the modest growth observed in the global banking sector in 2023. Concerns regarding overdue loans and potential bank closures persisted in several regions, underscoring the importance of prudent risk management and regulatory oversight in maintaining financial stability.

Amidst these developments, the World Bank's initiatives for financial inclusion played a pivotal role in expanding banking services in developing economies, fostering inclusive economic growth even in remote areas. However, governance issues loomed large in 2023, impacting the smooth functioning of global banking operations. Challenges such as money laundering, capital flight, corruption, and deficiencies in skilled manpower and trustworthiness necessitated strategic planning and remedial actions. Despite these challenges, the global banking sector seized opportunities arising from transformative trends, positioning itself for continued evolution.

Domestic Banking Sector

In 2023, the banking sector experienced a pressing need for innovation as technological advancements became increasingly essential in our daily lives. The aftermath of the COVID-19 pandemic accelerated the adoption of digital banking operations both in our country and globally. With a focus on delivering enhanced experiences and heightened satisfaction, our banking sector must develop medium and long-term strategies to capitalize on the opportunities presented by the Fourth Industrial Revolution. Banking is poised to play a pivotal role as the engine of economic development in this era of rapid technological evolution.

To maximize the benefits of the Fourth Industrial Revolution, the banking sector must embrace modern technological devices such as artificial intelligence, quantum computing, machine learning, robotics, and internet banking. These advancements will propel our banking practices to world-class standards. Upholding moral and ethical standards among banking professionals is paramount as these issues grow increasingly significant. From the customers' perspective, factors like confidence, trustworthiness, credibility, brand image, and loyalty will hold utmost importance.

Throughout the previous year, the domestic banking sector navigated challenges stemming from economic uncertainties and global geopolitical tensions. Proactive measures were essential to safeguard financial stability, while opportunities emerged with increased digital banking adoption and Fintech collaborations. Enhanced regulatory oversight, internal controls, and compliance were imperative to maintain sound banking practices.

The dollar crunch in 2023 posed significant challenges for banks, particularly affecting foreign currency transactions. Strategic measures and cooperation between regulatory bodies and financial institutions were crucial to managing this crisis. Similarly, maintaining foreign reserves presented serious challenges for the Central Bank, necessitating prudent fiscal policies and strategic interventions to ensure economic stability.

Trade dynamics impacted import and export performances, prompting efforts to diversify export markets and reduce dependency on specific sectors. However, foreign remittance remained a vital contributor to Bangladesh's economy, with banks playing a pivotal role in facilitating remittance flows and bolstering the country's foreign exchange reserves.

In 2023, the government pursued policies focused on economic diversification, infrastructure development, and financial inclusion, collaborating with the banking sector to achieve these goals. Initiatives included opening new branches and agent outlets, delivering training programs, issuing circulars and instructions, supporting stress management, combating money laundering, and promoting digital transformation.

Despite facing a mix of challenges and opportunities influenced by the global economic landscape and geopolitical tensions, the banking sector in Bangladesh demonstrated resilience. While some performance indicators showed moderate results, others, such as financial inclusion, literacy programs, and support for the CMSME sector, exhibited steady progress. Collaboration between the government, Central Bank, and commercial banks played a pivotal role in navigating the complexities of the economic landscape in 2023.

Global Islamic Finance

In 2023, the global Islamic finance sector showcased remarkable resilience and growth amidst various economic, geopolitical, and financial challenges. Notably, Islamic banking, sukuk issuances, and Sharia-compliant investment products experienced steady expansion, affirming Islamic finance as a credible and ethical alternative within the global financial landscape. The rise of Islamic banking also gained traction in Western countries, signalling an increasing acknowledgment of asset-based or ethical banking principles—an ethos long practiced by institutions like IBBPLC. since their inception.

Despite encountering hurdles such as economic uncertainties, geopolitical tensions, and volatile commodity prices, Islamic finance demonstrated adaptability by implementing strategies to maintain stability and confidence in the sector. However, amidst these challenges, opportunities arose driven by heightened demand for ethical and sustainable finance, digitalization, and FinTech innovations. Furthermore, government support and the availability of diverse Islamic banking products and services bolstered market share and perception. Nevertheless, the integration of Artificial Intelligence (AI) presented both opportunities and risks, emphasizing the critical need for vigilant risk management and governance practices.

The global dollar crunch reverberated across financial markets, impacting Islamic finance institutions. Consequently, institutions had to navigate foreign currency exposures and shifting liquidity conditions, necessitating flexibility and strategic adjustments. Economic fluctuations and geopolitical conflicts further shaped the landscape, prompting institutions to recalibrate strategies to address uncertainties effectively.

Encouragingly, policymakers globally took steps to enhance the regulatory framework for Islamic finance, focusing on harmonizing standards, facilitating cross-border transactions, and fostering collaborations to fortify sector resilience. Islamic countries continued to make significant contributions

to Islamic finance, with nations like Malaysia, Saudi Arabia, and the UAE leading in sukuk issuances and Sharia-compliant banking. Additionally, non-Islamic countries increasingly embraced Islamic finance, recognizing its ethical underpinnings. Financial hubs like London and Luxembourg witnessed a surge in Islamic finance activities, highlighting its growing global appeal.

Islamic Banking in Bangladesh

Islamic banking in Bangladesh witnessed robust growth in 2023, characterized by commendable performances across various metrics such as assets, deposits, and profitability. The popularity of Sharia-compliant financial products surged as consumers increasingly sought ethical banking solutions. This growth reflects the global trend of Islamic banking's rise, driven by its risk-sharing nature and asset-backed transactions. Despite facing challenges like economic uncertainties and Dollar shortages, Islamic banks responded effectively to maintain financial stability and uphold Islamic finance principles.

Opportunities emerged from the growing demand for ethical and sustainable financial services, prompting Islamic banks to capitalize on digitalization and introduce innovative products. Total investments in the Islamic banking system increased significantly, highlighting its mainstream acceptance. With over 1,700 branches and numerous agent banking outlets, Islamic banking now covers a substantial portion of Bangladesh's financial landscape.

In 2023, governance and risk management practices became focal points for improvement within Islamic banks, ensuring compliance with Sharia principles and regulatory guidelines. Despite challenges like the Dollar crunch, Islamic banks continued to facilitate import-export transactions and witnessed growth in foreign remittances, contributing significantly to Bangladesh's economy.

Strategic adjustments, along with support from Bangladesh Bank and the government, helped Islamic banking navigate external pressures while upholding Sharia principles. Despite higher than anticipated non-performing investments, liquidity management practices ensured the resilience of Islamic banks in volatile market conditions.

The sector's expansion led to job creation and increased market share, with new branches and collaborative ventures contributing to business growth. In conclusion, Islamic banking in Bangladesh demonstrated resilience and adaptability in 2023, contributing positively to financial inclusivity and sustainable economic growth under the collaborative efforts of regulatory authorities and financial institutions.

Shariah Compliance

Since its establishment in 1983, IBBPLC. has remained steadfast in its commitment to Shariah compliance, a principle upheld throughout 2023. In adherence to this ethos, the Bank implemented a Risk-Based Shariah Inspection Plan 2023, sanctioned by the Shariah Supervisory Committee and endorsed by the Bank's competent authority as per Central Bank regulations. Various proactive measures were taken to ensure the efficacy of Shariah inspections, including assessments at 61 sub-branches and 192 agent outlets, organizing seven brainstorming sessions with Muraqibs (Shariah auditors) for professional development, and promoting Shariah awareness among staff and clients.

Moreover, efforts were made to enhance knowledge dissemination and ethical development through the publication of a booklet commemorating the Bank's 40th anniversary and other works addressing contemporary Shariah issues. The Shariah Secretariat contributed significantly by producing working papers and concept papers on diverse topics referred by management, as well as conducting several research projects.

Throughout 2023, the Shariah Supervisory Committee convened six meetings, while the Shariah Sub-Committee held four, addressing a total of 36 issues. The Bank also organized 16 Shariah training and motivational programs, aimed at both employees and clients. Additionally, the Shariah Secretariat undertook various activities focused on Shariah training and motivation, further reinforcing the Bank's commitment to Shariah compliance and ethical conduct.

Risk Management

Throughout 2023, IBBPLC. prioritized meticulous risk management across all facets of its operations. Strategies centered on prudent use of information technology, robust liquidity management, maintaining a strong capital base, fostering good governance, and implementing risk-based business and financial planning. The bank organized the Annual Risk Conference 2023, engaging around 1,000 selected employees from branches and various divisions. Additionally, the Risk Management Coordination Committee convened 12 meetings to address risk-related issues and make informed decisions. The bank remained proactive in identifying and analysing internal and external risks, informing the Risk Management Coordination Committee (RMCC) and Risk Management Committee (RMC) accordingly. With the banking sector facing evolving risks due to technological advancements, changing customer behaviour, and regulatory shifts, strategic planning and prudent execution are crucial for effective risk management.

Digital Banking

The proliferation of digital technology has led to a surge in digital transactions, prompting IBBPLC. to enhance its digital banking services. The bank focused on integrating digital technologies across all banking operations, facilitating seamless interactions with a diverse customer base. The Cellfin platform of IBBPLC. emerged as a robust digital solution, offering a wide range of banking products and services. In 2023, the bank introduced initiatives such as the issuance of 10,000 new Khidmah cards, Cashless Motijheel, Cashless Bangladesh-Smart Bangladesh extension programs, and Cellfin business app for merchants and agents, among others. Embracing digital banking solutions is essential to address future challenges and stay abreast of industry trends.

Corporate Social Responsibility (CSR)

Islamic banks, including IBBPLC, played a significant role in corporate social responsibility (CSR) activities in 2023. Reports indicate that Islamic banks accounted for half of the banking sector's CSR spending during the period. IBBPLC. as a leading contributor, focused its CSR efforts on environmental impacts, ethical responsibility, philanthropic endeavours, and financial responsibilities. By actively engaging in CSR initiatives, the bank contributed to societal improvement and fostered a positive brand image within the country.

IBBPLC.: Pioneering Islamic Banking in Bangladesh

In the realm of Islamic banking, Islami Bank Bangladesh PLC. (IBBPLC.) emerged as the trailblazer in 2023, solidifying its position with remarkable achievements. As the sole representative of Bangladesh, the bank maintained its status among the top 1000 banks globally, alongside industry giants like ICBC and China Construction Bank. Acknowledging its efficiency and significant contributions to Islamic Retail Banking, IBBPLC. was honoured with prestigious accolades, including 'The Strongest Islamic Retail Bank in Bangladesh 2023' by UK-based Cambridge IFA. Furthermore, the bank's exemplary performance in tax contribution earned it the title of the highest taxpayer in the banking sector for the fiscal year 2022-23. Notably, IBBPLC. received recognition for its highest remittance collection and expatriate services, underscoring its pivotal role in facilitating financial transactions and services for Bangladeshis abroad.

Established in March 1983 as the first Shariah-based bank in Southeast Asia, IBBPLC. has evolved into the largest commercial bank in Bangladesh, listed on the Dhaka and Chattagram Stock Exchanges. Boasting a robust network comprising 394 branches, 237 sub-branches, and 2,771 Agent Banking Outlets, the Bank's expansive reach underscores its commitment to serving diverse customer segments nationwide. Moreover, IBBPLC.'s significant contributions to corporate social responsibility (CSR) align with its business objectives, with a particular focus on Islamic microfinance through its Rural Development Scheme (RDS).

Throughout 2023, the Bank prioritized key initiatives such as Shariah compliance, digital banking, financial inclusion, microfinance, risk management, quality customer service, CSR activities, and good governance. Upholding its founding principles, IBBPLC. remains dedicated to providing transparent and efficient banking services based on Islamic Shariah principles. The Bank expresses gratitude to stakeholders, including customers, shareholders, regulatory authorities, and employees, whose unwavering support has propelled it to achieve excellence. Celebrating its 40th founding anniversary in 2023, IBBPLC. looks forward to continuing its journey of success, guided by the values of Shariah compliance and stakeholder collaboration.

Ahsanul Alam
Chairman

Mohammed Monirul Moula
Managing Director & CEO
Ex-Officio Director

Bismillahir Rahmanir Rahim,

Dear shareholders and stakeholders,

It is my immense pleasure to welcome you to the Annual Report-2023 and present the operating and financial performance of the Bank for the year ended 31 December 2023 and its future prospects. I thought it would be useful to you to have a summarized version of the journey of the Bank and that is what I have placed before you the highlights of the bank.

Islami Bank Bangladesh PLC. is a leading bank in Bangladesh that delivers a broad range of Shariah based financial services to a large and diversified client base that includes corporations, financial institutions, governments and individuals. Our purpose is to advance sustainable economic growth through the introduction of a welfare oriented banking system and also ensure equity and justice in the field of all economic activities. Our goal, reflected in our initiatives, is to deliver the full range of our services and expertise to support our clients in a more accessible, comprehensive and efficient manner, across businesses and product areas.

Islami Bank Bangladesh PLC. has successfully completed 40 years of operations since its establishment as a first Shariah based bank in Bangladesh. It has been truly a privilege and honor for me to have not only witnessed, but also be a part of this extraordinary success story – growing from being the smallest bank in the country and only a niche player, to becoming one of the largest and most revered financial institutions in the country and becoming a forerunner and role model in the establishment of Islamic Banking in Bangladesh.

Global Macro Trends in 2023

over the past three and a half years, including the impact of the COVID-19 pandemic followed by the Russia-Ukraine conflict. Global GDP growth continued to slow in 2023, likely to 3.10 per cent, from 3.50 per cent in 2022, as central banks continue to tighten policy and the boost from post-pandemic reopening of economies faded.

The world economy proved more resilient than expected in 2023 amid significant monetary tightening and lingering policy uncertainties worldwide. Several large developed economies showed remarkable resilience, with robust labor markets supporting consumer spending despite sharp monetary tightening. At the same time, inflation gradually declined in most regions on the back of lower energy and food prices, allowing central banks to slow or pause interest rate hikes.

The economic landscape in Asia and the Pacific region confronts various challenges, including shifts in global demand from goods to services, a transition from foreign sources to domestic manufacturers, and synchronized tightening of monetary policies. Despite the initial upward momentum in economic growth witnessed in the first half of 2023, the Asia-Pacific region is experiencing a slowdown. This deceleration is notably observed as China's post-pandemic reopening loses momentum due to subdued investment, partly influenced by weakened external demand.

Global Macroeconomic Outlook

Global growth is projected to stay at 3.1 percent in 2024 and has been projected to rise to 3.2 percent in 2025 published by International Monetary Fund (IMF) on account of greater-than-expected resilience in the United States and several large emerging markets and developing economies, as well as fiscal support in China.

The forecast for 2024–25 is below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity and low underlying productivity growth.

Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025.

Mentionable that major central banks appear on the verge of loosening monetary policy, confident that inflation is largely beaten. Although the global economy has slowed, the outlook is somewhat more benign than anticipated. But new problems emerged over the past year. The Russia-Ukraine conflict continues, there is a new war and crisis in the Middle East, tensions between the world's two largest economies remain significant, and patterns of trade and cross-border investment are shifting.

The Asia-Pacific (APAC) region is expected to be the fastest growing region of the world economy in 2024, underpinned by resilient domestic demand in East Asia and India. Regional growth is projected to ease to 4.5% in 2024 from 5.1% last year. Growth in developing East Asia and Pacific excluding China is projected to pick up to 4.6% this year, up from 4.4% in 2023. Growth in China is projected to moderate to 4.5% from 5.2% in 2023, as high debt, a weak property sector, and trade frictions weigh on the economy.

Bangladesh Economy

In 2023, Bangladesh experienced a wide range of macroeconomic instability. Supply disruptions and the spike in the prices of fuels and other commodities in the global market—caused by global events—pushed up costs worldwide, leading to high inflationary pressure. Additionally, the country is now faced with multiple challenges such as a fragile banking sector, financial account deficit, volatility in the exchange rate, and depleting foreign exchange reserves.

Bangladesh's economy has showcased robust resilience and impressive growth by achieving a real GDP growth of 6.94 percent in FY21 and 7.10 percent in FY22. The monthly average inflation rate increased from 7.6 percent in 2022 to 9.48 percent in 2023. Remittance through formal channels slightly recovered to grow by 3.00 percent in 2023 against 3.58% degrowth in 2022. According to the Bangladesh Bank, in 2023 the value of taka has decreased by 5.77 percent. Banks devalued the dollar by 22 percent and depreciated by 19 percent in the open market. The foreign exchange reserves decreased to 27.13 Bn (BB) & 21.86 Bn (BPM6) in December 2023.

Bangladesh Economy: Macroeconomic Outlook

Bangladesh will clock the sixth highest economic growth in Asia in the current financial year. Globally, uncertainties will continue, which will affect growth. The growth outlook for Bangladesh is to be 7.5 percent for the 2023-24 fiscal year as per projection of the government. However, the IMF projected that GDP growth would be 6.00 percent, while the World Bank estimated that it would be 5.6 percent in FY24.

Bangladesh Bank is taking policy initiatives to establish a unified exchange rate regime under a crawling peg system seeking to minimize BDT depreciation and contain inflation and government set the revised inflation target of 7.50 percent for FY24.

Banking Sector Outlook

Banking, the lifeblood of any economy, faces unique challenges in Bangladesh. A high percentage of non-performing loans (NPLS), inadequate capital, and an overreliance on bank financing are just a few of the many obstacles impeding advancement. However, US rating agency Moody's Investors Service changed its outlook for Bangladesh's banking system to 'Stable' from 'Negative'.

The banking sector in Bangladesh finds itself navigating through tight liquidity conditions. This strain is evident in the diminishing levels of excess cash reserves and liquid assets. The dry liquidity situation in the banking sector has triggered a steady surge in interest rates. The weighted average calls money rate climbing from 6.06 percent in June 2023 to 8.84 percent by December 2023.

BB has extended its assistance to conventional banks, non-bank financial institutions and Shariah-based Islamic banks through various existing instruments as well as introducing Mudarabah Liquidity Support (MLS) and Islamic Banks Liquidity Facility (IBLF) for ensuring comprehensive support across the banking spectrum. Furthermore, BB's ongoing efforts extend to refinancing and pre-financing facilities tailored to foster growth in pivotal sectors like agriculture and CMSMEs.

In July 2023, the implementation of SMART as a benchmark for banks' lending rates marked a significant shift. This benchmark rate surged from 7.10 percent in July 2023 to 8.14 percent by December 2023. Non-performing loans are a lurking threat. The ratio of NPLs to total loans stood at 9.00 percent in December 2023. Distressed Asset (Written off, Non-performing, Rescheduling) stood at 3.78 lac Crore at year end 2022 which was around 27% of asset portfolio.

Forward looking policy initiatives in banking sector

1. **Exchange Rate Stability:** In a strategic move, BB has already initiated the unification of exchange rates, adopting the prevailing interbank exchange rate announced by the Bangladesh Foreign Exchange Dealers' Association (BAFEDA) for foreign exchange transactions.
2. **Enhancing the Remittance Inflows:** The government and the Bangladesh Bank have implemented comprehensive policy measures to amplify the influx of remittances such as Dual Incentive Scheme, Increased Remittance Limits, Expanded Remittance Channels, Tax remission on IT freelancers
3. **Anchoring Inflation:** Focusing on curbing inflation, BB has implemented crucial strategies to stabilize the economy likes introducing an Interest Rate Corridor (IRC), Increasing Policy Rate, Removing Deposit Rate Floor & lending rate cap.
4. **Upholding Good Governance:** BB introduced the Prompt Corrective Action (PCA) framework on 5 December 2023, designed to enable timely regulatory and supervisory intervention to uphold financial stability and public trust in the financial system. On the other hand, BB has integrated another supervisory framework i.e. risk-based supervision (RBS) which to be implemented by 2025.
5. **Streamlining Open Market Operation:** Under this framework, the overnight repo rate is the policy rate and the inter-bank call money market rate operates as the target rate. BB established an interest rate corridor (IRC) centered on the policy rate, wherein the standing lending facility (SLF) rate represents the upper limit and the standing deposit facility (SDF) rate acts as the lower boundary. The goal is to maintain the call money rate in proximity to the policy rate by adjusting it in response to prevailing macroeconomic conditions.

Contribution of Islamic Banking

Islamic banking has grown rapidly in value and geographical reach and has become an important and integral part of the global financial system. In line with global trends Islamic banking in Bangladesh has also been witnessing a robust growth due to its strong public demand and policy supports from the government as well as Bangladesh Bank.

There were 10 full-fledged Islamic banks in Bangladesh operating with 1670 branches. In addition, 30 Islamic banking branches of 15 conventional commercial banks and 624 Islamic banking windows of 16 conventional commercial banks are also providing Islamic financial services in Bangladesh.

The market share of Islamic banks is successively increasing over the time. At the end of December 2023, Islamic banks represents 26 percent share in terms of deposits, 29 percent share in terms of investments, 27 percent, 25 percent and 38 percent respectively in terms of export, import and remittance business of the banking industry.

Review of Operating Performance of IBBPLC.

In a year when many customers started losing confidence on banking system for spreading some distorted, fabricated as well as unprincipled news published by few syndicated media house about governance issues, we, IBBPLC. turned out to be a safer destination for many customers.

Leveraging our strong brand image, Bank's total deposit reached to Tk.15,34,566 million with a growth of 8.80% over the previous year. Fresh deposit of Tk.124,121 million was mobilized while Cost Free deposit increased to Tk.210,306 million with a growth of around 29%. During the turbulent market environment, the Bank has fortified itself on the liquidity front so that depositors' interest is protected and their confidence on us remains intact.

General investment increased by 9.50% in 2023 over 2022. In line with Govt. policy to restrict import of unnecessary and luxurious items, import volume declined by Tk.180,629 million in 2023 taking the figure to BDT. 573,416 million against BDT.754,045 million in the previous year. Export business of IBBPLC. was Tk.338,069 million. Foreign Remittance business stood Tk.566,122 million in 2023 with a growth of 26.66%. IBBPLC. market share in remittance business stood at 23.07% in 2023. Total assets of the bank stood at Tk.20,31,533 million marking a growth 10.52% over the previous year.

Despite the challenging economic conditions posed by the rising inflation and tight market liquidity, both in local and foreign currency, the Bank registered an operating profit of BDT.60,341 million in 2023 up by BDT.7,812 million from the previous year. The improved operating profit was mainly driven by higher revenue from strong balance sheet growth. The Banks net profit after tax for the year 2023 stood at BDT. 6,114.15 million.

The classified investment ratio of the Bank stood at 4.32 % as on December 31, 2023 vis-à-vis industry average of 9.00%. The Capital Adequacy Ratio stood at 12.62%, which is above the minimum regulatory requirement of 12.50% and above the industry average of 11.80% as of 30 September 2023.

Strengthening Customer Relationship

In service industry we know service excellence is the major differentiator among the peer companies. To create delightful experience for our customers, we have been continuously innovating and upgrading our products and services and simplifying our processes. We are bringing more and more services under the umbrella of digitalization to make our customers life easier. we have already developed several digital products and services like digital on-boarding through eKYC, online account opening, QR payment and other latest banking services by its digital flagship- 'CellFin', internet banking (iSmart), mobile banking (mCash) and other digital platforms. This year, we have launched Mudaraba Education Savings Scheme, Mudaraba Expatriate Housing Deposit Scheme", Overseas Employment Investment Scheme (Swapnojatra), Health Care Investment Scheme, Education Investment Scheme (Sopnobonon) to promote financial inclusion and to bolster small businesses.

Enhancing Financial Inclusion and Cashless Society

Over the past decade, Bangladesh has made remarkable progress in fostering financial inclusion through mobile financial services (MFS), agent, sub-branch and branchless banking providing formal financial avenues to the unbanked

and micro-entrepreneurs. In line with the government's 'Smart Bangladesh Vision,' Bangladesh Bank has initiated the 'Cashless Bangladesh' program to accomplish seventy-five percent cashless transactions by 2027. Initiatives like Binimoy, QR Code transactions, Digital Bank, and Taka Pay have been introduced to integrate the unbanked and marginalized population into the formal banking system. We, IBBPLC participated at "Smart Bangladesh-Smart Haat Program-2023" on the occasion of Eid-Ul-Azha at Gabtoli Qurbanir Haat, Dhaka & Sagarika Gorur Haat, Chottogram & opened more than 6,000 Personal Retail Account (PRA) of cattle traders. In 2023, we have distributed more than 52 thousand Bangla QR Merchant among the retail businessmen.

People Development

The Bank believes that its workforce is very critical to the long-term success of the Bank. Therefore, the Bank ensures that its employees remain empowered, motivated, skilled and receive relevant trainings, so that they remain competent and relevant to current and future need of the Bank and can get self-development opportunities. IBBPLC. through its modern training academy (IBTRA), provides a range of training to its employees, both through virtual and on-campus learning platform. In 2023, Human Resources Wing arranged trainings/ workshops covering a total of 28 types of courses regarding smart banking services wherein around 3,500 employees of the bank participated. The Bank introduced an e-learning portal (Capacity Building) through which the employees can get on-demand training on various matters. Diversity, equity and an ethical culture are also promoted throughout the Bank.

Footstep of IBBPLC.

Everything we do at the Bank is centered on our customers. We offer services through 394 branches, 237 Sub-branches, 2,771 Agent Banking Outlets, 2,989 ATM & CRM. Bank's flagship program under "Rural Development Scheme (RDS) countrywide expansion covered 32 thousand villages and reaches among the 18 lakhs marginalized & unbanked people. Aiming to develop women entrepreneurship, IBBPLC. is focusing to deliver financial services among the poor, innovative, sidelined as well as left behind women, that's why total 92% RDS clients are female. Our goal is to eventually reach every corner of the country and provide financial services to the unbanked communities through cost efficient distribution model.

Brand and Communication

From brand and communication perspective, we aim to get closer to the communities through various promotions, communication, sponsorship and engagement activities. In the longer run, we envisage to reach out to every corner of the country and scale up community-based financial inclusion programs to create positive impacts on the society. Therefore, the Bank is implementing Re-branding program to run various communication activities to improve its visibility and create brand awareness.

Corporate Social Responsibility (CSR)

IBBPLC. has always been aware of its Corporate Social Responsibility (CSR) to ensure that it is perceived as a bank with a conscience and catalyst for change. In order to contribute to a better quality of life for society at large, Islami Bank is perpetually working to become a socially responsible corporate entity. Since inception, IBBPLC. has been contributing to serving distressed people, improvement of Education, extension of Health and Medicare facilities, promotion of Arts, Culture, Literature, Science, Technology and Sports, creation of employment opportunities through Human Resources Development, helping Humanitarian and Disaster Management, Relief and Rehabilitation, Environment and Climate Risk Fund. In 2023 IBBPLC. spent Tk.997.86 million among 3 lac beneficiaries. Total accumulated CSR expenditure incurred by the Bank is Tk.16,581 million among 18.41 million beneficiaries since 1983 in different sectors irrespective of caste and creed.

Adhering to Shari`ah & Compliances

IBBPLC. consistently endeavors to attain excellence in Shari'ah compliance throughout its operations. In 2023, doubtful income of the bank slightly increased to 0.51% in 2023 from 0.49% in 2022. But, there is a positive growth in Shari`ah risk rating of the branches i.e. MEDIUM Risk branches decreases as against LOW Risk branches increases in 2023 compared to 2022.

In order to comply with the International and Local Rules & Regulations on AML & CFT issues, IBBPLC. has taken different initiatives like introduction of Real time Sanctions Screening, NID verification for proper KYC documentations, digital customer on-boarding, transactions monitoring tools, record keeping in the Banks own e-IBS system. In addition, IBBPLC. have taken compliance programs to arrest Cybercrime, online Forex trading/gaming/betting/ crypto currency/hundi, Trade Based & Credit Backed Money Laundering.

Awards & Accolades

As the market leader in the banking sector, IBBPLC. has been contributing substantially to the economic development of Bangladesh. In recognition of its consolidated performance and leadership, IBBPLC. has been awarded with recognition and accolades by national and international bodies. Some are as follows:

In general Category:

- IBBPLC. positioned 915th in the 'Top 1000 Global Banks' in 2023, as declared by UK based financial intelligence magazine "The Banker". The Bank has been in the ranks among the Top 1000 Global Banks since 2012"
- "The Strongest Bank in Bangladesh" by Commonwealth Business Excellence Award 2023
- "ICMAB Best Corporate Award" by The Institute of Cost and Management Accountants of Bangladesh
- "Highest Taxpayer Recognition" in the Banking sector in the consecutive years from 2017-2018 to 2022-2023 by National Board of Revenue.
- "Bangladesh Bank Remittance Award 2023" by Bangladesh Bank.
- IBBPLC. declared as 'AAA' Rated Private Bank since 2018.

- "Payment Excellence Awards 2023" have been conferred by VISA.
- "Mastercard Excellence Award" in Prepaid Business (Domestic) category by Mastercard.

In Islamic Banking Category:

- "The Strongest Islamic Retail Bank in Bangladesh 2023" by Cambridge IFA, UK.
- "Most Outstanding Islamic Bank 2023" by the Global Islamic Finance Award (GIFA).
- "The Strongest Islamic Bank by Balance Sheet in Bangladesh 2022" by The Asian Banker.

Strategic Plans for 2024

In 2024, the economic environment is going to be challenging due to rising interest rates & inflation and pressure on foreign exchange market. We may observe a poor growth or low demand, as business are still responding to challenges with supply chain, power supply, global and local political tensions and adverse global economic condition.

As an innovative bank, we will invest continuously in digital banking to improve customer experience, reduce operating cost and simplify our business model. IBBPLC. puts emphasis on providing innovative speedy solutions/services through the adoption of digital technology at a cheaper but competitive price in a full range of banking services to the customers. Keeping the nation's "Smart Bangladesh" vision in view, our theme for the Year 2024 has been determined as "Smart Banking, Better tomorrow". In line with the theme, we have determined some priorities and strategic focuses for anchoring Shari'ah Values to turn the theme into action. The priorities and strategic focuses are placed below:

01. Sustaining Financial Resilience

- Efficient Fund Management & Effective Resource Utilization
- Making all Strategic Business Units (SBUs) Effective, Operational and Profit Centric
- New Avenues for Ancillary Business
- Ensuring Accountability for all SBUs

02. Balanced Expansion/Distribution Channel Management

- Calculative and Rational Physical Expansion
- Market Driven Digital Expansion
- Spreading Digital Banking Products for Financial Inclusion

03. Wining People's Trust

- Sustainable Customer Relationship
- Greater Connectivity through Networking
- Better Service, Better Care
- Widening Mass Acceptance
- Develop Mutual Respect and Trust

04. Professionalism and Compliance

- Ensure professionalism in all banking operation
- Capacity Building for Leadership
- Develop Compliance Culture

05. Sound Asset Management

- Prioritizing Need based Investment
- Cautious in New Project Investment
- Ensure Strong Monitoring and Follow up for timely recovery
- Re-shaping Distressed Assets

06. Promoting Ethical Banking & Governance

- Upholding ethical values in all banking operations
- Discharging own Responsibility
- Self-Accountability

Thanks and Gratitude

The most heart-warming aspect of financial year 2023 has-been the realization that IBBPLC. overcame the challenges that textured by the random syndicated propaganda twisted in some media house & volatile economic situation. Our resilience is the result of many factors, not least being a shared vision and values.

As a final note, I must express my sincere appreciation to all of our customers who have continued to trust on us over the years. I would also like to take this opportunity to thank my colleagues for their commitment and tireless efforts. I am also very grateful for the guidance and strategic advice that have been provided by the experienced and prudent Board of Directors, Stakeholders, Bangladesh Bank and other regulators.

Last but not least, I would like to reiterate our commitment to implementing our business strategy and ensuring justifiable growth in accordance with our vision to always strive to achieve superior financial performance, be considered a leading Islamic Bank by reputation and performance. We shall continue our efforts for building a developed Bangladesh Insha Allah.

May Allah (SWT) be always with us with His heavenly blessings and indulgence us in the days to come. Ameen.

Thank you for your unwavering support.

Mohammed Monirul Moula
Managing Director & CEO

CORPORATE MILESTONE

1983

13.03.1983 Incorporation
27.03.1983 Certificate of Commencement of Business
30.03.1983 Inauguration of 1st Branch
01.05.1983 Formation of Shariah Council
04.07.1983 Formation of Sadakah Tahbil as a CSR Wing
12.08.1983 Formal Inauguration

1985

02.07.1985
Listing at Dhaka Stock Exchange Limited

1996

07.03.1996
Listing at Chattogram Stock Exchange Limited

1997

12.06.1997
Opening of 100th Branch

2004

29.12.2004
Joining/Agreement with CDBL

2005

02.04.2005
In-house Core Banking Software

2007

31.12.2007
1st Position of IBBPLC. in Inward Remittance since

2009

21.06.2009
Opening of 200th Branch

2010

22.03.2010
Islami Bank Securities Limited (IBSL)
01.04.2010
Islami Bank Capital Management Limited (IBCML)

2011

04.01.2011
Launching of Offshore Banking Unit
07.01.2011
100% Online Banking
16.12.2011
Launching of iBanking

2012

11.10.2012 Introduction of IDM
27.12.2012 Inauguration of mCash service
27.12.2012 Launching of Call Center
31.12.2012 Entered into the World's Top 1,000 Banks list since

2014

14.04.2014
Witnessed Tk.500,000 million deposit base
27.05.2014
Launching of Shari'ah based Credit Card–Islami Bank Khidmah Card

2015

18.03.2015
Launching of Sheba Ghar
09.09.2015
Opening of 300th Branch

2016

30.03.2016
Launching 'IBBPLC. iSmart' (mobile apps)
18.10.2016
Opening of 500th Own ATM Booth

2017

15.07.2017
Launching Agent Banking Services

2018

10.05.2018
Opening of 100th Agent Banking outlet

2019

08.07.2019 Opening of 500th Agent Banking outlet
08.09.2019 Launching of CRM
15.09.2019 Opening First Sub-branch
11.11.2019 Opening of 350th Branch
31.12.2019 Opening of 1000th Agent Banking outlet

2020

30.06.2020 Tk.1.00 Trillion Deposit
27.09.2020 Opening of 100th Sub-branch
27.09.2020 Opening of 1500th Agent Banking outlet
30.11.2020 Launching of Cellfin App
13.12.2020 Opening of 2000th Agent Banking outlet

2021

23.11.2021
Opening of 200th Sub-branch

2023

10.10.2023
Opening of 20 Agent Outlets

Sponsors & Placement Holders

Sponsors

- Mohammad Abdur Razzaque Laskar (Late)
- Mofizur Rahman (Late)
- Barrister Tamizul Haque (Late)
- Mohammad Younus (Late)
- Mohammad Shafiuddin Dewan (Late)
- Mohammad Bashiruddin (Late)
- Mohammad Hussain (Late)
- Nashiruddin Ahmed (Late)
- Muhammad Mosharraf Hossain (Late)
- Mohammad Malek Minar (Late)
- Zakiuddin Ahmed
- M. A. Rashid Chowdhury (Late)
- Engr. Mustafa Anwar
- Prof. Mohammad Abdullah
- Serajuddowla (Late)
- Ibn Sina Trust
- Bangladesh Islamic Centre
- Islamic Economics Research Bureau
- Mohammad Nuruzzaman (Late)

Sponsors & Placement Holders

Placement Holders

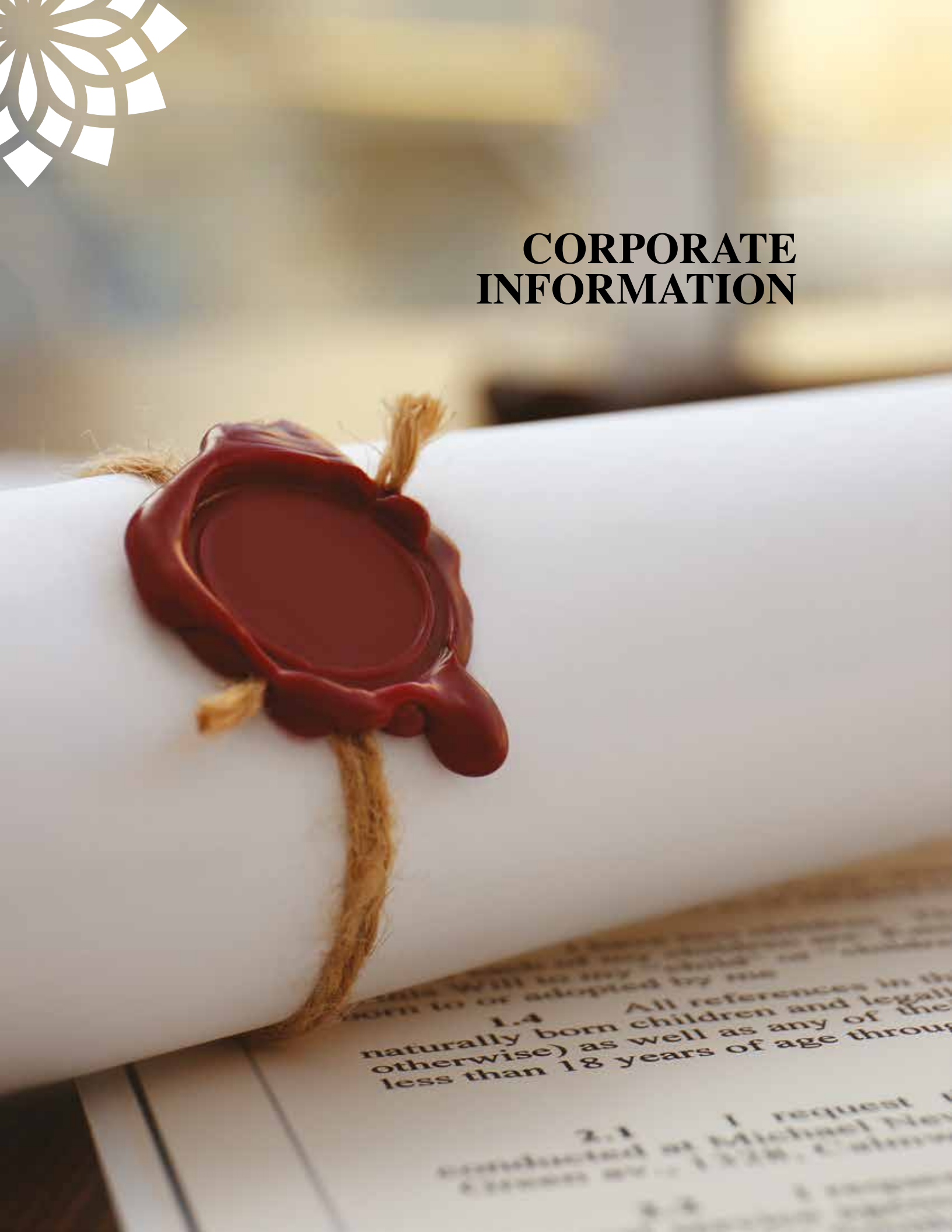
LOCAL

- Abul Quasem (Late)
- A.K. Fazlul Haque (Late)
- Engr. Muhammad Dawood Khan
- Baitush Sharaf Foundation Ltd.

FOREIGN

- Islamic Development Bank, Jeddah, K.S.A.
- Kuwait Finance House (K.S.C.), Safat, Kuwait
- Jordan Islamic Bank, Amman, Jordan
- Islamic Investment & Exchange Corporation, Doha, Qatar
- Bahrain Islamic Bank, Manama, Bahrain
- Islamic Banking System International Holding, S.A., Luxembourg
- Al-Rajhi Company for Currency Exchange & Commerce, Riyadh, K.S.A. (Presently Al-Rajhi Company for Industry & Trade)
- Sheikh Ahmed Salah Jamjoom (Late), Jeddah, K.S.A.
- Sheikh Fouad Abdul Hameed Al-Khateeb (Late), Jeddah, K.S.A.
- Dubai Islamic Bank, Deira, Dubai, U.A.E
- The Public Institution for Social Security, Safat, Kuwait
- Ministry of Awqaf and Islamic Affairs, Kuwait (Presently, Kuwait Awqaf Public Foundation)
- Ministry of Justice, Department of Minors Affairs, Kuwait (Presently, The Public Authority for Minors Affairs)

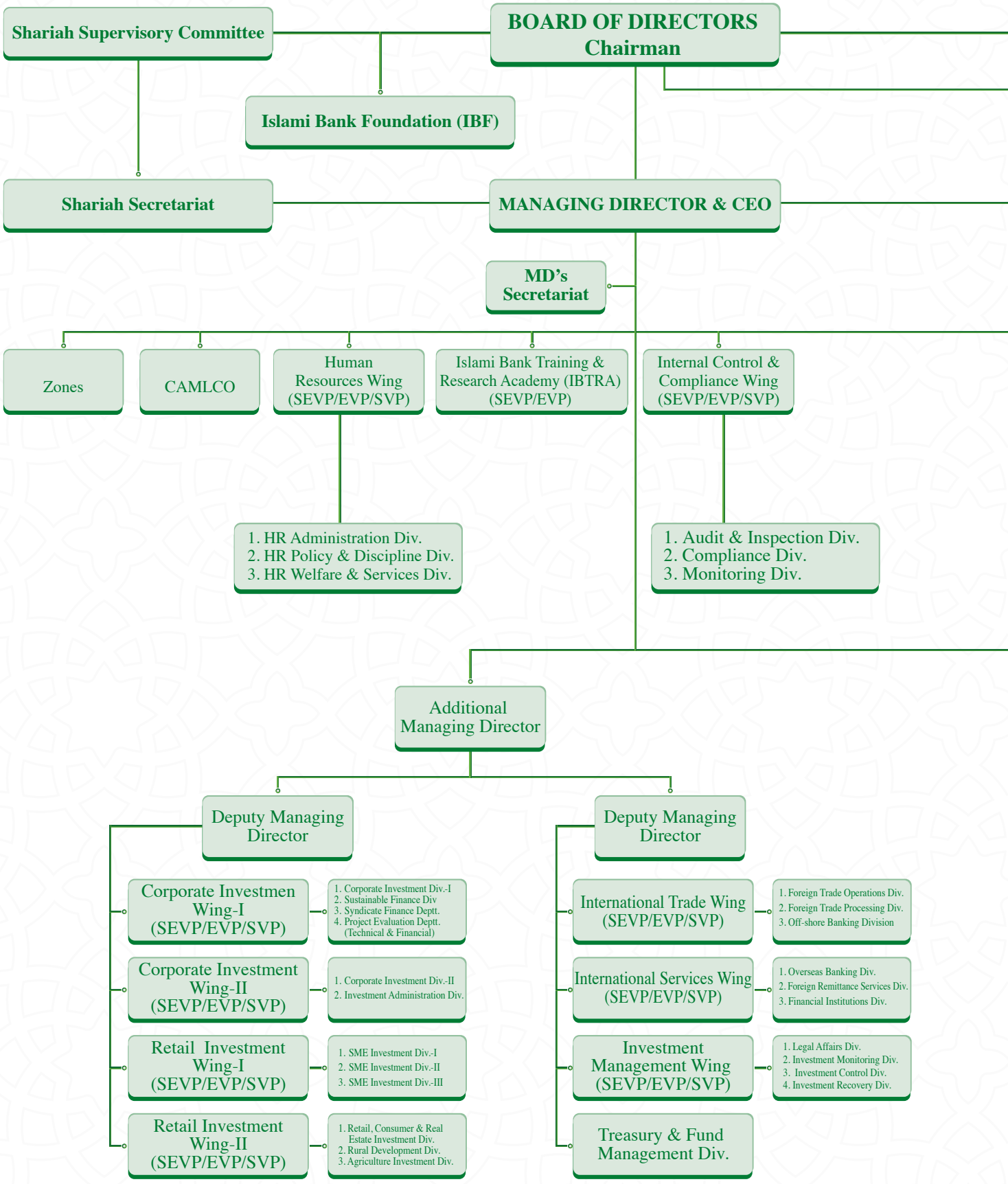
CORPORATE INFORMATION

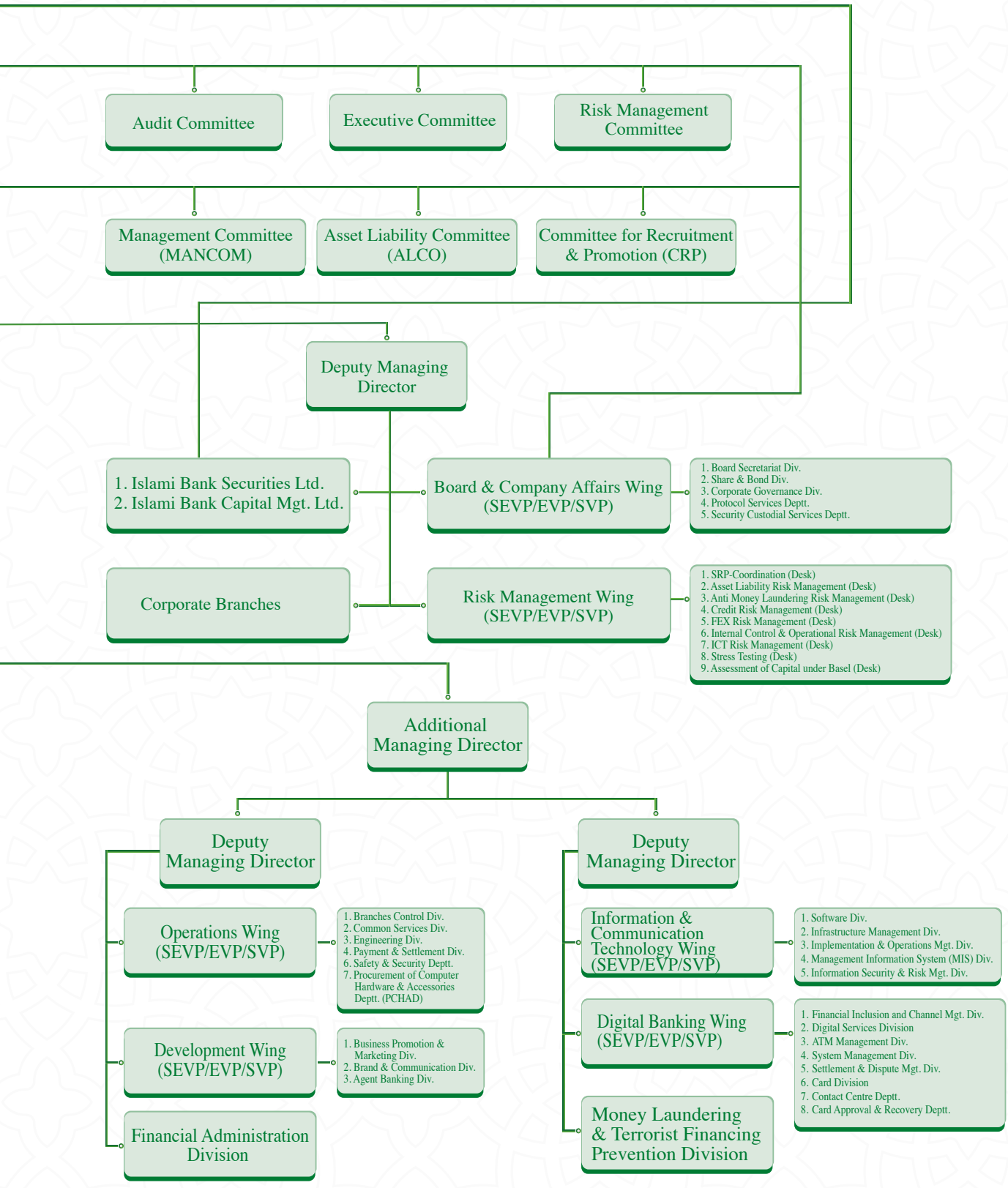


Corporate Information

Name of the Company	:	ISLAMI BANK BANGLADESH PLC.
Legal Status	:	Public Limited Company
Company Registration No.	:	C $\frac{10589}{485}$ Dated March 13, 1983
Bangladesh Bank License No.	:	BL/DA/4290/83
eTIN	:	376764873732
VAT Registration No./BIN No.	:	000000124-0002
Line of Business	:	Banking
Total Branch	:	394
Sub Branch	:	237
SME/Agriculture Branch	:	30
Zone	:	16
AD Branch	:	76
Offshore banking Unit	:	03
ATM & CRM (own)	:	2,989
ATM (shared)	:	12,000+
Instant Deposit Machine (IDM)	:	126
Sheba Ghar	:	47
Agent Banking Outlet	:	2,771
Employees	:	20,809
Directors	:	17
Sponsors	:	19
Placement holders	:	17
Shareholders	:	25,773
MPB holders	:	11,835
IBBPLC 2nd PMB holders	:	430
Local Shareholders	:	81.89%
Foreign Shareholders	:	18.11%
Foreign Correspondents	:	600+
Chairman	:	Ahsanul Alam
Vice Chairman	:	1. Yousif Abdullah A AlRajhi 2. Dr. Tanveer Ahmad
Managing Director	:	Mohammed Monirul Moula
Company Secretary	:	JQM Habibullah, FCS
Head of Internal Control & Compliance	:	Md. Nayer Azam
Chief Financial Officer	:	Md. Farid Uddin FCA, CIPA
Credit Rating Agency	:	Emerging Credit Rating Ltd.
Subsidiary Companies	:	1. Islami Bank Securities Limited 2. Islami Bank Capital Management Limited
Statutory Auditors	:	1. ACNABIN, Chartered Accountants 2. Khan Wahab Shafiq Rahman & Co, Chartered Accountants
Tax Advisor	:	K.M. Hasan & Co. Chartered Accountants
Registered Office	:	40, Dilkusha C/A, Dhaka-1000, Bangladesh
Phone	:	PABX- (+88-02) 223384816, 223383040
Mobile	:	(+88) 01711435638, (+88) 01711435639
Contact Center	:	(+88-02) 8331090 or 16259
FAX	:	(+88-02) 9568634
SWIFT	:	IBBLBDDH
E-mail	:	info@islamibankbd.com
Website	:	www.islamibankbd.com

Organogram of Islami Bank Bangladesh PLC.




Audit Committee
Executive Committee
Risk Management Committee
Management Committee (MANCOM)
Asset Liability Committee (ALCO)
Committee for Recruitment & Promotion (CRP)
Deputy Managing Director
1. Islami Bank Securities Ltd.
2. Islami Bank Capital Mgt. Ltd.
Board & Company Affairs Wing (SEVP/EVP/SVP)
1. Board Secretariat Div.
2. Share & Bond Div.
3. Corporate Governance Div.
4. Protocol Services Deptt.
5. Security Custodial Services Deptt.
Corporate Branches
Risk Management Wing (SEVP/EVP/SVP)
1. SRP-Coordination (Desk)
2. Asset Liability Risk Management (Desk)
3. Anti Money Laundering Risk Management (Desk)
4. Credit Risk Management (Desk)
5. FEX Risk Management (Desk)
6. Internal Control & Operational Risk Management (Desk)
7. ICT Risk Management (Desk)
8. Stress Testing (Desk)
9. Assessment of Capital under Basel (Desk)
Additional Managing Director
Deputy Managing Director
Operations Wing (SEVP/EVP/SVP)
1. Branches Control Div.
2. Common Services Div.
3. Engineering Div.
4. Payment & Settlement Div.
6. Safety & Security Deptt.
7. Procurement of Computer Hardware & Accessories Deptt. (PCHAD)
Development Wing (SEVP/EVP/SVP)
1. Business Promotion & Marketing Div.
2. Brand & Communication Div.
3. Agent Banking Div.
Financial Administration Division
Deputy Managing Director
Information & Communication Technology Wing (SEVP/EVP/SVP)
1. Software Div.
2. Infrastructure Management Div.
3. Implementation & Operations Mgt. Div.
4. Management Information System (MIS) Div.
5. Information Security & Risk Mgt. Div.
Digital Banking Wing (SEVP/EVP/SVP)
1. Financial Inclusion and Channel Mgt. Div.
2. Digital Services Division
3. ATM Management Div.
4. System Management Div.
5. Settlement & Dispute Mgt. Div.
6. Card Division
7. Contact Centre Deptt.
8. Card Approval & Recovery Deptt.
Money Laundering & Terrorist Financing Prevention Division

BOARD AND ITS COMMITTEES

Board of Directors Meeting

Board of Directors

Chairman
Ahsanul Alam

Vice-Chairman
Yousif Abdullah A Al Rajhi
Dr. Tanveer Ahmad

Independent Director
Mohammad Solaiman, FCA
Dr. Mohammad Saleh Jahur
Dr. Md. Fashiul Alam
Borhan Uddin Ahmed

Director
Dr. Md. Sirajul Karim
Md. Joynal Abedin
Dr. Qazi Shahidul Alam
Syed Abu Asad
Md. Quamrul Hasan
Khurshid-Ul-Alam
Mohammed Nasir Uddin, FCMA
Abu Sayeed Mohammad Quasem
Showkat Hossain, FCA
Jamal Mostafa Chowdhury

Ex-Officio Director
Mohammed Monirul Moula

Company Secretary
JQM Habibullah, FCS

Executive Committee

Ahsanul Alam
Chairman

Dr. Tanveer Ahmad
Member

Md. Quamrul Hasan
Member

Dr. Mohammad Saleh Jahur
Member

Dr. Md. Fashiul Alam
Member

Abu Sayeed Mohammad Quasem
Member

Jamal Mostafa Chowdhury
Member

Audit Committee

Mohammad Solaiman, FCA
Chairman

Syed Abu Asad
Member

Khurshid-Ul-Alam
Member

Mohammed Nasir Uddin, FCMA
Member

Borhan Uddin Ahmed
Member

Risk Management Committee

Dr. Mohammad Saleh Jahur
Chairman

Dr. Md. Sirajul Karim
Member

Md. Joynal Abedin
Member

Dr. Qazi Shahidul Alam
Member

Showkat Hossain, FCA
Member

Shari‘ah Supervisory Committee

Chairman
Mawlana Obaid Ullah Hamzah

Vice Chairman
Mufti Sayeed Ahmad

Member Secretary
Professor Dr. Mohammad Abdus Samad

Professor Dr. Mohammad Gias Uddin Talukder
Member

Dr. Md. Ruhul Amin Rabbani
Member

Abdur Raquib
Member

Dr. Hasan Mohammad Moinuddin
Member

Dr. Mohammad Monzur- E-Elahi
Member

Mawlana Mohiuddin Rabbani
Member

Professor Md. Mozahidul Islam Chowdhury
Member

Dr. Muhammad Saifullah
Member

Mufti Mohammad Muhibbullahil Baqee
Member

Mohammad Harunar Rashid
Member

Management Committee

Chairman
Mohammed Monirul Moula
Managing Director & CEO

Members

Muhammad Qaisar Ali, CDCS
Additional Managing Director - I

J Q M Habibullah, FCS
Additional Managing Director-II & Company Secretary

Md. Altaf Hossain
Additional Managing Director - III

Md. Nayer Azam
Deputy Managing Director

Mohammad Jamal Uddin Mazumder
Deputy Managing Director

Abul Faiz Muhammad Kamaluddin
Deputy Managing Director

Mohammed Shabbir
Deputy Managing Director

Md. Akiz Uddin
Deputy Managing Director

Kazi Md. Rezaul Karim
Deputy Managing Director

Miftah Uddin
Deputy Managing Director

Taher Ahmed Chowdhury
Chief Anti Money Laundering Compliance Officer (CAMLCO)

G.M. Mohd. Gias Uddin Quader
Senior Executive Vice President, CIW-II

A.S.M Rezaul Karim
Senior Executive Vice President, RIW-I

Md. Rafiqul Islam
Senior Executive Vice President, ITW

Abu Sayed Md. Idris
Senior Executive Vice President, IMW

Md. Farid Uddin
Executive Vice President, IAD

Mohammed Sirajul Alam
Executive Vice President, RIW-II

Md. Farid Uddin FCA, CIPA
Senior Vice President, FAD & CFO

Senior Executives

Managing Director & CEO
Mohammed Monirul Maula

Additional Managing Directors
Muhammad Qaisar Ali
J Q M Habibullah, FCS
Md. Altaf Hossain

Deputy Managing Directors
Md. Nayer Azam
Mohammad Jamal Uddin Mazumder
Abul Faiz Muhammad Kamaluddin
Mohammed Shabbir
Md. Akiz Uddin
Kazi Md. Rezaul Karim
Miftah Uddin

Chief Risk Officer (CRO)
Mohammad Jamal Uddin Mazumder

Chief Human Resources Officer (CHRO)
Md. Akiz Uddin

Principal, IBTRA
Md. Nazrul Islam

Chief Anti Money Laundering Officer (CAMLCO)
Taher Ahmed Chowdhury

Chief Technology Officer (CITO)
Abul Faiz Muhammad Kamaluddin

Chief Financial Officer (CFO)
Md. Farid Uddin, FCA, CIPA

Senior Executive Vice Presidents
Mahmudur Rahman
Mizanur Rahman
Md. Maksudur Rahman
G.M.Mohd. Gias Uddin Quader
K.M. Munirul Alam Al-Mamoon
A.S.M. Rezaul Karim
Md. Rafiqul Islam
Muhammad Kamaluddin (Jasim)
Abu Sayed Md. Idris

Executive Vice Presidents
Mohammed Sirajul Alam
Md. Anisul Haque
Md. Mahbub-a-Alam
Abu Noman Md. Siddiqur Rahman
Md. Aminur Rahman
Md. Shafiul Azam
Md. Abdus Sobhan
Md. Shamsuddoha
M. Zubayer Azam Helali
Mohammed Kutub Uddin
Md.Mizanur Rahman Mizi
Muhammad Golam Rabbani
A.T.M. Shahidul Haque
Muhammad Solaiman
A.K.M. Kawsar Alam
Sikder Md. Shehabuddin
Md. Habibur Rahman
Bashir Ahamed
Mir Rahmat Ullah
Md. Gakir Hossain
A.K.M. Mahbub Morshed
Md. Mizanur Rahman Bhuiyan
Ahmed Zubayerul Huq
Meah Md. Barkat Ullah
Mohd. Enayet Ullah Siddiquee
Mohammad Yakub Ali
Md. Raja Miah
Md. Maznuzzaman
Nazmus Sakib Md. Rezaur Rahman
Muhammad Nurul Hoq
Md. Rezaul Islam
Md. Abdur Rob Mridha
Md. Farid Uddin
Mohammad Rezaul Karim
Md. Akhter Hossain
Md. Mozahidul Islam
Md. Mosharraf Hossain
Mohammad Nurul Hossain
Munshi Rezaur Rashid
Abdul Naser
Mohammad Neyamot Ullah

Senior Vice Presidents
A.K.M. Abu Siddiqui
Md. Shahidul Islam
Jamal Uddin
Md. Ashraf Ali
A.K.M. Shafiar Rahman
Md. Abu Sufian
Muhammad Zillur Rahman Al-Mahmud
Muhammad Zakir Hussain
Md. Nazmul Huda Siraji
Md. Zillur Rahman Patwary
Md. Amir Hossain Bhuian
Md. Manirul Islam
Md. Ashraf Imam
Md. Matiur Rahman
Abdul Hamid Miah
Md. Nasir Uddin

Senior Executives

Senior Vice Presidents

Md. Khaled Shaifullah
A.A.M. Mazharul Islam
Md. Nasim Ahmed
Md. Ashraful Alam
Md. Golam Mostafa
Abdul Kader Sarder
Mohammad Nurul Karim
Md. Ziaullah
Md. Abul Kalam Azad
Md. Saroar Hossain
Md. Shahidul Haq Akand
Abul Kasem Md. Mostafa
A.F.M. Anisur Rahman
A.K.M. Delowar Hossain
Md. Faruque Al-Mamun
Md. Ibrahim Bhuiyan
Abul Laise Mohd. Khaled
Mohammad Mohi Uddin
Md. Anisur Rahman
Ruhul Amin
Md. Murshed Alam
Md. Jainal Abedin
Md. Asaduzzaman
B.M. Habibur Rahman
Md. Abul Kalam Azad
Mohd. Anwar Hossain
Md. Khalilur Rahman
Mohammed Monzurul Islam Chowdhury
Muhammad Hasnain Abid
Md. Mahbub Al Hassan
Md. Shahadat Hossain
Mohammad Masud
Shaick Farid Ahmed
Muhammad Anisur Rahman
Md. Abdullah Rashed
Mohammed Sanaullah
G.M. Abdur Razzak
Md. Ataur Rahman
S. M. Mizanur Rahman
Md. Habibur Rahman
Muhammad Obaidullah
Md. Shahid Ahmed
Md. Hafizur Rahman
Habibullah Al Amin
A.K.M. Enayet Husain
Md. Abdul Jalil
Md. Shahadat Hossain
Md. Zahirul Islam
Shahidul Alam
Md. Shahjahan
Md. Abul Khair
Mohd. Nazim Uddin Talukder
Sohel Aman
Moshtaqe Ahmed
Mohammed Eyahya
Mahmuda Sultana
Mohammad Manzurul Haque
Khaled Mahmud Raihan FCCA
Md. Jakaria
Mohammed Asiful Hoque Chowdhury
Kazi Shah Omar Faruk FCA
Mohammad Sana Ullah
Md. Farid Uddin, FCA
Monjurul Alam
Mohammad Shahadat Ullah
Md. Rafiqul Islam
Md. Nuruzzaman
Mohammad Abdur Rahim FCA
Mohammad Jahangir Alam
Muhammad Jamal Uddin
Md. Yakub Ali
Md. Mizanur Rahman
Md. Golam Mostofa
Md. Abul Hasan
Md. Khalequzzaman
Md. Abdul Latif
Muhammad Azizul Hoque
S.M. Tanver Hassan
Nazrul Islam
Mohammad Abdul Mannan
Mohammad Ehsanul Islam
Muhammad Sirajul Kabir
Md. Yakut Mia
Mohammad Borhan Uddin
A.S.M. Nasir Uddin

DIRECTORS' PROFILE

Ahsanul Alam
Chairman

Ahsanul Alam, young and highly talented entrepreneur, is the Chairman of Islami Bank Bangladesh PLC. He comes of a renowned and respected Muslim family reputed for doing business countrywide for a long time. He completed Bachelor's degree from the University of Bradford and Masters of Business Administration from Edinburgh Napier University, United Kingdom. He is well known for his expertise in the areas of leadership and team management, strategic planning, financial management, product development & innovation etc. Mr. Ahsanul Alam has been assisting his family in running business from 2004 as the Chief Executive of S. Alam & Co. He is the Chairman of Hasan Abasan (Pvt.) Ltd and Managing Director of Artsy Holdings Limited, Shining Assets Ltd., Affinity Assets Ltd., Wesco Limited, Marina Assets Ltd. and Kraft Holding Company Limited. He is the Director of SS Power-I Limited, the country's largest coal-fired power plant. Mr. Ahsanul Alam has a diverse range of business interests in textile, power, garments and trading sector. He is also the Chairman of the Executive Committee of the Board of Directors of Islami Bank Bangladesh PLC.

Yousif Abdullah A AlRajhi
Vice Chairman

Yousif Abdullah A AlRajhi is a Vice Chairman of the Board of Directors of the Bank. He completed his graduation in Business Administration majoring in Economics & Political Science from King Saud University, KSA in 1986. Then he obtained MA degree in Development Administration from Western Michigan University, USA in 1991. He also completed Internal Auditor Course, Chain Management & Leadership Course and Speed Reading and Development Round Attendance Certificate Course. Mr. Yousif is General Manager-cum CEO of Al-Rajhi Company for Industry and Trade, KSA with 29 years of work exposure including banking career with Al-Rajhi Banking and Investment Corporation. He is also a board member of many shareholder Corps in Saudi Arabia and outside. He visited various eastern and western countries of the world and participated in many international seminars, symposia and conferences.

Tanveer Ahmad
Vice Chairman

Tanveer Ahmad is a Director of the Bank representing Paradise International Limited. He completed his MBBS Degree from University of Science & Technology, Chittagong in 2009. Then he obtained MD (Doctor of Medicine) in Cardiology from Bangabandhu Sheikh Mujib Medical University in 2017. He founded T A Trading in 2003. He joined as Assistant Registrar in the Department of Medicine, University of Science & Technology, Chittagong in 2012 before joining Sir Salimullah Medical College & Hospital & Mitford as a post Graduate Fellow. At present he has been working in United Hospital, first as a Fellow Cardiologist in 2017 and later on as a Specialist in the Department of Cardiology.

Tanveer is the owner of T A Trading and Managing Director of Infinia Knit Fabrics Ltd. & Paradise International Ltd. He manages and supervises the concerned institutions.

Tanveer visited various countries of the world and participated in various seminars and workshops conducted at National and International level by various local organizations including Bangladesh Society of Cardiology, Transnational (TNCS), BIT and Multinationals (MNCs), American College of Cardiology (ACC) workshops. He also volunteered for the free medical camp and relief work in various rural areas of Bangladesh. He is a life time member of Bangladesh Cardiac Society and an associate member of Bangladesh Intervention Cardiac Society. He is involved in a number of research studies and his thesis work on young patients with cardiovascular diseases was published in Bangladesh Heart Journal. He is also engaged in various social, educational and cultural organizations of the country.

Mohammad Solaiman
Independent Director

Mohammad Solaiman is an Independent Director of the Bank. He is a Commerce Graduate under the University of Chittagong and stood First Class First in order of merit in the year 1971. He passed SSC Examination in First Division in the year 1967 and HSC Examination in the year 1969 securing 10th position jointly in order of merit under Cumilla Board. Mr. Mohmmad Solaiman qualified as Chartered Accountant in the year 1978 from the Institute of Chartered Accountants of Bangladesh (ICAB) and became associate member of the Institute in the same year. After qualifying professional examination Mr. Solaiman started his career as Public Accountant as a Partner of Muhammad Shaheedullah & Co., Chartered Accountants and continued till the year 1984. He then started accountancy profession under the name and style Mohammad Solaiman & Co., Chartered Accountants and continued till the end of the year 1993. He then joined Government service as Accountant Member of Taxes Appellate Tribunal on contact basis for one year. The Government, being highly satisfied with his sincerity, punctuality, efficiency and devotion to duties, was pleased to extend his contract for consecutive three terms. Thereafter, he faced Public Service Commission and got success therein. The Government of Bangladesh appointed him as Accountant Member ((Ex-Officio Joint Secretary) of Taxes Appellate Tribunal under Internal Resource Division (IRD), Ministry of Finance on permanent basis. Mr. Mohammad Solaiman was subsequently promoted to the top post of the Taxes Appellate Tribunal, the highest fact finding authority of the Income Tax Department as President (Ex-Officio Additional Secretary) Ministry of Finance, Government of the Peoples Republic of Bangladesh.

Mohammad Solaiman is the only Chartered Accountant in Bangladesh who was fortunate to hold the position of Accountant Member and President of Taxes Appellate Tribunal on permanent basis. He retired from the Government Service in the end of the year 2008.

After retirement, Mr. Solaiman started accountancy profession as Public Accountant under the name and style M. Solaiman & Co., Chartered Accountants. During his long 41 years professional experience, he successfully acted both in Bar and Bench of taxation law with high dignity and reputation. He acted as External Auditors, Internal Auditors, Tax Advisor, Company Law Advisor and Consultant of so many clients at Corporate and non-corporate sectors. He participated in many seminars, conferences and workshops related to accountancy profession both at home and abroad. Mr. Solaiman is a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB) bearing enrollment number 161.

He travelled different countries of the world. He is associated with some social and religious activities in the country. He has behind him wife and two sons.

Dr. Mohammad Saleh Jahur
Independent Director

Dr. Mohammad Saleh Jahur is an Independent Director of the Bank. He is a Professor of Accounting and Banking in the department of Finance, University of Chittagong. He started his career as Lecturer in the Department of Finance in 1993. Before, joining the university, He worked at MIDAS (an NGO; now a financial institution) and Bangladesh Petroleum Corporation (an Autonomous Government Organization) as executive. He also completed BCS successfully but did not join.

Dr. Jahur completed all academic programs –SSC, HSC, B.Com (Hons.) in Accounting, and M.Com in Accounting with outstanding results. He did his Ph.D.on Lease Financing in Bangladesh Study of Policy and Performance under the joint supervision of Professor Dr S.P.Singh and Professor Dr. Manoj Anand in University Business School, Punjab, India under ICCR Scholarship of Government of India in 2000-2002. He did a diploma on Financial Reporting Standards and Assurance under the World Bank Scholarship at London, United Kingdom in 2008. He also studied on Green Productivity for Industry under the scholarship of METI, Japan in 2013. He also worked in Chartered Accountancy Firm for five months.

He is a continuous researcher, working in the area of corporate finance, stock market and industrial productivity for many years. He has a good number articles published at home and abroad. He also participated many seminar and conference as paper presenter, discussant, and session chair at home and abroad. Besides, eleven students got awarded with M. Phil. and Ph.D. under his supervision from the University of Chittagong and about fourteen students are pursuing M. Phil. and Ph.D. at universities in Bangladesh and Malaysia under his supervision/Joint supervision at present.

Mr. Jahur successfully implemented the projects titled "Grameen Bank and Socio-Economic Changes—A Study of Select Loanees" and "Higher Education Quality Enhancement Project" awarded by German Cultural Center-Goethe institute, Dhaka, and University Grants Commission, World Bank & Government of the People's Republic of Bangladesh respectively. Besides, he worked as Editor of Capital Market Journal-Vision and Academic Journal-of Faculty of Business Administration of University of Chittagong.

Professor Jahur served as an Advisor to Chittagong Capital Limited-a Brokerage of Chittagong Stock Exchange, Bangladesh and GPH Ispat Limited for three years from 2009 to 2012. He worked as an Independent Director of GPH Ispat Limited for two terms (6 years) i. e. from 2012 to 2018. He has also been working as an Independent Director of Hakkani Pulp and Paper Mills Limited since September, 2017. He is a member of Chittagong Club Limited, Chittagong and Life Member at Ma O Shishu Hospital Limited, Chittagong & Chittagong Diabetics Association, Khulshi, Chittagong. Prof. Jahur has visited many countries and participated in many international seminars, symposiums & conferences.

Md. Joynal Abedin
Director

Mohammad Joynal Abedin is a director of the Bank as representative of ABC Ventures Limited. He started his career at Bangladesh Krishi Bank as a Probationary Officer in 1977. He was Managing Director (C.C) of Bangladesh Krishi Bank and Deputy Managing Director of Rupali Bank PLC and served Janata Bank as General Manager. An associate of Institute of Bankers Bangladesh, Mohammad Joynal Abedin participated in different seminars in home and abroad including International Conference on Investment Project Management in Turkey. He presided over the meeting of hoisting liberation flag at Sreenagar on 13th March, 1971. He fought in the liberation war. He is a researcher on Liberation War Affairs in Asiatic Society of Bangladesh. He is life-member of Bangla Academy, Bangladesh Arthoniti Samity, Sir J.C. Bose Foundation and member of Officers Club, Dhaka and General Secretary of Bikrampur Foundation. He graduated from the University of Dhaka. He is the Author of Muktijudder Diary, Muktijuddey Bikrampur, Muktijudder Prottasha & Prapti, Karmojiboner Smriti, Kabirer Muktijuddo, Ujaner Jatri and Bankey Sharetherohajerden. He edited Akattorer Srinagar, Kingbodanti Purus Abdul Hakim Bikrampuri and Chief Editor of Maa (a collection of mother). He presented 10 articles in the national seminar of Bangladesh Economic Association. He is also the column writer in the Daily Newspaper. He receives 20 awards/ padak for social work and research on Liberation War Affairs.

Dr. Md. Sirajul Karim
Director

Mohammad Sirajul Karim is a Director of Islami Bank Bangladesh PLC. as representative of Excel Dyeing and Printing Ltd. He started his career as Chemist in Karnaphuli Paper Mills Ltd., Chandraghona and then joined as Research Chemist in Pakistan Council of Scientific and Industrial Research and then as a Lecturer in Bangladesh Agricultural University, Mymensingh in 1971. He was promoted to Professor and was there till 2009. At present he is the Professor of Chamistry and Chairman of Basic Science Department of Primeasia University, Banani, Dhaka. He obtained B.Sc. (Hons), M.Sc. (Applied Chemistry) and Ph.D. degree from the University of Dhaka. He obtained Post Doctorate Fellow from the University of Karlstad, Sweden. He was engaged as Guest Scientist, Senior Visiting Scientist and Visiting Professor in different universities including University of Darmstadt, Germany, University of Karlstad Sweden and Abo Akademy University, Finland. He participated in different seminars and training programs both at home and abroad. Prof. Karim has written many books including primary, secondary and tertiary levels. He is an author of a few books of poems and short stories. Dr. Karim has evaluated a few techniques for pulping and bleaching in the field of paper science and technology. He has large number of publications in different journals at home and abroad.

Dr. Qazi Shahidul Alam
Director

Dr. Qazi Shahidul Alam is a Director of the Bank representing Platinum Endeavours Limited. Currently, he is the Chairman of the Governing Body of the Uttara Adhunik Medical College, Vice Chairman of Islami Bank Foundation, Chairman in the Governing Body of Islami Bank Medical College of Rajshahi, Chairman of the Hospital Committee of the Islami Bank Foundation, Professor of Orthopedic Surgery at Anwar Khan Modern Medical College, Member of the Senate at BSMMU (Bangabandhu Sheikh Mujib Medical University), member of the Governing Board at Sirajul Islam Medical College, member Trustee Board of the BNSB (Bangladesh National Society for Blind) Hospital in Khulna, and member of the Executive Committee of the BMA (Bangladesh Medical Association).

Dr. Alam graduated from Dhaka Medical College in 1972. In 1980, he obtained D. Orthopedic Surgery from the University of Vienna and Master of Surgery on Orthopedic Surgery in 1985 from the University of Dhaka. Subsequently he was conferred a Fellow of the International College of Surgeons USA in 1987. He has received advanced training in Orthopedic Surgery at The Johns Hopkins Medical Institutions, USA, Advanced Training in Tissue Culture and Bone Banking-- Atomic Energy Commission of Tyaian, China through the International Atomic Energy Commission, and has been WHO Fellow in Indonesia. Professor Alam has served the Government of Bangladesh in various capacities at Dhaka Medical College and the National Institute of Trauma and Rehabilitation and was Founder Chairman and Professor, Orthopedic Surgery at BSMMU, Director, Shaheed Suhrawardy Hospital and Director, Medical Education, Directorate General of Health Service.

Dr. Alam holds the distinction of being General Secretary, Dhaka Medical College Students Union, 1972 (first election after independence), Convener, Bangladesh Medical Internee Association, 1973, President, Dhaka Medical College Teachers' Association, 1991-1994 (2 terms), Secretary General, Bangladesh Medical Association, 1994-96, President, Bangladesh Orthopedic Society, 1997- 2001 (2 terms), Secretary, PROKRICHI (Professional Association of Engineers, Doctors and Agriculturists), 1995-97, Founder President, Postgraduate Doctors' Society of Bangladesh, 1998-2001 and is currently President, Bangladesh Patients Welfare Fund. Bangladesh Medical Association (BMA) through Prime Minister Sheikh Hasina, awarded a Gold Medal to Professor Alam in April 2011 for his devotion and dedication to Medical Service.

Dr. Alam is a well-travelled person, has presented innumerable scientific papers and Chaired Scientific Sessions at National and International Conferences at home and abroad.

Syed Abu Asad
Director

Syed Abu Asad is a Director of Islami Bank Bangladesh PLC. He represents Excelsior Impex Company Limited in the Board of Directors of Islami Bank Bangladesh PLC. He has completed B. Com (Hons) & M. Com. (Finance) Degree from Dhaka University in 1980. Mr. Abu Asad was a brilliant student and stood 6th in S.S.C Commerce in Jashore Board. He is also a Diplomaed Associate of IBB.

Abu Asad started his career in Banking Service in 1983 in Rupali Bank PLC as Senior Officer and served as Head of the Branch - many branches of local and overseas. He has also served as General Manager in Khulna Division, Local Office, Dhaka South and Head Office, Dhaka. He was awarded many appreciation letter, for achieving Deposit and Recovery Target, in Different Branches and Division. He was promoted to the post of Deputy Managing Director and posted at Sonali Bank PLC., Head Office, Dhaka. Lastly, he was promoted to the post of Managing Director and posted at Rajshahi Krishi Unnayan Bank. He has vast experience in Branch Banking, Foreign Exchange and Industrial Credit in Banking profession.

Abu Asad visited various countries of the world participated in many seminars, workshops & training programmes at home and abroad such as Correspondent Banking in Thailand, Letter of Credit and UCP-500, E-Banking Workshop Training, Information Technology in Banking & Islami Banking and Finance in Pakistan. He is also engaged in various social, educational and cultural organizations of the country.

Mohammad Quamrul Hasan
Director

Mohammad Quamrul Hasan represents Grand Business Limited in the Board of Directors of Islami Bank Bangladesh PLC. He completed his M.B.A (Marketing) from Royal Roads University, British Columbia, Canada and BSS (Hon's) M.S.S, Economics from University of Dhaka. Hasan started his career as Zonal In-Charge, Alpha Tobacco Co. Ltd. in 1984. Before joining the Board of Directors of Islami Bank Bangladesh PLC, he completed his long journey with Meghna Petroleum Ltd. from 1988 to 2018 in various areas of job responsibility. Lastly, he was the Managing Director and CEO, Jamuna Oil Co. Ltd, Chittagong, (A subsidiary of Bangladesh Petroleum Corporation). Besides, he was the Director of different Companies like; Mobil Jamuna Bangladesh BD Ltd., Omera Gas1 Ltd., Omera Petroleum Ltd. and Omera Cylinder Ltd.

Hasan has a diverse marketing background on petroleum and FMCG products. He is fully conversant with marketing and business development of FMCG Products. He has also an excellent interpersonal skill, believes in encouraging people and initiative in work for organizational development.

Hasan is a life member of Greater Faridpur Chakurijibi Samity, Dhaka University Alumni Association (DUAA), Bangladesh Economic association (BEA) and Joint secretary, Dhaka University Economics Department Alumni Association (DUEDAA).

Hasan visited various countries of the world and participated in many seminars, workshops & training programmes at home and abroad such as Leadership Excellence in Malaysia, Merchandising Skills in UAE, Treasury & Trade Solutions in Kuala Lumpur, Malaysia and Persuasive Selling Skills in Dubai, UAE and also attended training course in Sri Lanka, Thailand, India, Australia, Kingdom of Saudi Arabia and Singapore. He is also engaged in various social, educational and cultural organizations of the country.

Dr. Md. Fashiul Alam
Independent Director

Md. Fashiul Alam is an Independent Director of the Bank. Currently, he is the Dean of Faculty of Business Studies, Port City International University, Chittagong. He was the Professor of Department of Management and Dean of Faculty of Commerce & Chairman of Department of Management, University of Chittagong and the former Vice Chancellor, Feni University. He was also the Senior Research Fellow, Institute of Business Management, Karachi, Pakistan. He obtained B. Com Hons and M. Com Degree in Management from the University of Chittagong and stood first in order of merit in both examinations. As an Indian Government Scholar, he earned Ph. D in 1982 on 'Collective Bargaining in Bangladesh Jute Industry' from the University of Punjab, Chandigarh. He did Post-Doctoral Research from the University of London, UK as a Commonwealth Academic Staff Fellow in 1991-92. He was also a Visiting Scholar in 2009 at University of Texas A& M, USA.

Md. Alam participated in the Australian Academy of Business Leadership sponsored SIBR Conference 2015, Sydney, Australia, April 17-20, 2015, 8th SKM Symposium and 2nd CBSM Conference, Magdeburg, Germany, September 17-20, 2013, Canada International Conference on Education (CICE, 012) CICE-2012 held in June 18-21, 2012 at University of Guelph, Canada and others in France, USA, China, South Korea, Malaysia, Taiwan, Bahrain during his professional tenure.

Md. Alam has traveling experience in different countries like United Kingdom, Saudi Arabia, France, USA, India. South Korea, Thailand, Malaysia, UAE, Qatar, Pakistan. China, Sri Lanka, Oman, Bahrain, Singapore, Taiwan, Canada, Turkey, Germany, Switzerland, Hong Kong. Australia and has language proficiency in Bengali, English, Arabic, Urdu and Hindi.

Md. Alam is well known as a reputed scholar, potential academia, creative researcher, efficient administrator, dedicated social worker and a man of high dignity and distinct personality. His fields of specialization cover mainly HRM, HRD, Industrial Relations, and Strategic Management. Besides holding a long experience of pursuing research in management and allied fields and conducting project work, he is an author of 41 articles published in reputed and recognized national and international journals.

He is as an Independent Director of the Peninsula Chittagong Limited since 2014. He was founder & Chairman of Nazmul-Jahan Foundation and Chairman of Sitakunda Foundation (A Social & Development Organization), Estd, in 1998. He is also the founder & President of Hill-Side Public School & Technical College (Estd. 2000) situated near Chittagong University.

He was Secretary General of Bangladesh Federation of University Teachers Association in 1994 and President of Chittagong University Teachers Association in 1993 and 1994.

Khurshid Ul Alam
Director

Khurshid Ul Alam is a Director of Islami Bank Bangladesh PLC as representative of Lionhead Business Resources Limited. He started his career as Assistant Director, Bangladesh Bank in 1976 and retired as Executive Director in 2009. He worked successfully as Managing Director of Security Printing Press (BD) Limited, a subsidiary company of Bangladesh Bank. He obtained B.A (Hons.) and M.A in Economics from Dhaka University in 1972 and 1974 respectively and he also obtained his M. A in Economics from University of New England, New South Wales, Australia in 1986. Besides, during his tenure in Bangladesh Bank he has attended course works and High level seminar in IMF Training Institute in Washington in the year 1998 and 2002, undertaken study tour in Peru & Bolivia under the sponsorship of MFI & DFID and study tour in Malaysia & Indonesia under the sponsorship of US AID. He also attended Top level conferences on High Security Printing in Switzerland, Germany, Shanghai and Bangkok.

Alam has a career that spans over four decades in the banking sector, two of the prominent Private Universities (i.e. East West University and University of Liberal Arts Bangladesh) and other multidisciplinary fields, he has seen himself grow in terms of aptitude and managed to demonstrate his expertise as a professional regardless of the field or task. As Chairman of the Audit Committee and Member of Risk Management Committee of Pubali Bank, his significant contribution to elevate the financial management aspect to a new height in respect of asset quality of the bank has incessantly been acknowledged and appreciated. He accomplished his duty as Deputy Managing Director of Pubali Bank PLC from 2009 to 2011. He has remained consistently successful in delivering what was expected from him. He has worked in result oriented comportment knowing there was always room for improvement and thus have managed to attain the highest level of competency at work. With ample co-operation, he has succeeded in bringing prosperity to the department and the institute, at large, where he has offered his services. Letting his action do the talking and abiding by his norms, morals and an obdurate wall of integrity in any line of work, he has performed in a Specific, Measurable, Achievable, Realistic Time-bound (SMART) manner in order to achieve the goals set in the core strategic management policy. His work experiences have collectively enriched his knowledge of work in the financial sector and other related areas where he was entrusted with specific responsibilities.

Alam is a Life Member of Bangladesh Economic Association and Bangladesh Bank Colony Scout Group, Chattogram.

Mohammed Nasir Uddin, FCMA
Director

Mohammed Nasir Uddin, FCMA is a Director of Islami Bank Bangladesh PLC. as representative of BLU International Limited. He is the Group General Manager (Chief of Finance & Accounts) of Bay Group. He obtained M.Com (Master of Commerce) in Accounting from Dhaka University in 1990. He also obtained CIMA Adv Dip MA (UK) from Chartered Institute of Management Accounts (CIMA) of London, U. K in 2012 and CMA & FCMA from the Institute of Cost and Management Accountants of Bangladesh (ICMAB) in 1995.

Mohammed Nasir started his career as Manager (Audit) in Sunman Group. Mr. Nasir has a career that spans over 27 (Twenty-Seven) years in the field of Industry namely Sunman Group, Monno Group of Industries, MEB Group, Saad Musa Group, S.A Group, Opex& Sinha Textile Group etc. in different capacities particularly worked as Corporate Sr. GM & Group CFO for 14 years. He has also sector wise experience arena specially, export oriented sector like Garments, Composite Textile, Ceramics, Leather & Foot Wear etc. Mr. Nasir participated in many National and international seminars, symposiums & conferences. His work experiences have collectively enriched his knowledge of work in the financial sector.

Mohammed Nasir has a career objective to play Strategic & Management role in Accounts, Finance and Audit activities, Project & Working Capital financing, Fund administration, Strategic "Cost Management, Establish Risk based Internal Control & Audit System.

Borhan Uddin Ahmed
Independent Director

Borhan Uddin Ahmed is an Independent Director of the Bank. He was member of Review Panel-4, CPTU in Ministry of Planning and he was also the member of Insurance Development and Regulatory Authority (IDRA). He started career as an Assistant Judge in 1985 and served in different capacities including District and Session Judge. He obtained Master Degree in Economics and LLB Degree from the University of Dhaka. He is a courageous Freedom Fighter of the Nation and took part in the glorious liberation war in 1971. He engaged with many national and international socio-economic organizations

Abu Sayeed Mohammad Quasem
Director

Abu Sayeed Mohammad Quasem, a young and highly reputed lawyer, is a Director of the Bank representing Armada Spinning Mills Limited. He has immense experience of working in leading law firms in Bangladesh and abroad. He also held legal consultant position (as secondee) in two renowned multinational banks and two large multinational companies in Bangladesh. He completed LL. B from University of London, U.K., LL.M in International Commercial Law from University of Westminster, U.K., and LL.M in Maritime Law from University of Hertfordshire, U.K. He is an Advocate of the Supreme Court of Bangladesh and a partner of Alliance Laws, a renowned law firm with expertise in national and multijurisdictional commercial transactions.

He specializes in a broad range of commercial law areas, including banking, financing, company, corporate and securities laws. His principal area of practice is domestic and cross-border investment and financing matters. He has advised many local, foreign and multinational banks and financial institutions, as well as investors, on diverse acquisition, financing and restructuring transactions. He has acted as counsel in many foreign investment and project finance matters, including multibillion-dollar transactions, in the banking, energy, infrastructure, telecommunication and various other sectors. He has also acted as counsel in many remarkable litigations involving commercial, company and administrative law matters.

He attended different professional seminars and training sessions at home and abroad. He is also associated with various social, educational and religious organizations of the country.

Showkat Hossain, FCA
Director

(Representative by Kingsway Endeavors Limited)

Showkat Hossain is a renowned, distinguished and one of the senior most persons in the field of Chartered Accountancy and currently holding the position of Member of the Risk Management Committee of the Board of Directors of Islami Bank Bangladesh PLC. He hails from an aristocratic Muslim family of Chattogram. Showkat Hossain FCA is the 42nd President of the Institute of Chartered Accountants of Bangladesh (ICAB). He became an Associate Member in 1977 and Fellow Member in 1986 of ICAB. He served the ICAB as Vice President in the years 2004, 2006, 2007, 2012 & 2013. Mr. Hossain is a Senior Partner of Hoda Vasi Chowdhury & Co., Chartered Accountants since 1998. Earlier he was the Finance Director of Sunman Group of Companies, Qualified Assistants of Ahmed Ahmed & Co., Chartered Accountants. He also worked in Glaxo Laboratories (Bangladesh) Ltd. as Internal Auditor prior to qualifying as Chartered Accountants. He worked in Eastern Refinery Ltd. as Management Accountants after qualifying as Chartered Accountants. He also worked in Ras Lanuf Oil & Gas Processing Co. Inc (RASCO) the only Petrochemical Complex of Libya for about 15 years during 1979 to 1993. He is the Chairman of a Charitable Organization named the Chirayata Shanti Society, Life Time Member of Chattogram Kidney Foundation & Maa Shisu O General Hospital, Society for Assistance to Hearing Impaired Children (SAHIC), Executive Committee Member of Bangladesh National Society for Blinds (BNSB), Vice Chairman of Concern Services for Disabled (CSD). He is a Member of the Chattogram Club Limited. He was a Director of Chattogram WASA and Past Independent Director of Chattogram Stock Exchange (CSE), Past Academic Council member of Daffodil International University, Dhaka.

Jamal Mostafa Chowdhury
Director

Jamal Mostafa Chowdhury was born in Chattogram in the year 1958. He is a successful businessman in the country. He is the chairman of J.M.C Builders (Pvt.) Ltd., J.M.C Shipping Lines (Pvt.) Ltd. and Managing Director of Moon Express (Pvt.) Ltd. & Unique Investment & Securities Ltd.. He is also the proprietor of M/s. J.M Chowdhury Complex and M/s. J.M.C Trading.

In addition to his business, he takes in many philanthropic activities. He has travelled many countries around the world for business purpose.

Mohammed Monirul Moula

Managing Director & CEO
Ex-Officio Director

Mohammed Monirul Moula, a veteran banker and dynamic leader has been appointed as the Managing Director & CEO of Islami Bank Bangladesh PLC. with effect from 01 January 2021. Prior to assigning this appointment, he served as additional Managing Director and Head of Corporate Investment Wing of the Bank. Earlier, he was head of a number of core wings, divisions, zones and large scale portfolio handling branches of the Bank.

After joining IBBPLC. as Probationary Officer on March 06, 1986, Mr. Moula gained extensive banking experience and developed a wide range of expertise in almost all the fields of banking over the period of 38 years. While playing the role of Head of Corporate Investment Wing, he notably looked after the affairs of Corporate Finance, Sustainable Finance, Investment Administration, Asset Management and Investment Risk Management of the Bank. He also took the helm of Retail Investment Wing where his deep concentration was on SME Finance, Retail, Consumer & Real Estate Investment (Finance). Mr. Moula was also the chairman of Investment Committee, and Investment Risk Management Committee as well.

Mr. Moula was born in a noble Muslim family at Cox's Bazar District in 1963. He obtained BSS (Hons.) in 1983 and MSS in Economics in 1984 from University of Chittagong. In the professional career he was awarded prestigious certificate on 'Domestic and International Factoring' from Factors Chain International (FCI) , Netherlands. He is a Deplomaed Associate of the Institute of Bankers, Bangladesh.

Mr. Moula has attended a good number of professional training courses, programs, workshops, and seminars at home and abroad including Switzerland, Belgium, Germany, India, Thailand, Bahrain, Italy, Srilanka, KSA, Myanmar, Morocco, Malaysia, Indonesia and UAE.

DIRECTORS' REPORT

The Board of Directors of Islami Bank Bangladesh PLC. is privileged to take the opportunity to welcome you well to the 41st Annual General Meeting of the Bank. We are happy to present the Directors' report alongwith the Audited Financial Statements of the Bank for the Year ended 31st December 2023 and also the Auditors' report before you, the dignitaries and distinguished persons. Aimed at effective financial control with ensuring transparency and accuracy, the board has reviewed the financial statements with utmost care. Also the Board would like to express their happiness in delivering the highlights of operational performances of the Bank in brief for the Year 2023. In context of national as well as international economic and banking scenario, the performances, as we expect, will earn appreciations from the esteemed presence.

On the occasion of this program, firstly we are indebted to pronounce our deepest sense of gratitude towards the almighty Allah SWT for His continuous blessings upon us across long passage of time. Our heartfelt gratitude and thanks to the valued customers, beloved employees at all levels of the Bank, the distinguished management, honorable Board members and all other regulators and policy makers of the country, for their support towards our beloved Institution.

In this very special moments, we would like to mention that the Bank always considered the needs and aspirations of mass people of the country through innovative banking products and services, flexible networks, spill bound operating units and dedicated manpower.

Global Economy

The breakdown of key aspects of global economy we may include lower economic growth than anticipated, higher inflation rate, the World Bank and IMF's extra cautions, crisis management, opportunities and threats, etc. The world Bank has also predicted a slower economic growth in 2024, consecutively for 3 years.

Trade and geopolitics are deeply related, driven by shared economic interests of different countries and different nations in the global political landscape. Due to growing stronger of common interests, the root of their relationship deepened accordingly. This relationship served as a vital thread that knitted together economic interests, which under the pursuit of geopolitical goals impacted on resource accessibility, trade route control, regional integration, etc.

Energy crisis suffered a lot in the past year. Russia's invasion of Ukraine made global market turmoil and after that alignment of geopolitical situations put livelihoods and the green-energy transition at risk. The year 2024 shall show how the threats can be overcome.

Inflation rates in USA and some emerging and developing economies continued to rise. The US Federal Reserve (Fed) along with other Central banks in many countries undertook policies by which interest rates increased several times to control inflation. The Fed's initiative moved US dollar to appreciate, resulted in negative impact on the current account balance of various countries across the globe. It also increased the inflationary pressures in import-dependent economies like ours in many folds. Although, central banks' initiatives on increasing interest rate contributed to lower inflation. It was not enough to handle economy quite efficiently.

National Economy

Alike the global economy, national economy witnessed a challenging year in 2023, at the same time, showed capabilities how to handle the adverse situations. The experiences gained may give birth some actual fruits in coming days. In a nutshell, the economy of the country showcased a mixed performance in the year 2023. It witnessed both challenges and opportunities across the year ranging from high inflation rate to foreign reserve downfall.

The huge damages caused by the multifaceted impacts of COVID-19 as well as the ongoing Russia-Ukraine war on our economy, Bangladesh recovered the damages in many folds, despite the slowdown in the global economy.

National economy suffered from fuel oil storage, in capacity it was about 13.69 lakh metric tonnes. The government set up two floating LNG terminals in the Bay of Bengal near Maheshkhali in Cox's Bazar to import liquefied natural gas (LNG) to meet the growing energy demand of the country. With the intention to building a smooth and integrated communication system with the southern part of the country, the 6.15 km long Padma bridge built with the own funding of the Bangladesh government had accelerated the economic activity across the year 2023.

Global Banking

The banks and financial institutions in the world felt a need to examine each of their businesses to assess where their competitive advantages lied across and within the core banking activities. So, the experts recommended to do the changes in a world in which technology and AI will play a more prominent role. It will be working against the backdrop of shifting macroeconomic environment and heightened geopolitical risks.

In the past year, the banking sector continued its journey of cost controlling. The cost-income ratio dropped by 7% from 59% in 2012 to about 52% in the last 2 years and the trend was also visible in the cost-per-asset ratio, which declined from 1.6% to 1.5%. The Return on Equity (ROE) growth was accompanied by volatility across the last year. Due to the reasons, star performers of past years, including fintechs and cryptocurrency players, struggled against this backdrop.

Domestic Banking Sector

The banking sector in Bangladesh displayed resilience in their activities and performances in 2023. In doing so, commercial banks adapted to changing economic dynamics, leveraging digital services and innovative financial products. But, while efforts were made to manage risks, banks faced challenges with overdue and non-performing assets. Effective risk management strategies became imperative for maintaining stability throughout the year.

The economy of the country in 2023 was heavily affected due to Dollar crunch which posted challenges in multifaceted ways. It manifested adversities in foreign currency transactions resulted in import-export businesses. The government, throughout the year was vigilant to ease the situation. Some strategic measures were taken and for managing this crisis, it required strategic measures and cooperation between regulatory bodies and financial institutions.

Foreign reserve fell due to a number of reasons emerged in the international geo political and economic situations. The Central Bank of the country, under the serious challenges, adopted several strategies to tame foreign reserve crisis in the country. However, prudent policies and strategic measures taken from all concerned to the best possible level helped addressing foreign reserve downfall which enabled, at least at moderate level, to ensure economic stability in the country in the year 2023.

Import export performances in the last year witnessed a decreasing trend, since these issues were heavily impacted by global trade and geo political dynamics. To diversify export markets and reduce dependency on specific sectors could help us to meet the timely demand. Bangladesh economy had been experiencing significantly by the foreign remittance to be the remarkable contributor throughout the year. The Banks played very important roles in facilitating remittance inflows to the country which contributed to country's foreign exchange reserves in majority.

Global Islamic Finance

The economic uncertainties, geopolitical tensions, and fluctuations in commodity prices gave birth many challenges for global Islamic finance. To maintain stability and confidence in the sector, adaptation of time bound strategies and policies were required in many folds. But on the other hand, we found that, the year raised some opportunities which opened the avenues of ethical and sustainable finance, this is because technological advancements, digitalization and FinTech innovations, fostered financial inclusion and made them strongly present in the global market. Some big financial institutions in the globe exchanged tech based collaborations and some exchanged experiences which helped the sector resilient in the year 2023. The respective governments in many countries took action plans through adopting some new Islamic banking products & services, ultimately helped to expand the market share and corporate image. In this case, Artificial Intelligence threw a burning issue which derived many opportunities, at the same time, risk concerns were also increased. These risks demanded extra cautions for handling those very carefully. The issues like governance, human resource management and sustainable risk management practices in the backdrop of global Islamic finance sector became focal points. The sector demanded accountability, transparency, flexibility and effective risk mitigation strategies for sustained confidence and smooth operations with further growth and prosperities.

Islamic Banking in Bangladesh

The growing demand of ethical and sustainable financial services in the country which Islamic banks has been practicing from the very beginning bloomed many opportunities for the sector in country. Islamic banks throughout the year tried to enrich their services through adopting digitalization under its own arena, launched innovative products and enhanced functional operations to expand its market coverage as well as that of market share.

After 04 decades of time, Islamic banking, both statistically and conceptually, has by now established itself as no longer an alternaive banking solutions rather deserved itself to be treated under mainstream platform of the country. 10 full-fledged Islamic banks of the country are delivering Islamic banking services to the mass people of the country. In total, there are 34 number of banks which are conducting Islamic banking operations under a wide range of network and coverage across the country. There are total more than 1700 branches crisscrossed over the country. Also, there are 11 conventional banks who have 23 Islamic banking branches and 13 conventional banks having 535 Islamic banking windows. Agent banking under Islamic banks in 2023 also expanded banking coverage where more than 4,000 agent banking outlets delivered banking services, even at the most remote areas of the country. The agent outlets under Islamic banking industry of the country belonged total deposit of approximately Tk.18000 crore enjoying almost 59% market share in all the agent outlets' deposit portfolio of the country.

Only, the agent outlets of Islamic banks covered about 4.10 million accounts which was 25% of the market share. Islamic banks' agent outlets alone contributed about 58% of remittance inflow within total remittance inflow through all agent outlets. There were more than 2200 business operating units in total in the country which helped to present Islamic banking most vibrant and most customer friendly to reach.

In 2023, total deposit of Islamic banking industry reached at about Tk.4,320 billion posting around 3% growth over previous year. It holds almost 26% of total deposits of the entire banking sector. Total investment (loans & advances) stood at Tk.4,291 billion obtaining around 28% of total loans & advances of the whole banking sector.

Islami Bank Bangladesh PLC.

Alike the successive years passed through the last four decades, Islami Bank Bangladesh PLC., coupled with its very image, business portfolio and contribution, has topped the position in 2023. Different business parameters which included deposit portfolio, investment portfolio, remittance earnings, ancillary income gain, import-export businesses, etc witnessed satisfactory performances. Human capital of the Bank under direction of prudent management and policy guidelines exerted their best efforts in shaping the business portfolios of Bank a yet another height. The Bank was not only recognized locally, rather grabbed to continue its position amongst the top best 1000 banks of the world. Details performance has been discussed in the next part of the report.

40th Annual General Meeting

Corporate Profile

Islami Bank Bangladesh PLC. hereinafter referred to as "the Bank") was established as a public limited banking company in Bangladesh on the 13th March 1983 as the first Shari'ah based scheduled commercial bank in the South East Asia. Naturally, its modus operandi is substantially different from those of other conventional commercial banks.

The Bank conducts its business on the Shari'ah principles of Mudaraba, Musharaka, Bai-Murabaha, Bai-Muajjal, Hire Purchase under Shirkatul Melk, Bai-Salam, Bai-as-Sarf and Ujarah etc. There is a Shari'ah Supervisory Committee in the Bank which ensures that the activities of the Bank are being conducted on the precepts of Islam.

The shares of the Bank are listed with both Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited. Authorized Capital of the Bank is Tk. 20,000.00 million and Paid-up Capital is Tk. 16,099.91 million having 25,773 shareholders as on 31st December 2023. The Bank carries out its business activities through its Head Office in Dhaka, 16 Zonal Offices, 394 branches including 76 Authorized Dealer (AD) branches, 237 Sub-branches, 2,771 Agents Outlet and 3 Off-shore Banking Units (OBUs) in Bangladesh. The Principal place of business is the Registered Office of the Bank situated at Islami Bank Tower, 40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh.

Subsidiary Companies IBSL

Islami Bank Securities Limited (IBSL) was established on March 22, 2010, Incorporated as a public limited company under the Companies Act 1994, with a paid-up capital of Tk.2,700 million against an authorized capital of Tk.5,000.00 million, IBSL operates as a subsidiary of Islami Bank Bangladesh PLC (IBBPLC.).

Presently, IBSL operates from its Head Office, three Extension Offices, one Branch Office, and two Digital Booths. Renowned for its exceptional Brokerage Services, IBSL has consistently secured the top position from 2019 to 2022 in terms of Transaction Volume of Stock Dealer at the Dhaka Stock Exchange PLC (DSE). It stands as a prominent corporate entity within the Bangladesh Capital Market, offering comprehensive Shariah-based investment solutions to investors through a team of highly dedicated professionals since its inception. As a subsidiary of IBBPLC., IBSL plays a pivotal role in advancing the country's Capital Market and enhancing the earning potential of IBBPLC. through corporate declaration.

IBCML

Islami Bank Capital Management Limited (IBCML) was incorporated on the 01 April 2010 under the Companies Act 1994 as a Public Limited Company with Authorized Capital of Tk.1,000.00 million & Paid-Up Capital of Tk.300.00 million divided by 3,00,000 (three lac) ordinary shares of

Blanket Donation to the Prime Minister's Relief Fund

Tk.1,000/- each. The Company has obtained its Merchant Banker Registration Certificate Bearing No. MB-95/2019 dated March 31, 2019 from Bangladesh Securities and Exchange Commission and started its operation from 30th September 2019 and obtained Depository Participant (DP) License in 2020. The Core Activities of IBCML are Issue Management Services & Portfolio Management Services

The main objectives of the company are achieving long term capital appreciation by means of judicious investing in the capital market, delivering superior quality of services to all the investors market, generating superior returns for the clients, providing solutions to business problems etc.

Offshore Banking Units

The operations of Off-shore Banking Units (OBU) of the Bank were commenced on January 4, 2011 as per the approval of Bangladesh Bank. The Off-Shore Banking Units (OBU) of the Bank are located at

- Head Office Complex Branch, Dhaka
- Uttara Branch, Dhaka and
- Agrabad Branch, Chattogram.

Unique Features of IBBPLC.

Prohibition of interest (Riba)

As Riba is prohibited in the Holy Quran, the most unique feature of IBBPLC. is that its business functions/operations are completely free from interest.

Welfare-oriented Banking

IBBPLC. is the precursor of introducing welfare-oriented banking system by ensuring equity and justice in all of its activities. Unlike conventional financial institutions, profit or wealth maximization has never been among the prime objectives of IBBPLC. The Bank extends its services to individuals of all walks of life with strong commitment in advancement and uplifting economically disadvantaged segments.

Shari'ah Compliance

Shariah Compliance is not just empty words. All of our banking activities are Shariah Compliant & IBBPLC. practically ensures 100% Shari'ah in daily banking operations.

Focus on 'Maqasid-al-Shari'ah

IBBPLC. not merely ensures Shari'ah compliance but also focuses on Makasid-al-Shari'ah in all of its operational portfolios.

Mass Banking

In order to make banking facilities available for maximum number of people, IBBPLC. appears to have been providing mass banking instead of class banking.

Membership

National

a. Bangladesh Institute of Bank Management (BIBM)
b. The Institute of Bankers Bangladesh (IBB)
c. Bangladesh Association of Banks(BAB)
d. Bangladesh Foreign Exchange Dealers' Association (BAFEDA)
e. Bangladesh Association of Public Listed Companies (BAPLC)

Business Development Conference

f. Central Shari'ah Board for Islamic Banks in Bangladesh (CSBIBB)
g. Islamic Banks Consultative Forum (IBCF)
h. Dhaka Chamber of Commerce & Industry (DCCI)
i. Dhaka Stock Exchange Limited (DSE)
j. Chattogram Stock Exchange Limited (CSE)
k. Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)
l. Bangladesh Chamber of Industries (BCI)

International

a. Accounting and Auditing Organizations for Islamic Financial Institutions (AAOIFI), Manama, Bahrain and has become member of its Board of Trustees.
b. Islamic Financial Services Board (IFSB), Kuala Lumpur, Malaysia.
c General Council for Islamic Banks and Financial Institutions (CIBAFI), Manama, Bahrain
d. International Islamic Financial Market (IIFM) Manama, Bahrain
e. International Islamic Centre for Reconciliation and Arbitration (IICRA)
f. International Chamber of Commerce Bangladesh Limited (ICC-Bangladesh)
g. American Chamber of Commerce in Bangladesh (AmCham)

IBBPLC's Equity Investment

a. Central Depository Bangladesh Limited (CDBL)
a. Karmasangsthan Bank (Employment Bank)
c. Bangladesh Shipping Corporation (BSC)
d. Bangladesh Aroma Tea Ltd.
e. Investment in different listed company's shares
f. Mudaraba Subordinated Debts of Private Islami Banks
g. Mudaraba Perphetual Bonds of Private Islami Banks
h. Sponsorship in Mutual Funds

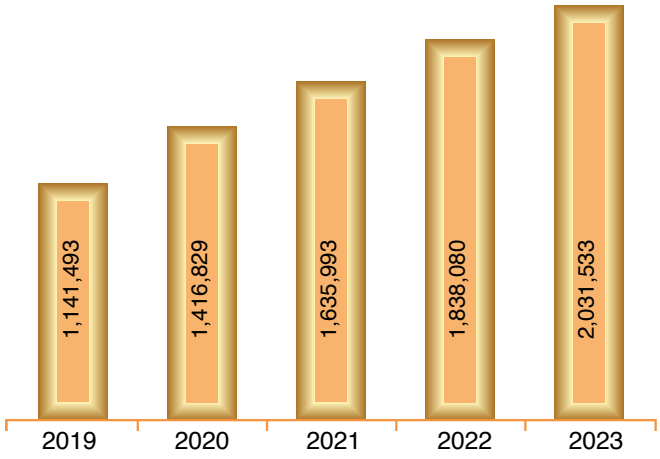
A brief review of the business & financial performance of IBBPLC.

IBBPLC. is a matured bank with more than three decades of its operation. It has continuously delivering admirable performance in all business indicators. In 2023, overall banking sector faced diversified economical & political challenges like the prolonged negative impact of Russia-Ukraine war, political violence, volatility in foreign exchange rate, uncontrolled inflation rate etc. Despite of all these challenges, performance of IBBPLC. was beyond expectation. This report includes a general performance with brief description of the business indicators.

Total Assets

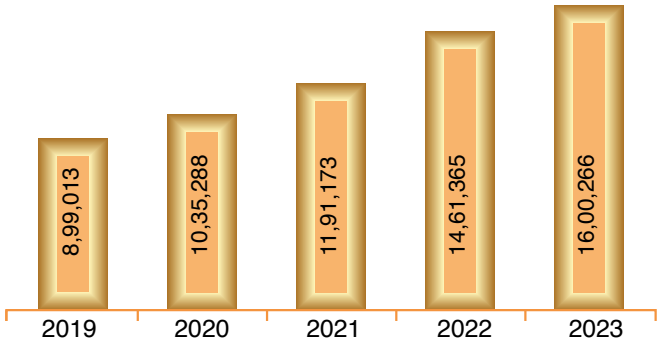
The bank's total assets as on December 31, 2023 stood at Tk.2,031,533 million which was Tk.1,838,080 million as on December 31, 2022, registering a growth of Tk.193,453 million, or 10.52%. The major growth was in Investment. The comparative position of total assets is shown below:

Total Assets Tk. in million

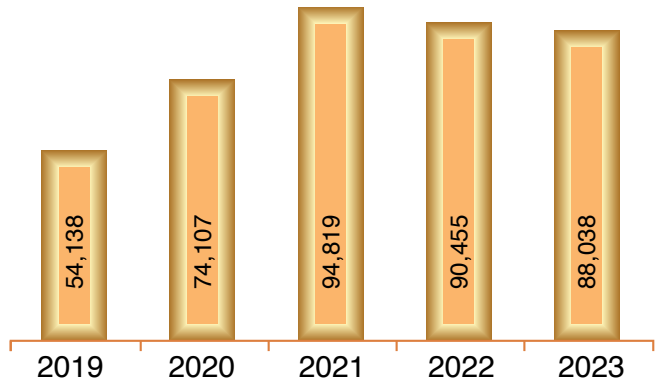


General Investment

General Investment of the Bank stood at Tk.1,600,266 million as on 31st December 2023 with net increase of Tk.138,901 million witnessing 9.50% growth over 31st December-2022. Due to prolonged impact of Russia-Ukraine war, Macroeconomic uncertainty, Interest rate environment, Risk management challenges, IBBPLC. was more conservative about disbursing investment which resulted slower growth in investment. The trend of investment for the last five years is given here:



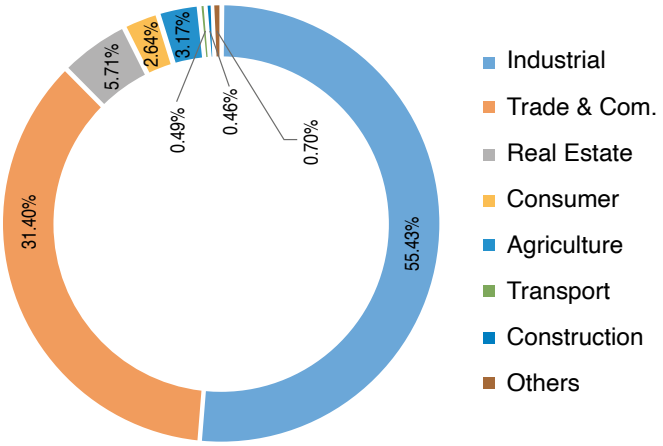
Shares & Securities Investment Trend



Sector-wise Investment

Bangladesh is predominantly farming based economy. Yet the industrial sector in Bangladesh makes a huge contributor to the country's economic growth. Investing 55.43% of its resources in industrial sector, IBBPLC. has been contributing in country's industrialization process and has created a huge employment. The sector wise investment as on December, 2023 is given below:

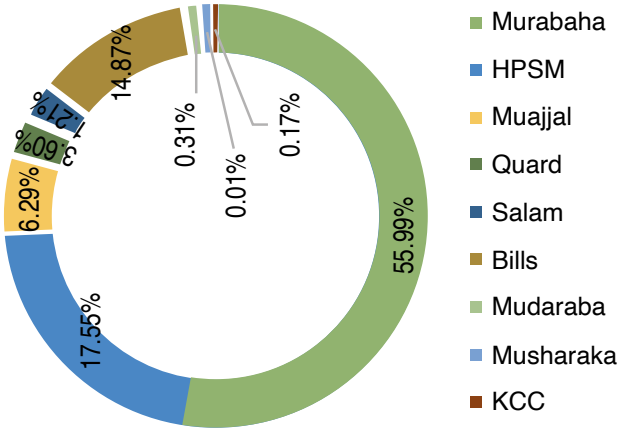
Sl. No	Mode	Million Tk. in 2023	Million Tk. in 2022
01	Industrial	887,059	772,148
02	Trade & Commerce	502,503	478,873
03	Real Estate	91,298	84,824
04	Consumer	42,268	38,262
05	Agriculture	50,738	46,983
06	Transport	7,853	9,358
07	Construction	7,287	6,918
08	Others	11,260	18,280
Total		**1,600,266**	**1,461,365**



Mode-wise Investment

Sl. No	Mode	Million Tk. in 2023	Million Tk. in 2022
01	Bai Murabaha	895,968	884,038
02	HPSM	280,769	252,094
03	Bai Muajjal	100,715	90,626
04	Quard	57,561	42,650
05	Bai Salam	19,388	19,016
06	Bills Pur. & Negotiation	237,911	165,976
07	Mudaraba	5,000	5,000
08	Musharaka	269	188
09	Khidma Credit Card	2,685	1,777
Total		**1,600,266**	**1,461,365**

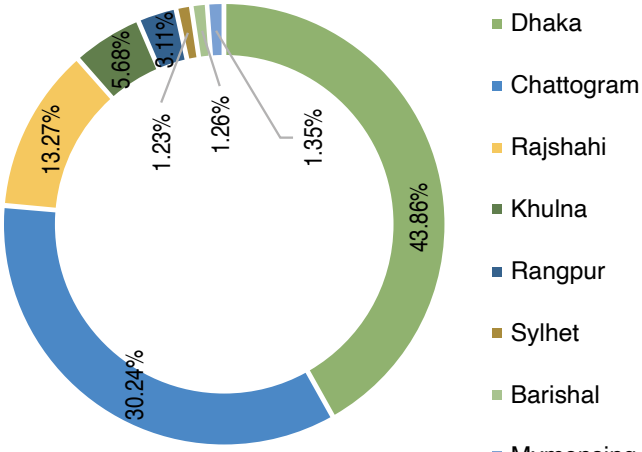
Mode mix in 2023



Division-wise Investment

Sl. No	Sector	Million Tk. in 2023	Million Tk. in 2022
01	Dhaka	701,876	675,587
02	Chattogram	483,921	427,683
03	Rajshahi	212,355	168,202
04	Khulna	90,895	85,151
05	Rangpur	49,768	45,945
06	Sylhet	19,683	18,667
07	Barishal	20,163	19,294
08	Mymensingh	21,605	20,836
Total		**1,600,266**	**1,461,365**

Divisional mix in 2023



Industrial Sub-Sectoral Investment

Sl. No	Sub- sector	Million Tk. in 2023	Million Tk. in 2022
01	Textile	198,834	159,189
02	Service	69,634	60,072
03	RMG	99,057	75,519
04	Cement & Ceramic	37,814	30,764
05	Chemical	28,239	23,008
06	Ship building	7,535	7,342
07	Food & Allied	79,658	69,070
08	Pharmaceutical	4,966	4,518
09	Ship Breaking	6,327	6,491
10	Power & Gas	46,222	45,987
11	Other Manufac.	211,111	209,073
12	others	97,662	81,115
Total		**887,059**	**772,148**

Welfare Oriented Schemes

Sl. No	Sub-Sector	Million Tk. in 2023	Million Tk. in 2022
01	RDS	64,737	53,881
02	HIP	30,319	30,916
03	SHBIS	28,154	28,404
04	WEIS	10,880	9,549
05	TIS	7,386	7,423
06	RE(Developers)	20,152	19,780
07	AIIS	8,700	9,057
08	SBIS	6,519	6,171
09	PGNBP	1,340	1,566
10	HDS	2,656	2,540
11	SHDS	1,410	2,177
12	CIS	199	241
13	HBIS	62	64
14	ISD	28	27
15	MIIS	3	4
16	HIPGE	1,006	546
17	Shopno Kutir	225	74
18	EISS	4	1
Total		**183,783**	**172,422**

CMSME Investment

CMSME covers numbers of activity under manufacturing, service and trading sub-sectors, it contributes in employment of millions of people across the country. Islami Bank Bangladesh PLC. being the country's biggest bank, has given due importance into the sector by taking effective initiatives for significant growth of its CMSME investment portfolio.

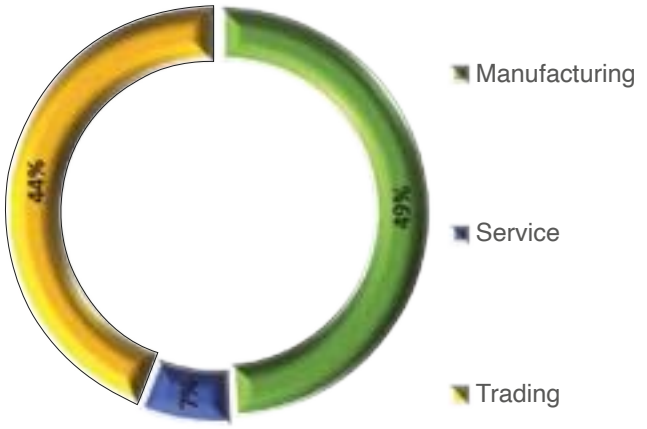
IBBPLC. continues its efforts to diversify CMSME investment portfolio by size, sector, economic purpose and geographical location.

CMSME Investment of IBBPLC. was Tk.32,377 Crore as on 31.12.2023 which was Tk.32,441 Crore in 2022. This amount shares 20.23% of IBBPLC.'s total investment portfolio and 12% of CMSME investment in the banking industry.

Sector wise CMSME Investment

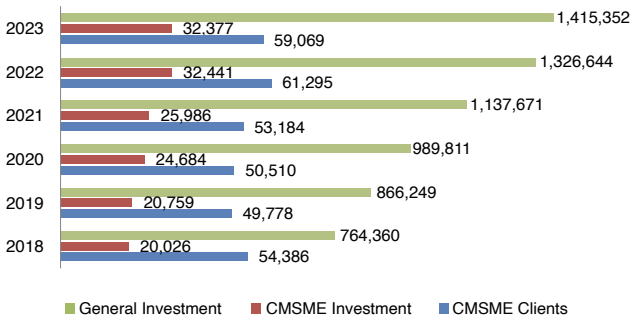
Sl. No	Sector	Crore Tk. in 2023	Crore Tk. in 2022
01	Manufacturing	16,023	17616
02	Service	2,260	2,636
03	Trading	14,094	12,189
Total		**32,377**	**32,441**

Sector wise CMSME mix in 2023



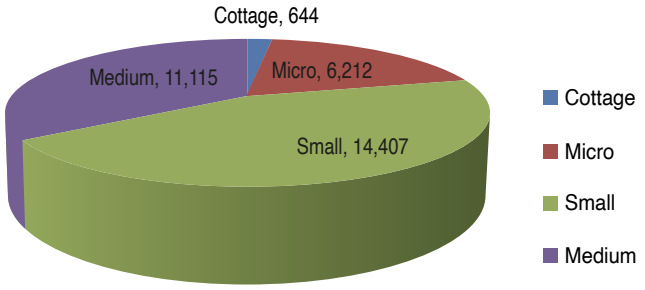
General vs CMSME Investment of IBBPLC

(Figure in Crore)



Category Wise CMSME Investment

(Figure in Crore)



Agricultural Investment

The agriculture is one of the key economic pillars of Bangladesh. It is the largest employment sector, making up 11.38% of Bangladesh's GDP in FY 2022-23 and employing about 45.33% of the workforce. The performance of this sector has an overwhelming on major macroeconomic objectives like poverty alleviation, human resources development, food security and other economic & social forces. As welfare oriented bank, IBBPLC. strongly believes that development of the country cannot imagine without the development of agriculture sector. Agricultural Investment activities are running through its 318 Branches of the Bank smoothly. In the last 15 years, cumulative investment of IBBPLC. in agriculture sector was Tk.201,214.01 million which was distributed among 14,01,101 clients. IBBPLC. market share in agricultural investment was 7.10% in the financial year 2022-2023.

Sector wise Agricultural Investment

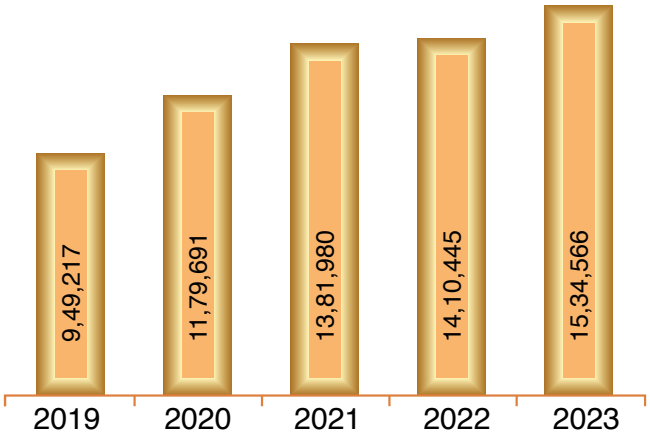
Sl. No	Sector	Million Tk. in 2023	Million Tk. in 2022
01	Crops	3,530	1,750
02	Fisheries	4,560	2,035
03	Livestock	7,534	6,080
04	Irri. Eqpt.	4	5
05	Agri. Eppt	7	31
06	Storage	10	65
07	Others	79	1,651
Total		**15,725**	**11,618**

Total Liabilities

Total liabilities of the bank stood at Tk.1,960,340 million as of December, 2023 which was Tk.1,769,918 million as of December, 2022. It means liabilities increased by Tk.190,422 million excluding shareholder's equity. Major part of the liabilities increased for increasing deposit & other liabilities.

Deposit

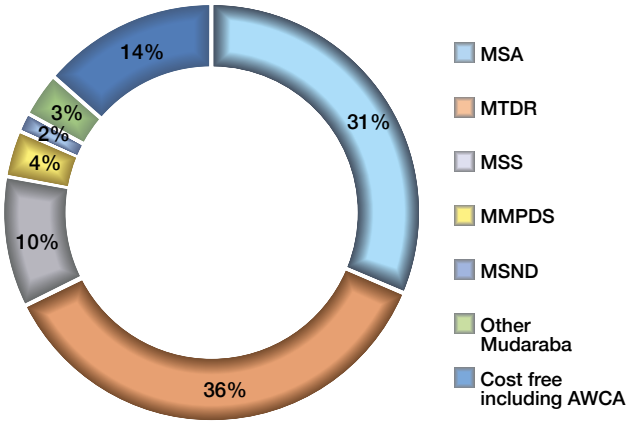
The total deposit stood at Tk.1,534,566 million as of December, 2023 which was Tk.1,410,445 million as of December, 2022, registering a growth of Tk.124,121 million or 8.80% from 2022. Despite slowdown of the economic activities, IBBPLC. has mobilized highest deposit in 2023. It indicates the better confidence of the depositors toward IBBPLC. In 2023, the bank paid its focus on mobilizing long term deposit and hence its increased in a large number. The last five years' deposit graph is shown below:



Major Product Wise Deposit as on 31.12.2023

Sl. No.	Nature of Deposit	Million Taka	% of Total Deposit
01	MSA	480,048	31.28%
02	MTDR	558,058	36.37%
03	MSS	155,860	10.16%
04	MMPDS	54,930	3.58%
05	MSND	22,825	1.49%
06	Other Mudaraba	52,539	3.42%
07	Cost Free including AWCA	210,306	13.70%
Total		**1,534,566**	**100%**

Deposit Mix



Weightage & Final Profit Rates of Deposit in 2023

Sl. No	Product Name	Weightage	Final Rates
01	Mudaraba Saving Account	0.62	3.12%
02	Mudaraba Term Deposit		
i	36 months	1.10	7.00%
ii	24 months	1.07	6.90%
iii	12 months	1.05	6.85%
iv	300 days	1.045	6.85%
v	200 days	1.04	6.80%
vi	6 months	1.03	6.80%
vii	100 days	1.01	6.75%
viii	3 months	1.00	6.75%
ix	1 month	0.82	4.22%
03	Mudaraba Special Savings Scheme		
i	10 years	1.25	6.44%
ii	5 years	1.10	6.00%
iii	3 years	1.08	5.80%
04	Mudaraba Education Saving Scheme		
i	15 years	1.30	6.70%
ii	10 years	1.25	6.44%
iii	5 years	1.10	5.90%
iv	3 years	1.08	5.80%
05	Mudaraba Expatriate Housing Deposit Scheme		
i	15 years	1.30	6.70%
ii	10 years	1.25	6.44%
iii	5 years	1.10	5.90%
iv	3 years	1.08	5.80%
06	Mudaraba Monthly Profit Deposit Scheme		
i	5 years	1.18	6.80%
ii	3 years	1.10	6.55%
07	Mudaraba Senior Citizen Monthly Deposit Scheme		
i	5 years	1.20	6.95%
ii	3 years	1.12	6.68%
iii	1 years	1.05	5.87%
08	Mudaraba Saving Bond		
i	8 years	1.25	6.44%
ii	5 years	1.12	5.80%
09	Mudaraba NRB Saving Bond		
i	8 years	1.30	6.70%
ii	5 years	1.15	5.92%
10	Mudaraba Hajj Saving Account		
i	Above 10 years	1.30	6.70%
ii	Upto 10 years	1.25	6.44%
11	Mudaraba Muhor Saving Account		
i	10 years	1.25	6.44%
ii	5 years	1.10	6.00%

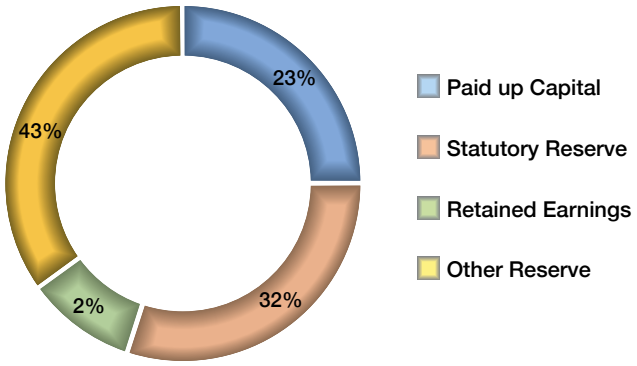
Islami Bank achieved Gold Award for collecting highest remittance

12	Mudaraba Bibaho Saving Account		
i	5 years	1.10	6.00%
ii	3 years	1.08	5.80%
13	Mudaraba Special Notice Deposit	0.50	2.58%
14	Mudaraba Waqf. Cash Deposit	1.35	6.95%
15	Mudaraba Farmers Deposit	0.75	3.86%
16	Mudaraba Priority Saving	0.95	4.48%
17	Mudaraba Student Saving	0.62	3.12%
18	Mudaraba Upahar Deposit	0.62	3.12%
19	Mudaraba Industrial Employees Saving	0.62	3.12%
20	Mudaraba mCash Deposit	0.50	2.58%
21	Mudaraba Payroll Account	0.62	3.12%
22	Mudaraba Double Benefit	1.37	-
23	Mudaraba Perpetual Bond	1.25	6.44%
24	Mudaraba Subordinate Bond	1.03	6.80%
25	Mudaraba Foreign Currency	0.75	2.07%

Shareholders' Equity

Total shareholders' equity stood at Tk.71,193 million at the end of the year, increased by Tk.3,031 million which is 4.45 % higher than that of last year.

Shareholders' Equity Mix in 2023



Regulatory Capital

Regulatory Capital is the main component of the Market discipline in Basel III guideline. The purpose of it to establish more transparent and more disciplined financial position so that stakeholders can assess the position of the bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets.

Total regulatory capital stood at Tk.108,376 million compared to Tk.102,738 million in previous year with an increase of Tk.5,638 million. The bank is continuously maintaining its regulatory capital at higher level than that of minimum requirement of 12.50%. Strong capital management depends on assets quality that means lower risk weighted assets. A brief analysis of regulatory capital and risk weighted asset is given below:

Town Hall Meeting Rangpur

Sl. No.	Components	Million Tk. in 2023	Million Tk. in 2022
01	Tier-I Capital	7 4,967	69,732
02	Tier-II Capital	33,409	33,006
03	Total RC	108,376	102,738
04	MCR	107,304	81,936
05	Total RWA	858,436	819,357
06	CRAR	12.62%	12.54%
07	MRC Require	12.50%	12.50%

RDS & UPDS: Microfinance activities

Islami Bank Bangladesh PLC. launched its microfinance program for the rural poor under the name and style of "Rural Development Scheme (RDS)" in the year 1995 to address the needs of investment on agriculture and off farm activities. This is to create opportunity for employment generation and raising income of the rural people with a view to reducing poverty. In the meantime, RDS investment conducting through 497 operational units (338 of Branches, 24 of Sub-Branches & 135 of Agent Outlets) covering 32,977 villages under 64 districts of the country.

The Bank launched another microfinance program namely "Urban Poor Development Scheme (UPDS)" in May 2012 for extending micro-investment facilities for the urban poor. Among 329 no. of Branches, UPDS is being operated through 24 urban branches under Dhaka (North & South), Chattogram & Sylhet metropolitan areas.

RDS & UPDS Performance at a glance

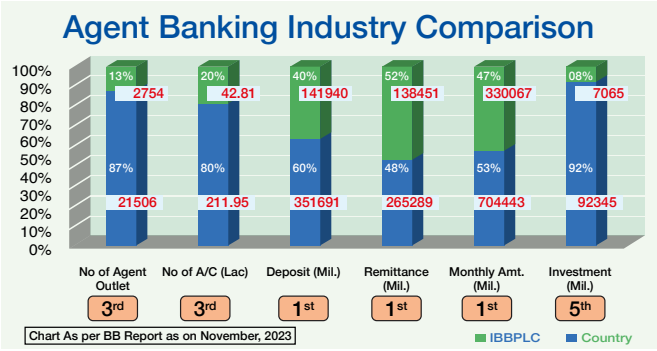
SL. No	Pereprmance Parameter	2023	2022	Growth%
1	Operation Unit	497	462	7.58%
2	Villages Cover	32,977	30,961	6.51%
3	Members	1,700,919	1,600,056	6.30%
4	Centers	41,927	39,600	5.88%
5	Clients	899,293	870,584	3.30%
6	Deposit (Tk. in MN)	18,104	15,513	16.70%
7	Investment (Tk.MN)	64,737	55,881	15,85%
8	Classified Inv (Tk. MN)	335	299	12.04%
9	No.of Employees	3060	3,056	0.13%
10	Beneficiaries (Welfare activites)	10,656,579	10,405,036	2.42%

Agent Banking Operation

Agent Banking' introduced by Bangladesh Bank as an innovative financial inclusion tool in 2013 has acted like a major catalyst in this regard. Within a short span of time, this innovative model gains popularity as a cost- effective delivery channel among the masses and makes a significant beneficial impact in building a happy, prosperous and enlightened Bangladesh.

At the end of December 2023, IBBPLC. agent banking enrolled 43.39 lac customers and accumulated deposit of Tk.14,305.41 crore by basketing Tk.3,256 crore fresh deposit through 2,771 outlets. These outlets registered Tk.15,352.69 crore foreign remittance inflows in 2023.

At the end of the year 2023, out of total 2,771 outlets 2,609 (94%) outlets are in rural and 162 (6%) outlets are in urban area covering all the 64 districts. By this time, IBBPLC. could extend its network to 472 Upazillas of the country out of total 495 through establishing agent outlets.



Agent Banking Performance at a glance

Particular	2023	2022	Growth (%)
Agent Outlet	2,771	2,694	2.86%
No of Account	4,339,436	33,54,992	29.34%
Deposit (Crore)	14,305	11,050	29.46%
Remittance Number	2,107,902	26,03,071	(6.88%)
Remittance Amount (Crore)	15,353	16,128	(4.81%)
Investment (Crore)	300	168	78.57%
Profit (Crore)	277	167	65.87%

Sub-Branch Activities

Banking industry, one of the prime driving forces of the economy, is also striving towards smart transformation in all domains of services along with rapport building with customers and stakeholders. In line with this transformation, Sub-Branch is an innovation towards smart banking. In order to achieving the objectives of financial inclusion, Bangladesh Bank launched Sub-Branch banking (booth banking) vide BRPD circular No.28 dated 27.12.2018.

As per the instruction of Bangladesh Bank, Islami Bank Bangladesh PLC. (IBBPLC.) started Sub-Branch operation in September, 2019 through opening its 1st Sub-Branch at Bijoynagar, Dhaka. In 2023, it opened 9 new Sub-Branches throughout the country. As on December 31, 2023, IBBPLC has 237 Sub Branches across the country. Key performance of Sub-branch in different indicators is given below:

Sl. No	Performance Parameter	2023	2022	Growth %
1	No. of Sub-Br.	237	228	4%
2	No. of Account	633,500	506,813	25%
3	Deposit (Tk. in Million)	67,375	48,495	39%
4	Investment (Tk. in Million)	11,432	7,575	51%
5	Remittance (Tk. in Million)	13,440	12,096	11%
6	Operating Profit (Tk. in Million)	440	(234)	288%

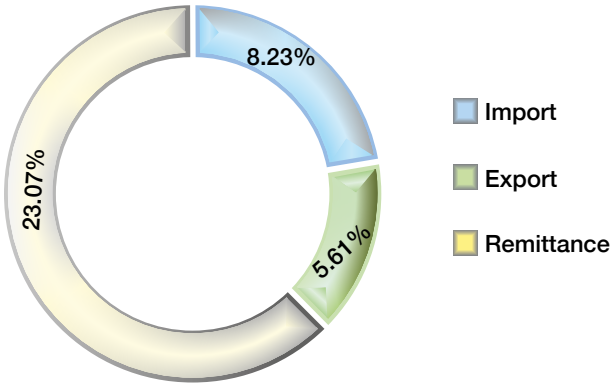
Foreign Trade Business

Foreign trade plays a crucial role in the comprehensive development and national advancement of all economies, and Bangladesh is not an exception. In the context of Bangladesh's economy, foreign exchange scarcity is a critical bottleneck in its development strategy. The foreign exchange deficit is mostly mitigated by the facilitation of exports and the inflow of overseas remittances. Hence, the augmentation of export growth and the inflow of remittances can potentially enhance a nation's import potential, thereby fostering industrialization and stimulating broader economic activities. We have responded to every contemporary and challenging issues related to trade barriers in a timely and efficient manner to overcome the global and local impediments, which are represented in our efficiency metrics, Alhamdulillah, quite successfully.

Foreign Trade Performance at a glance in MN Tk.

Sl. No	Nature of Business	2023	2022	Growth %	Market Share
1	Import	573,416	754,045	(23.95%)	8.23%
2	Export	338,069	369,637	(8.54%)	5.61%
3	Remittance	566,122	446,969	26.66%	23.07%
Total			**1,477,607**	**1,570,651**	**(5.92%)**

IBBPLC.'s Market Share in 2023

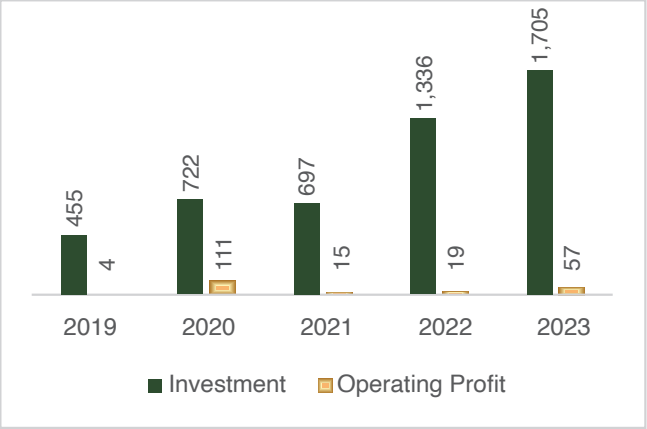


OBU Business

Offshore Banking Operations (OBO) is one of the major contributors to achieve the peak position of IBBPLC. among the banking industry of our country. Facing myriad of challenges, it stood 1st among other OBO practitioner in the country.

The major challenges of Offshore Banking operations of IBBPLC. is increased borrowing rate due to increasing uptrend of LIBOR rate, less recoveries from the customers, regulatory compliance and volatile FC market that causes maturity mismatch of Asset and Liability of OBO.

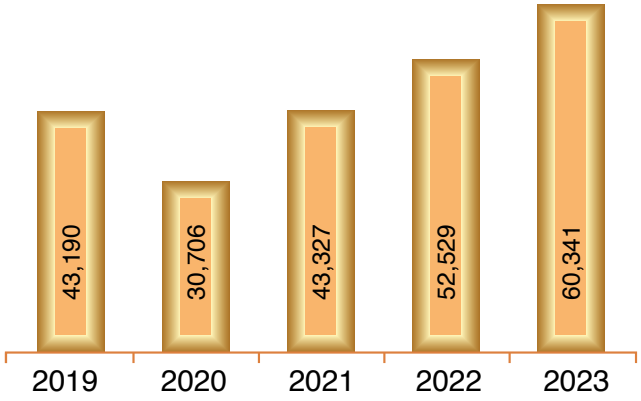
Performance at a glance in Million USD



Business results of IBBPLC.

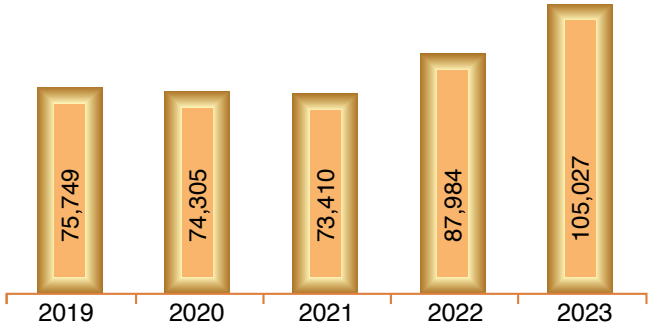
Total Operating Income

Operating income includes investment income, income from investments in shares & securities, commission, exchange & brokerage income and other operating income. In 2023, net operating income has reached to Tk.60,341 million which was Tk.52,529 million in 2022, registering 14.87% growth. The last five years operating income is shown below:



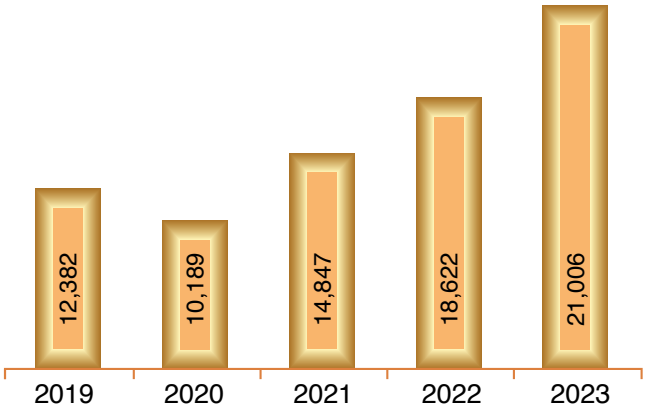
Investment Income

Investment income of the IBBPLC. stood at Tk.105,027 million as of December 31, 2023 which was Tk.87,984 million in December 31, 2022 resulting Tk.17,043 million increased in 2023. The last five year's income trend is shown here:



Non Investment income

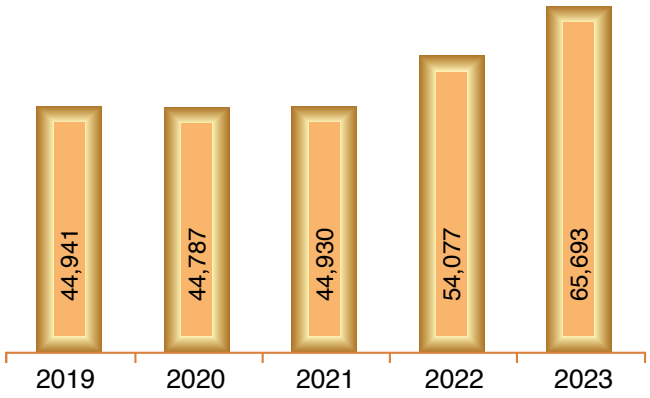
It includes income from investment in share & securities, commission, exchange & brokerage income etc. Income from share& Securities stood at Tk.4,568 million, income from commission, exchange & brokerage stood at Tk.7,529 million and other operating income stood at Tk.8,909 million in 2023 which were Tk.2,702 million, Tk.9,397 million and Tk.6,523 million in 2022 respectively. Total income except investment income of the Bank stood at Tk.21,006 million as of December 31, 2023 as compared to Tk.18,622 million in 2022, registered growth of 12.80%. Last five years trend of these income is given here:



Shariah Awareness Program

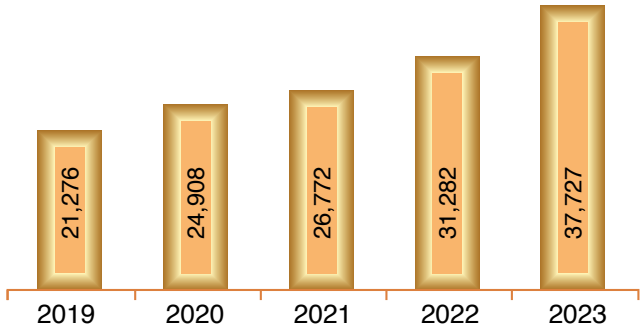
Profit Paid on Deposits

Total PPD was Tk. 65,693 million in 2023 which was Tk.54,077 million in 2022. IBBPLC. distributed 72.78% of its investment income earned from the deployment of the Mudaraba fund toward depositors in 2023. This PPD expenditure was 63.52% of total expenditure for the year 2023. The PPD scenario of last five years is shown here:



Operating Expense

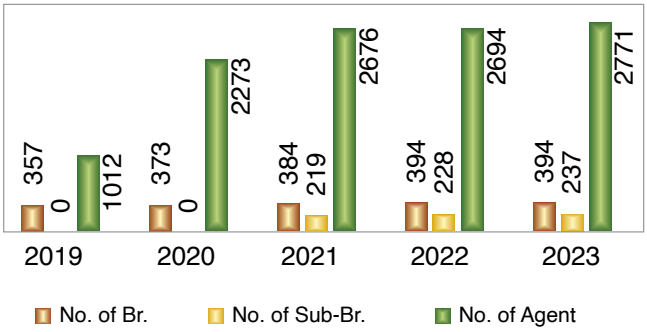
Total operating expense was Tk.37,727 million in 2023 compared to Tk.31,282 million in 2022. Operating expense increased by Tk.6,445 million in 2023 and 36.48 % of total expenditure. Year wise comparison of operating expense is given below:



Networking

IBBPLC. is performing its business activities through 394 branches, 237 sub-branches and 2,771 agent outlets. As business volume of the Bank is increasing day by day and to bring more people under the financial inclusion umbrella, IBBPLC. has also open 09 sub-branches and 43 agent outlets in 2023. Growth position of the networking in last five years is given here:

No. of Business Units



Risk Management

To ensure proper risk management, IBBPLC. engaged large number of manpower and doing every task with compliance of all regulatory rules, regulation, guidelines and internal policies under a separate division namely Risk Management Division. The detail of Risk Management process has been discussed in the Risk Management section in this Annual Report.

Human Resources Management

IBBPLC. has a comprehensive 'General Conduct and Discipline Policy' covering distinctive principles and ethics for its employees. This policy stated rules & regulations about duties of the employees as well as benefits both financial and non-financial for the employees. To attract, motivate, contribute and retain skilled & expertise employees, the Bank offers various facilities like attractive compensation package, incentives, health security and secured & friendly working environment etc.

Corporate Social Responsibility (CSR)

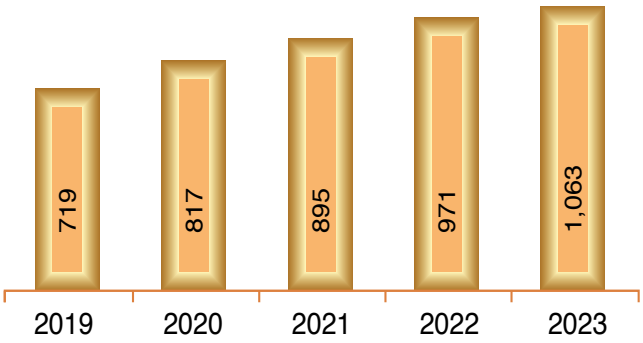
Corporate Social Responsibility (CSR) is considered as a concept in which companies voluntarily integrate social and environmental concerns into their business operations and into the interaction with their stakeholders. As a social welfare institution, a corporate citizen of the country and one of the biggest Islamic Bank of the world, we believe that Islami Bank Bangladesh PLC. has a responsibility to its stakeholders as well as to the communities in which it works and live. IBBPLC. has a revised and modified "CSR Policy" as per Bangladesh Bank Guidelines. In 2023, Tk.997.86 million provided favoring 0.30 million beneficiaries under different sectors. However, total accumulated CSR expenditure incurred by the Bank is Tk.16,581.80 million since 1983-2023 among 18.41 million beneficiaries in different sectors.

Contribution to the National Exchequer

As a compliance bank, IBBPLC. always try to make timely payment of its corporate tax, Vat, and Excise duty. The bank pays not only corporate tax but also created many sources of indirect tax to the government exchequer and hence contributing to the development of the economy of Bangladesh. In 2023, the bank has provisioned Tk.10,571 million against corporate tax, compared to Tk.8,768 million in 2022. In addition, the bank paid Tk.20,126 million as VAT, excise duty, salary tax, source tax and other tax.

Zakat payment

As a shariah based bank, IBBPLC. pays zakat under the rules of Islamic shariah. The bank paid zakat @2.58% rate on statutory reserve, general reserve and retained earnings of the previous year. IBBPLC. paid Tk.1,063 million in 2023 which was Tk.971 million in 2022, excess payment of Tk.92 million compared to 2022. Year wise Zakat expenses of IBBPLC. are given here in million Tk.



Corporate Governance

IBBPLC. has a set of best practice corporate governance guidelines which is developed as per the regulatory requirements of the Bangladesh Bank and the Bangladesh Securities & Exchange Commission. The bank discloses a corporate governance report in every year. The details of this report are discussed in a separate part of this annual report.

Credit Rating

Emerging Credit Rating Limited (ECRL), a renowned credit rating company in Bangladesh; is rating IBBPLC. since 2022. The bank has been rated as "AAA" under Long Term category and "ST-1" under short Term category for last 06 (Six) consecutive years. These rating indicates that the bank has an exceptionally strong & superior capacity to meet its financial commitments in a timely manner.

Green Banking

Islami Bank Bangladesh PLC. by its morale exercises the environment friendly banking from its inception. The Bank is committed to acting sustainability by its morale exercises the environment friendly banking from its inception. The Bank extends its business in renewable energy, recycling & manufacturing of recycling goods, green agriculture, environment friendly brick production, environment & social risk management, CSR in climate risk fund etc. In 2023, IBBPLC. disbursed Tk.21,607 million in green finance sector.

Internal Control and Compliance

Internal Control and Compliance (ICC) ensures compliance with laws, rules and regulations, policies, procedures and guidelines issued by both the competent authority of the bank and the regulator bodies. Internal control mechanism includes top-level reviews, appropriate activity controls for departments or divisions, physical controls, checking for compliance with exposure limits and follow-up on non-compliance etc. IBBPLC. established three divisions namely Audit & Inspection Division, Compliance Division and Monitoring Division under a separate wing namely Internal Control and Compliance Wing to ensure strong and better control and compliance in its every operation.

ALM & CFT Compliance

In order to comply with the international and local rules & regulations of AML & CFT issue, IBBPLC. has taken different initiatives including introduction of AML Policy & Guidelines, deployment of Kroll Advisory Solutions for standardization of AML & CFT compliance, ACCUITY Automated Real Time Sanctions Screening of UN, OFAC, EU etc., SAS Automated Transaction Monitoring for real-time all transactions, Election Commission Link for verification of NID and introduction of Central Customer On-boarding system. E-KYC for on-boarding of customers, awareness & motivation of Employees, record keeping in the Banks own e-IBS system etc. are going on smoothly for AML & CFT compliance.

Financial Statements Preparation & Presentation

The Financial statements namely Balance Sheet, Profit & Loss Account, Cash Flows and Changes in Equity prepared under the historical cost convention & following the section-38 of the Bank Companies Act-1991 (amended), International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the companies Act 1994, the Financial Reporting Act 2015, Bangladesh Bank Circulars, the listing regulations of the Stock Exchange, the Securities and Exchange Rules 1987 and laws & rules applicable in Bangladesh.

In 2023, the Bank has prepared all its financial statements as per above mentioned laws, standards, rules & regulations and reviewed all the statements by the Audit committee and finally approved by the Board of Directors of the Bank after certified the fairness of the said statements by the statutory auditors of the Bank.

Appointment of Statutory Auditors & their Report

In the 40th Annual General Meeting held on 22nd June, 2023, the shareholders appointed ACNABIN, Chartered Accountant and Khan Wahab Shafiq Rahman & Co, Chartered Accountant to audit the Financial Statements of the Bank for the year 2023. The auditors opined that financial statements of the Bank for the year 2023 give a true and fair view and prepared in accordance with relevant laws and standards.

Financial Inclusion

Financial inclusion refers to efforts to make financial products and services accessible and affordable to all individuals and businesses, regardless of their personal net worth or company size. Iinclusiveness of a greater segment of people in financial system is pre requisite for economic development of a country. Financial inclusion strives to remove the barriers that exclude people from participating in the financial sector and using these services to improve their lives. It is also called inclusive finance.

Bangladesh Bank is continuously pursuing the banks for the financial inclusion initiatives to contribute to the national goals of inclusive growth and to strengthen and reinforce the development of the financial service network to reach the underserved and unbanked population of the country.

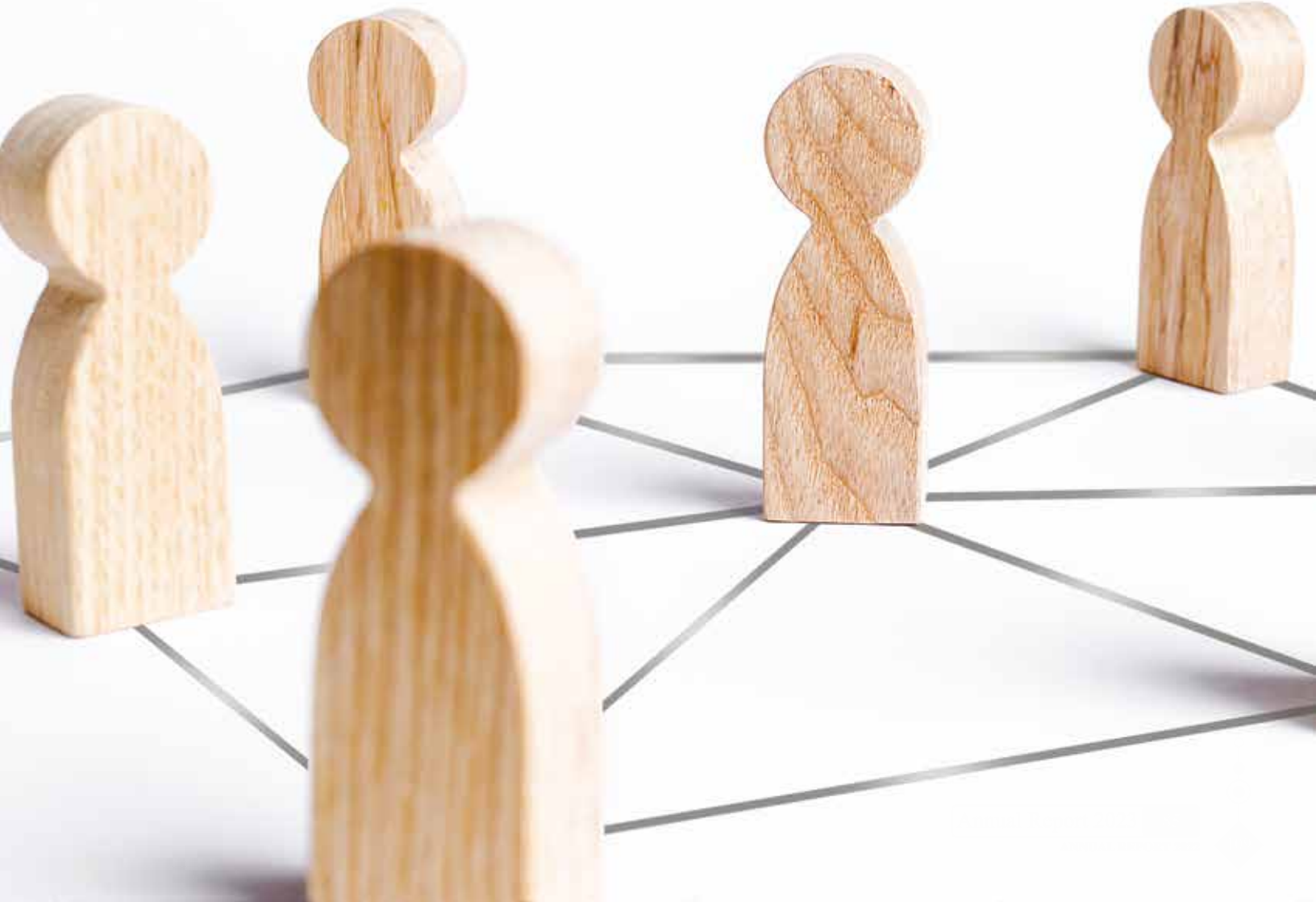
As part of this, IBBPLC. is trying to bring out a large number of unbanked people under banking service through offering low cost services and products like opening Farmers Accounts, Student Accounts etc.

Gratitude

In line with its continuous success, IBBPLC. declared its immense pride, pleasure and satisfaction to observe its 40th founding anniversary on 30th March, 2023. Thus, recognizing every concern's contribution towards the Bank including government of Bangladesh, regulatory bodies including Bangladesh Bank, valued customers, honorable Board members, distinguished management and last but not the least, all the levels of its employees, we look forward to establish our footprint ahead of customers' dream, aspirations, national interests and economic development through ensuring Shariah compliance in our banking operations in every sphere.

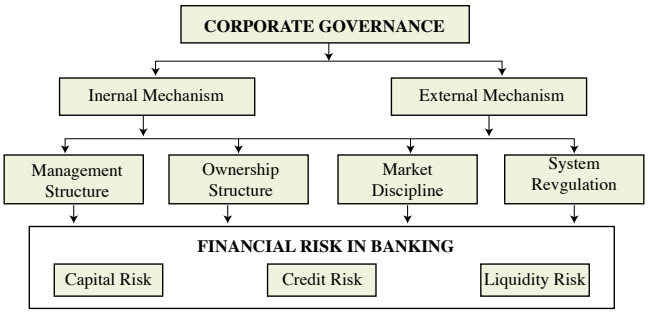
Ahsanul Alam
Chairman

CORPORATE GOVERNANCE REPORT



Islami Bank received Tax Card Recognition

Corporate Governance structure of IBBPLC. specifies the objective of providing strategic direction, ensuring that goals are achieved, ascertaining that risk is managed appropriately and verifying that resources are utilized responsibly. Governance is evolved through the leadership and organizational structure and process that ensure the enterprise sustains and extends strategies and objectives focusing transparency, accountability and delegation of authority. The corporate governance has been aligned in line with the accepted corporate governance practices and guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission's Notifications. The Bank has deployed utmost importance in setting up a well-defined compliance culture throughout the organization.



Board of Directors, Chairman and the CEO

Appointment of Directors

The members of the Board of Directors of IBBPLC. are appointed pursuant to the provisions of Companies Act 1994, Bank Company Act 1991, Bangladesh Securities and Exchange Commission (BSEC) Notifications, Guidelines of Banking Regulations and Policy Department (BRPD) of Bangladesh Bank and Memorandum & Articles of Association of the Bank. Independent Directors have been appointed by the Board as per regulatory requirement. The Board is comprised of experienced members from diverse professions like businesses, administration, banking & finance, chartered accountancy, general management, teaching, physicians, Shari'ah experts and engineers which make the Board very effective and balanced in deciding and directing various issues of the Bank.

Board Size

The Board of Directors consists of 17 (seventeen) non-executive members including 04 (four) Independent Directors excluding the ex-officio Managing Director. The number of Board members is within the limit set by Bank Company Act 1991 (amended upto 2018) and BSEC notification on Corporate Governance.

Selection and Appointment of New Directors

The selection and appointment of new directors and the reappointment of existing Directors are being made in line with the following obligations and loyalty:

1. Frequent assessment of the size and structure of the Board and the mix of knowledge, skills, experiences and perceptions that may be necessary to allow the Board to perform its functions.
2. Recognizing the capabilities and following the approved procedure to ascertain that an applicant designated by the shareholders possesses the same.

The directors are selected by the shareholders in the Annual General Meeting. Casual vacancy, if any, is filled up by the Board in accordance with the conditions mentioned in the Companies Act and Articles of Association of the Bank

Appointment, re-appointment and retirement of Directors

In order to comply with the certain provisions of the Companies Act 1994, one-third Directors are required to retire in each AGM and also they are eligible for re-election.

For the purpose of compliance (i)Tanveer Ahmad, Representative of Paradise International Limited, (ii) Yousif Abdullah Al Rajhi, Representative of Al-Rajhi Co. for Industry & Trade, K.S.A., (iii) Mohamad Al-Midani, Chartered Accountant, Representive of Islamic Development Bank, K.S.A. and (iv) Mohammad Joynal Abedin, representing ABC Ventures Limited were elected/re-elected in the 40th Annual General Meeting held on 22.06.2023 as Directors of the Bank subject to the approval of the regulatory authorities. Accordingly, Bangladesh Bank accorded its approval on 17.07.2023.

Md. Kamal Uddin

Consecutive two tenures [i.e. six years, from 15.01.2017 to 14.01.2023] of Md. Kamal Uddin were expired on 14.01.2023 as Independent Director. According to BSEC Notiifcation No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 gazetted on 10.06.2018, he was not eligible for re-appointment as Independent Director.

Mohammed Shahabuddin

Mohammed Shahabuddin, nominated by JMC Builders Ltd. resigned from the office of Director and from the position of Vice-Chairman of the Bank vide letter dated 09.02.2023 and the Board of Directors of the Bank accepted the same in its 318th Meeting held on 20.02.2023.

Tanveer Ahmad

The Board of Directors of Islami Bank Bangladesh PLC. in its 320th Meeting held on 29.03.2023 elected Tanveer Ahmad, nominated by Paradise International Limited, as Vice Chairman of the Board of Directors of the Bank.

Borhan Uddin Ahmed

The Board of Directors of IBBPLC. in its 320th Meeting held on 29.03.2023 approved Borhan Uddin Ahmed as Independent Director of the Bank. Accordingly, BSEC & Bangladesh Bank accorded their approval as Independent Director on 13.04.2023 & 09.05.2023 respectively.

Abu Taher Md. Ahmedur Rahman

Investment Corporation of Bangladesh (ICB) withdrew the Directorship of Abu Taher Md. Ahmedur Rahman as their representative in the Board of Directors of Islami Bank Bangladesh PLC. and the same was approved by the Board of Directors of IBBPLC. in its 322nd Meeting held on 31.05.2023.

Md. Salim Uddin

Kingsway Endeavors Limited withdrew the Directorship of Md. Salim Uddin as their representative from the Board of Directors of Islami Bank Bangladesh PLC. vide letter dated 13.06.2023 and the same was approved by the Board of Directors of IBBPLC. in its 323rd Meeting held on 13.06.2023.

Abdul Matin

Uniglobe Business Resources Limited withdrew the Directorship of Abdul Matin as their representative from the Board of Directors of Islami Bank Bangladesh PLC. vide letter dated 13.06.2023 and the same was approved by the Board of Directors of IBBPLC. in its 323rd Meeting held on 13.06.2023.

Ahsanul Alam

Ahsanul Alam nominated by JMC Builders Ltd. was appointed as Shareholder Director in the 323rd Meeting of the Board of Directors of Islami Bank Bangladesh PLC. held on 13.06.2023 subject to approval of the competent authorities. Accordingly, Bangladesh Bank accorded its approval on 15.06. 2023.The Board of Directors of IBBPLC. in its 324th Meeting held on 19.06.2023 elected Ahsanul Alam, nominated by JMC Builders Ltd., as Chairman of the Board of Directors of the Bank.

Mohammad Nazmul Hassan

Armada Spinning Mills Limited withdrew the Directorship of Mohammad Nazmul Hassan as their representative from the Board of Directors of Islami Bank Bangladesh PLC. vide letter dated 18.06.2023 and the same was approved by the Board of Directors of IBBPLC. in its 324th Meeting held on 19.06.2023.

Abu Sayeed Mohammad Quasem

Abu Sayeed Mohammad Quasem nominated by Armada Spinning Mills Limited was appointed as Shareholder Director in place of Mohammad Nazmul Hassan in the 324th Meeting of the Board of Directors of Islami Bank Bangladesh PLC. held on 19.06.2023 subject to approval of the competent authorities. Accordingly, Bangladesh Bank accorded its approval on 05.07.2023.

Showkat Hossain, FCA

Showkat Hossain, FCA, nominated by Kingsway Endeavors Limited was appointed as Shareholder Director in the 327th Meeting of the Board of Directors of Islami Bank Bangladesh PLC. held on 04.07.2023 subject to approval of the competent authorities. Accordingly, Bangladesh Bank accorded its approval on 13.07.2023.

Jamal Mostafa Chowdhury

Jamal Mostafa Chowdhury, nominated by Uniglobe Business Resources Limited was appointed as Shareholder Director in the 327th Meeting of the Board of Directors of Islami Bank Bangladesh PLC. held on 04.07.2023 subject to approval of the competent authorities. Accordingly, Bangladesh Bank accorded its approval on 13.07.2023.

Islami Bank achieved ICMAB Best Corporate Award

Musaid Abdullah A AlRajhi, K.S.A.

Arabsas Travel & Tourist Agency, K.S.A. withdrew the Directorship of Musaid Abdullah A AlRajhi, K.S.A. as their representative from the Board of Directors of Islami Bank Bangladesh PLC. vide letter dated 05.07.2023 and the same was approved by the Board of Directors of IBBPLC. in its 328th Meeting held on 26.07.2023.

Mohamad Al-Midani

Mohamad Al-Midani, Chartered Accountant, nominated by Islamic Development Bank (IsDB), K.S.A. was elected as the Director in place of Dr. Areef Suleman (who was also retired in the 40th Annual General Meeting) to represent Islamic Development Bank in the Board of Directors of Islami Bank Bangladesh PLC. and the majority shareholders of the Bank approved the same in the 40th AGM held on 22.06.2023 subject to approval of Regulatory Authority(ies). Accordingly, Bangladesh Bank accorded its approval on 17.07.2023.

Islamic Development Bank, Jeddah, K.S.A. withdrew the Directorship of Mr. Mohamad Al-Midani as their representative from the Board of Directors of Islami Bank Bangladesh PLC. vide letter dated 19.09.2023 and the same was approved by the Board of Directors of IBBPLC. in its 329th Meeting held on 20.09.2023.

Yousif Abdullah A AlRajhi, K.S.A.

AlRajhi Co. for Industry & Trade, K.S.A. withdrew the Directorship of Yousif Abdullah A AlRajhi, K.S.A. as their representative from the Board of Directors of Islami Bank Bangladesh PLC. vide letter dated 05.10.2023 and the same was approved by the Board of Directors of Islami Bank Bangladesh PLC. in its 330th Meeting held on 19.10.2023.

Yousif Abdullah A AlRajhi, K.S.A.

The Board of Directors of Islami Bank Bangladesh PLC. in its 331st Meeting held on 05.11.2023 approved the appointment of Yousif Abdullah A AlRajhi, K.S.A., as representative of BTA Finance Ltd., UAE subject to approval of the competent authorities. Accordingly, Bangladesh Bank accorded its approval on 07.11.2023.The Board of Directors of Islami Bank Bangladesh PLC in its 332nd Meeting held on 19.11.2023 elected Mr. Yousif Abdullah A Al-Rajhi, K.S.A., nominated by BTA Finance Ltd., UAE, as Vice Chairman of the Board of Directors of the Bank.

Directors' Profile and Their Representation in the Board of other Companies

Incorporated in the Directors' profile

Formation of different Committees of the Board

The Board formed an Executive Committee, an Audit Committee and a Risk Management Committee. There is no committee or sub-committee of the Board other than the above mentioned Committees. However, IBBPLC. has a Shari'ah Supervisory Committee to look after the Shari'ah affairs and gives suggestions to the Board, its sub-committees and management on Shari'ah issues.

The Executive Committee

The Executive Committee is comprised of 07 (Seven) members of the Board. The Executive Committee exercises all

Islami Bank received remittance award

the powers of the Board except those specifically given to the Board through the Bank Company Act, 1991 and other laws and regulations. The Executive Committee is responsible to the Board of Directors. The duties of the Executive Committee are clearly set forth in writing. The Company Secretary acts as the secretary of the Committee.

The Audit Committee

The Audit Committee of the Bank, comprising of 05 (five) Members, has been formed in compliance with Bangladesh Bank & BSEC guidelines. The Company Secretary acts as the secretary of the Committee.

The Risk Management Committee

In order to formulate and implement appropriate strategies to identify and assess risk, its control and management, a Risk Management Committee, comprised of 05 (five) members, has been formed. The Committee monitors risk management policies & methods and reviews the risk management process to ensure effective prevention and control measures.

Non-Executive Director

All the members of the Board of Directors, except the Managing Director, are non-executive directors. The Board has 04 (four) Independent Directors in conformity with the corporate governance notification and guidelines of regulatory authorities. The Independent Directors enjoy full independence in discharging their responsibilities and they are well conversant in the field of business and professional areas. The independent directors have required qualifications and corporate management/professional experiences as stipulated in BSEC notification as well as Bangladesh Bank guidelines.

Chairman is Independent from the Chief Executive Officer (CEO)

The Chairman is independent from the CEO. The Chairman of the Bank is elected by the directors of the Bank and the CEO is being appointed by the Board of Directors upon getting permission from Bangladesh Bank. The Board of Directors has clearly defined the roles and responsibilities of the Chairman and the CEO.

Responsibilities of the Chairman of the Board

The responsibilities of the Chairman as defined in the BRPD Circular No.11 dated 27 October, 2013 of Bangladesh Bank are fully complied with. The Chairman of the Board of Directors does not personally possess the jurisdiction to apply policy making or executive authority. He does not participate in or interfere into the administrative or operational and routine affairs of the Bank. The Chairman is entitled to conduct on-site inspection of any bank branch or financing activities under the purview of the oversight responsibilities of the Board. If needed, he calls for any information relating to Bank's operation or asks for investigation into any such affairs and submits such information or investigation report to the meeting of the Board or the Executive Committee. With the approval of the Board, he takes necessary actions there against in accordance with the set rules through the CEO, if deems necessary. The Chairman enjoys some specific benefits from the Bank as stipulated in Bangladesh Bank guidelines.

Number of Board Meetings

In 2023, 16 (sixteen) Board meetings were held. A detailed disclosure showing number of Board Meetings held and status of participation of the Directors is given in the later part of the report.

Code of Conduct for the Board of Directors

The Board of Directors follows a code of conduct adopted to provide guidance to directors to carry out their duties in an honest, responsible and professional manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Articles of Association of the Bank. Every Director assures annually signing a confirmation that they have gone through, have complied with and will continue to comply with the set of codes approved by the Board of Directors by BSEC, by Laws and by Bangladesh Bank.

Directors' Report to Shareholders

All statements under Condition No. 1.5 of Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 are included in the Directors' Report prepared under Section 184 of the Companies Act, 1994.

Independence of Non-Executive Directors

All the members of the Board of Directors, except the Managing Director, are non-executive directors. They are independent in expressing their views and opinions. The directors are also independent from management and other relationships of the Bank that could materially affect the activities of the Bank. They also adhere to the corporate governance practices and guidelines.

Policy on Training of Directors

As per Bangladesh Bank guidelines, the directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing their duties properly. The policy on training of Directors includes providing training and updated information on all the latest policy guidelines, circulars and acts issued by the regulatory/legislative authorities. Sometimes special discussion sessions are to be arranged with the experts. They also attend the programs organized by various professional bodies at home and abroad on technical, professional and corporate governance issues.

Directors' Knowledge and Expertise in Finance and Accounting

Two Directors in the Board of the Bank are professionally qualified Chartered Accountants. They are well conversant in the field of accounting and finance to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting. Other Directors are also well conversant in the field of business, administration, banking and their respective professional areas.

Accountability on Auditing and Financial Reporting

The Board undertakes responsibilities for preparing and presenting a balanced and comprehensive assessment of the bank's operations at the end of each financial year through Annual Financial Statements, Annual Report and Quarterly Announcement of Financial Performance of the Bank to the Shareholders. The Audit Committee of the Board assists in this respect by scrutinizing the information to be disclosed, and to ensure accuracy, adequacy, transparency and completeness of the disclosed information.

Responsibilities of the Board of Directors

The main responsibility of the Board is to ensure good governance in managing the affairs of the Bank. The Bank Company Act, 1991 gives responsibility to the Board of Directors for establishing policies for the bank, for risk management, internal controls, internal audit & compliance and for ensuring their implementation. Keeping in view, the Board of Directors exercises business judgment in good faith, in a manner that they reasonably believe to be in the best interest of the Bank, while complying with the applicable laws and regulations, the Bank's Articles of Association and resolutions adopted by the shareholders.

Annual Appraisal of the Board's Performance

In every Board meeting, the attendance of the Directors is registered and they actively participate in the valuable and fruitful discussion of various agenda. The performance of the Board is appraised in various ways through submission of the performance of the bank in the Board meeting periodically, preparation and monitoring of budget variances, placing the implementation status of the Board's decisions, transacting business issues which are within its power and placing implementation status of Bangladesh Bank's observations and instructions on various issues. Furthermore, the performance report of the committees framed by the Board is also placed in the Board through which the performance of the Board is regularly evaluated.

Governance of Board of Directors of Subsidiary Company

Provisions relating to the composition of the Board of the holding company are made applicable to the composition of the Board of the subsidiary companies, i.e. Islami Bank Securities Ltd. and Islami Bank Capital Management Ltd. At least 1 (one) independent director on the Board of the Bank becomes a director on the Board of the subsidiary companies. The minutes of the Board meeting of the subsidiary companies are placed for review at the following Board meeting of the Bank and the minutes of the respective Board meeting of the Bank states that the Board of Directors of the Bank has reviewed the affairs of the subsidiary companies also. The Audit Committee of the Bank also reviews the financial statements, in particular the investments made by the subsidiary companies.

Responsibilities and Authorities of the CEO & Managing Director

The CEO & Managing Director of the Bank discharges the responsibilities and exercises the authorities as stated below:

(a) The CEO & MD ensures compliance of the Companies Act & the Bank Company Act and/or other relevant laws and regulations in discharging routine functions of the Bank.

(b) He submits information on violation of any law, rules, regulation including the Bank Company Act, while presenting memos before the Board or the committee formed by the Board.

(c) He provides all information to Bangladesh Bank on the violation, if any, of the Bank Company Act, and/or any other laws, rules and regulations.

(d) The recruitment and promotion of all staffs of the Bank except those in the two tiers below him rely on the MD & CEO. He acts in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned manpower planning approved by the Board. The authority relating to transfer and disciplinary measures against the employees, except those at two tiers below the MD & CEO is delegated to him, which he applies in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he nominates officers for training, skill development Program, etc.

Annual Evaluation of the CEO's Performance by the Board

The Board of IBBPLC. has the policy of annual evaluation of its Managing Director and CEO's performance. Moreover, the performance of the CEO is evaluated by the Board through various reports like performance report of the Bank, taking status of various assignments given by the Board to the CEO and the Management, taking implementation status of Budget which includes the Key Performance Indicators (KPIs) of the Bank, etc.

Appointment of CFO, Head of Internal Audit and Company Secretary

The Bank appointed a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS) from different individuals who do not hold any executive position in any other company at the same time as per guidelines of regulatory authorities. The Board of Directors clearly defined the roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.

Role of the Company Secretary

Company Secretary is responsible for advising the Board on issues relating to corporate compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Bank, as well as best practices of governance. He is also responsible for advising the Directors regarding their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the Bank, prohibition on dealing in securities and restrictions on disclosure of price-sensitive information.

Attendance of CFO and Company Secretary

The Company Secretary, Chief Financial Officer (CFO), Head of Internal Audit (Internal Control and Compliance) of the Bank attend meetings of the Board of Directors, excluding those, which involve consideration of an agenda item relating to their personal matters.

Audit Committee

The Board approves the objectives, strategies and overall business plan of the Bank while the Audit Committee assists the Board in fulfilling oversight responsibilities. The Audit Committee also assists the Board in ensuring the financial statements reflect the true affairs and ensures a good oversight of internal control practices within the bank. The Audit Committee is responsible to the Board of Directors. The roles of the Audit Committee are clearly set forth in writing. The Company Secretary acts as the Secretary of the Audit Committee.

Appointment and Composition

Audit Committee of the Bank, comprising of 05 (five) members among which 02 (two) are Independent Directors, has been formed in compliance with the guidelines of Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC). Other than Company Secretary, members of the Management attend the Audit Committee Meeting as & when required and on invitation only. A detailed report of the Audit Committee is included in this annual report.

Chairman of the Audit Committee

The Chairman of the Audit Committee is an Independent Non-Executive Director and he performs his duties independently.

Terms of Reference (ToR) of Audit Committee

The Audit Committee of IBBPLC. strictly observes the Terms of Reference of the Committee issued by Bangladesh Bank through Guidelines on Internal Control & Compliance in Banks (2016), BRPD Circular No. 11 dated 27 October 2013 and Corporate governance guidelines issued by BSEC. As per the terms of the said Circulars, the Audit Committee plays a key role in finalization of the Financial Statements of the Bank. It also reviews the Internal Control System of the Bank, Internal Audit Reports, External Audit Reports, Bangladesh Bank Inspection Reports, Shari'ah Inspection Reports and provides necessary policy guidelines as required. The Committee is empowered to investigate/question any employee of the Bank. It can also take External Expert Counsel, if deems necessary.

Audit Committee Comprises of Non-Executive Director

All the members of the Audit Committee are Non-Executive Directors. No executive of IBBPLC. is eligible to become a member of the Audit Committee.

Access of Head of Audit to the Audit Committee

The Head of Audit has the direct access to the Audit Committee. Head of other unit or any other Officer attends the meeting of the Audit Committee, if it deems necessary.

Review and Evaluation of Quarterly Performance Report

The Audit Committee reviews and evaluates the quarterly performance including the financial reports and refers the same to the Board of Directors.

Meeting of Audit Committee

During the year 2023, the Audit Committee of the Bank conducted 09(nine) meetings. Proceedings of the meetings were reported timely & regularly to the Board of Directors as well as Bangladesh Bank to comply Bangladesh Bank DOS Circular Letter no.07 dated 24.04.2011.

Expertise of the Audit Committee members

All the members of the audit Committee are qualified and have years of experience in Banking & financial institutions. They have high level of expertise in the respective areas. Name, qualification & experience of the members are stated below:

Sl. No.	Name	Role	Qualification/ Experience
1	Mohammad Solaiman, FCA	Chairman	Commerce Graduate under Chittagong University, Qualified as Chartered Accountant from the Institute of Chartered Accountant Bangladesh (ICAB), a fellow member of ICAB. Started career as public accountant & then joined Government service as Accountant Member of Taxes Appellate Tribunal (Ex-Officio Joint Secretary), subsequently promoted to the post of President (Ex-Officio Additional Secretary), the top position of Taxes Appellate Tribunal, Internal Resources Division (IRD), Ministry of Finance, Govt. of Bangladesh. After retirement, started accountancy profession as public accountant under the name & style M. Solaiman & Co, Chartered Accountants..
2	Khurshid-Ul-Alam	Member	B.A (Hons.) & M.A in Economics (Dhaka University & University of New England, New South Wales, Australia); Ex. Executive Director of Bangladesh Bank, DMD of Pubali Bank PLC, acted as Managing Director of Security Printing Press (BD) Ltd, served as Chairman of the Audit Committee and Member of Risk Management Committee of Pubali Bank PLC, a Life Member of Bangladesh Economic Association.
3	Mohammed Nasir Uddin, FCMA	Member	M.Com in Accounting (Dhaka University), CIMA Adv Dip MA (UK) and CMA & FCMA (ICMAB); Group General Manager (Chief of Finance &Accounts) of Bay Group. Has a long career in Sunman Group, Monno Group of Industries, MEB Group, Saad Musa Group, S.A Group, Opex &Sinha Textile Group etc. in different capacities .
4	Borhan Uddin Ahmed	Member	Master Degree in Economics and LLB Degree from the University of Dhaka. He was member of Review Panel-4, CPTU in Ministry of Planning and also the member of Insurance Development and Regulatory Authority (IDRA). He started career as an Assistant Judge in 1985 and served in different capacities including District and Session Judge. He is a courageous Freedom Fighter of the Nation and took part in the glorious liberation war in 1971. He engaged with many national and international socio-economic organizations.
5	Syed Abu Asad	Member	B. Com (Hons) & M. Com. (Finance) from Dhaka University. He started his career in Banking Service in 1983 in Rupali Bank PLC. as Senior Officer and was promoted to the post of Deputy Managing Director & posted at Sonali Bank PLC. Lastly, he was promoted to the post of Managing Director and posted at Rajshahi Krishi Unnayan Bank. He has vast experience in Branch Banking, Foreign Exchange and Industrial Credit in Banking profession.

Objectives & Activities of the Audit Committee

Review of Internal Control

- The Audit Committee regularly reviews the Internal Control System of the Bank.
- It ensures that the Internal Control Systems are well conceived by all concerned and properly administered at all levels to the extent that management implements/carries out its instruction/ advice.
- The Committee monitors & ensure observance of Internal Control Practices at a regular interval.
- The Committee also tries to evaluate whether the internal audit functions have been conducted independently from the management.

Ensuring Regulatory Compliance

The Audit Committee reviews and examines the financial statements of the Bank every year to see whether all the disclosures & information have been incorporated in the Financial Statements properly, whether the Bank followed International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted as Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) by the Institute of Chartered Accountants of Bangladesh (ICAB). The Committee also examined whether requirements of the Bank Companies Act, the Companies Act, the Bangladesh Securities and Exchange Commission Rules, the Dhaka and Chattogram Stock Exchange Rules, listing Regulations and other Laws and Rules applicable in Bangladesh and Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), Manama, Bahrain, etc have been followed meticulously in formulation of financial statements of the Bank.

Review of External Audit Functions

- Effective Coordination of External Audit Functions: Before finalization of the Financial Statements, the Committee met with the External Auditors and discussed various issues relating to Financial Statements.
- Ensure Independence of External Auditors: The Committee ensures that the External Auditors perform the Audit with due independence.
- Review of External Auditors' Findings: The Committee reviews findings of External Auditors, suggests to take action on each & every items and necessary instructions are given to the Management on the findings of the Auditors.
- External Auditors' Appointment and Reappointment: Every year the Audit Committee recommends appointment/reappointment of External Auditors.
- Non-Audit Work: External Auditors are not assigned with any non-audit work thus does not arise any room to compromise with their independence.

Selection of Appropriate Accounting Policies

The issues related to selection of appropriate Accounting Policies in line with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) respectively by the Institute of Chartered Accountants of Bangladesh (ICAB) and other Regulatory Guidelines were discussed in the meeting of Audit Committee. The Accounting Policies are annually reviewed at the time of finalization of Financial Statements.

Annual and Interim Financial Statements Releases

Audit Committee reviews the Annual and Interim Financial Statements and recommends the same to the Board of Directors for approval.

Reliability on the Management Information

The Audit Committee ensures that all the information used for computation of financial disclosures are reliable to the extent that Management submits reliable data.

Review Statement of Significant Related Party Transactions

The Audit Committee regularly reviews the statement of significant related party transactions, if any and reports to the Board of Directors, as appropriate.

Attendance of the Chairman as well as the Members of the Audit Committee in AGM

The Chairman as well as all the Members of the Audit Committee attends at the Annual General Meeting of the Bank positively.

Directors' Responsibilities to Establish and Maintain Internal Control

A system of strong Internal Control can help to achieve the goals and objectives of a Bank. Internal Control is a process established by the Board of Directors, Senior Management and all level of personnel to create a compliance culture. To ensure appropriate level of Internal Control System a good number of standard operating manuals and policy guidelines have been introduced in line with global best practices and regulatory guidelines. Delegation of powers in various businesses, administrative and financial areas have also been approved by the Board.

Review of Adequacy of Internal Control System

Internal Control is a process rather than a structure. It is an integral part of business activities. Internal control process effected by Board of Directors, Management and other personnel of different departments or divisions of the Bank, designed to provide reasonable assurance regarding achievement of objectives relating to operations, reporting and compliance with applicable laws, regulations and internal policies. The Board of Directors time to time reviews the Internal Control System of the Bank and necessary guidance is provided to improve the system.

Control system and allocation of duties & responsibilities

Control mechanism is an integral part of the daily activities of the Bank. An effective internal control system requires that an appropriate control structure be set up with control activities defined at every business level which is ensured in the Bank. The control mechanism includes top-level reviews, appropriate activity controls for different departments or divisions, physical controls, checking for compliance with exposure limits and follow-up on non-compliance, etc.

Inspection by Bangladesh Bank

Bangladesh Bank conducted the 30th Comprehensive Inspection on Head Office and Branches in 2022, findings of which are yet to be discussed in the Board Meeting. Moreover, Bangladesh Bank Inspection Team conducted various type of inspections/visits (Comprehensive, SME, F.Ex & Surprise Visit) on 37 Branches including 14 Divisions of Head Office in the year-2023. Core Risk areas including others were also inspected by the Bangladesh Bank's Inspection Team. Findings of the inspections were discussed in the Meetings of Audit Committee as well as in the Meetings of the Board of Directors. The Board unanimously expressed their determination to strictly follow the rules & regulations provided by all regulatory concerns to become one of the best complied Bank.

Internal Audit

- Monitor/evaluate whether internal audit functions are truly independent
- Review the activities, structure and style of conduct of internal audit functions to ensure that no unjustified restrictions or limitations are imposed
- Review and assess the annual internal audit plan
- Review the efficiency and effectiveness of internal audit functions
- Review and ensure that appropriate recommendations made by internal auditors to remove irregularities, if any, are duly acted upon by concerned personnel in running the affairs of the Bank

External Audit

In the 40th Annual General Meeting held on 22nd June, 2023, the Shareholders appointed ACNABIN, Chartered Accountants and Khan Wahab Shafique Rahman & Co., Chartered Accountants to audit the Financial Statements and Nostro Accounts of the Bank for the year 2023. Statutory Auditors audited 62 Branches, 10 Sub-Branches and 10 Head Office units as part of the Annual Audit Program, which covered 80% of the Risk-Weighted Assets of the Bank. Statutory Auditors also submitted a Management Report. This Report was discussed in the Meeting of Audit Committee and sent to Bangladesh Bank as per requirement. The Audit Committee also monitored its compliance.

Human Resource Management

Ethics and Compliance

Every organization has some sort of principles and ethics that are considered to have been the binding upon their persons/ employees. Islami Bank Bangladesh PLC. has a comprehensive 'General Conduct and Discipline Policy' consisting of distinctive principles and ethics for its employees. IBBPL. gives due importance to the ethical values in every aspect of operations for preserving the interest of all the stakeholders towards sustainable growth and development of the country. IBBPLC. is always pledge bound to ensure meticulous compliance of all the regulatory guidelines, instructions etc.

Gender Equality & Prevention of Sexual Harassment Policy
Discrimination based on gender is a common civil rights violation that takes many forms; including discriminatory attitudes, unfavorable environment, sexual harassment, pregnancy discrimination, and unequal pay for women who do the same jobs as men. Islami Bank Bangladesh PLC. equally value male and female employees in the workplace and does not allow any sort of discrimination on the basis of gender; rather it is always committed to extend all sorts of facilities for the female employees so that they may not face any difficulties in discharging their official duties. IBBPLC. has a comprehensive policy on 'Gender Equality & Prevention of Sexual Harassment Policy'.

Effective Anti-Corruption and Anti-Fraud Program

IBBPLC. arranges anti-fraud and anti-corruption program as per the guidelines of regulatory authorities to help prevent the occurrence of any fraud & corruption and all tiers of the employees are being constantly trained on these issues.

National Integrity Strategy (NIS)

To prevent corruption and to promote integrity in all affairs of the state and society, the Government has formulated the strategy titled 'Commitment for Golden Bengal: National Integrity Strategy of Bangladesh' wherein active participation of the institutions and organizations of the state, civil society and private sector is of paramount importance for implementation of this strategy by way of promoting the culture of ethics and morality among the people. In line with the Government's 'National Integrity Strategy' as well as the guidelines of Bangladesh Bank regarding the matter, the management of IBBPLC. has formed an 'Ethical Committee', 'Focal Point' and an exhaustive action plan to implement the same.

Citizen Charter

The concept of Citizen's Charter enriches the trust between the service provider and its users. The citizen's charter is a document of commitments that gives important information in respect of the services being provided or to be provided by the organization-public or private. As per guideline of Bangladesh Bank as well as to ensure better financial services and protect customers' rights side by side to help boosting

accountability of the employees working in banks, IBBPLC. is committed to maintain the transparency and discipline of the services provided by the banks, availability of service-related information, increase the participation of customers in the service activities and ensure the accountability of the bank employees.

Whistle Blowing Policy

Some organic structures have been evolved to fulfil the purpose of the whistle blowing policy of IBBPLC. aiming to promote the transparency as well as to serve as a channel of corporate fraud risk management. The system enables an employee, who has a legitimate concern on an existing or potential wrong-doing, to raise the issues and bring the same to the notice of competent authority. Central Complaint Cell has been established to protect the fraud and error. Risk Management Wing (RMW) also acts as the whistle-blower at IBBPLC.

Conflict of Interest

All the employees are required to refrain from doing any activity which may result in conflict of interest. Any actual or potential conflict is reported to the Management as soon as it is recognized for immediate solution of the same. The employees are encouraged to avoid the conflict of interest as long as they hold positions in the organizations and amongst others, they are to abstain from doing the following:

- Performing any duty with a view to preserving/protecting his/her own benefits at the cost of the institution
- Involving in any kind of financial activities relating to his/her personal gain
- Giving any advice, consultancy, direction, suggestion to anybody of any institution that may incur any loss to the institution
- Any practice/exercise that may benefit him/her at the cost of the institution either monetary or non-monetary
- Doing anything that may hamper the secrecy and privacy of any affairs/information of the institution
- Receiving any gift (in cash or kind) from those who are directly benefited or assisted by his/her office or by his/her power and position

Human Capital Development

Human capital refers to the skills, training, experience, education, knowledge, know-how, and competencies that are currently being contributed by humans to a business. Human capital is an important factor of production and the organizations through employing the individuals with right education, experience, skills and training can improve the efficiency, productivity and profitability. The systematic improvement of the traits/qualities of human capital of an organization is very much essential for the sake of its existence and sustainable growth & development. While developing the human capital, Human Resources Wing has been paying due emphasis on the following:

- Assessing individual competency for imparting required training
- Providing effective coaching, counseling and mentoring
- Adaptation of technological advancement
- Improvement of creativity & innovating power
- Measures to cope with the changed situation
- Development of competencies & expertise
- Introduction of effective evaluation process
- Initiating effective welfare programs
- Improvement of specialization through division of labor
- Fostering the climate of creativity
- Providing infrastructural facilities
- Establishing the environment of competitiveness
- Introduction of faith driven cult-like corporate culture

Succession Planning

Efficient succession planning is an integral part for effective employee management. Attrition of manpower of an organization is a common phenomenon and IBBPLC. being the largest private commercial Bank of the country reduction in its senior/key executive's position is constantly taking place owing to retirement, resignation and termination etc. and in this regard, IBBPLC. has got a sound succession plan to carefully avoid the problems of instant vacuum of the senior/key executives. In keeping with this imperative, Human Resources Wing is to design and maintain a succession plan and takes necessary steps to ensure:

- Preparing the current employees to undertake key roles
- Development of talent for long-term growth
- Improvement of workforce capabilities and overall performance
- Improvement of employee commitment etc.

Merit Based Hiring

Hiring of committed, dedicated and meritorious human resources is an integral part to run the Organization smoothly and efficiently. IBBPLC. generally recruits heterogeneous workforces having diversified academic background and transform them into a homogeneous one through extensive training and development process.

Performance Appraisal System

IBBPLC. follows a well-structured performance appraisal system (commonly known as ACR) for evaluating the performance of the employees. Key Performance Indicator (KPI) has been introduced to assess the performance of the employees who have specific and measurable annual business targets.

Promotion, Reward & Motivation

IBBPLC. follows structured human resources policy in awarding promotion, reward and recognition to its employees. Promotion cannot be claimed as a matter of right. It is awarded to those who are deserving ones. Every year IBBPLC. awards promotion to the eligible employees keeping in view the quality of their respective job delivery, performance and potentiality.

Training and Development

Training is being imparted with the objective to ensure balanced improvement of its employees' professional knowledge, competencies and skill tempered by highest level of moral and ethical spirit. The employees are being selected for a particular training quite judiciously in keeping with their duties/responsibilities; academic background, individual performance, future prospect as well as potentiality so that the trainees may be benefited and contribute a lot to the institution. To get the capacity of the employees developed up to the mark traditional training providing method as well as online/automated training/learning system is being widely followed. Arrangements are also made to depute the Officials/ Executives to different organizations outside the country to have training on various important issues in order to widen their knowledge base. Round Table Discussion, Knowledge Sharing, Capacity Building etc. are also being arranged where executive & officials of different rank and status attend.

Human Resources Accounting

Human resource accounting is the process of identifying and measuring the data about human resources and communicating the information to the interested parties. With the help of this process, the bank identifies and measures the data about its human resources. This system provides various types of data with regard to its human resources, namely its human resource strength (e.g. the number of employees in different positions - executive, officer, sub-staff), total workforce by age and gender, employee productivity as well as number of employees who undergone any specific training programs. It facilitates in measuring the profitability and productivity of human resources through evaluating the effectiveness of training, placement, welfare and professional development activities.

Corporate Governance, Transparency & Ethics

Corporate governance is the system of internal controls and procedures used to define and protect the rights and responsibilities of various stakeholders. IBBPLC. practices highest standard of corporate governance. All delegation of power to the management, transparency, accountability as well as relationship among stakeholders are designed and maintained as per international standard of Corporate Governance. The South Asian Federation of Accountants (SAFA), the Institute of Chartered Accountants of Bangladesh (ICAB) and the Institute of Cost and Management Accountants of Bangladesh (ICMAB) have awarded IBBPLC. several time for Corporate Governance. IBBPLC. adopts Core Values, Commitments, Code of Conduct and Ethical Principles which are approved by the Board of Directors as well as circulates to all employees for meticulous compliance.

Healthcare, Safety standards and Modern Working Environment

IBBPLC. is the pioneer of welfare banking in the country that constantly endeavors to do something for the benefit and well-being of the citizens as well as of its employees. A good number of welfare programs aiming to healthcare, safety standards & working environment etc. are there in IBBPLC. which covers, amongst others, the followings:

Fringe Benefit Schemes

- Hill/Island/Char Allowance
- Utilities Allowance
- Overtime Allowance
- Discomfort Allowance
- Charge Allowance
- Leave Fare Assistance (LFA)
- Risk Allowance
- Evening Banking Allowance
- Performance Bonus
- Provident Fund
- Gratuity Fund
- Superannuation Fund
  - Death benefit
  - Disability benefit
- Retirement benefit
- Benevolent Fund
- Encashment of unveiled PL
- Wages
- Travelling Allowance
- Daily Allowance
- Friday/Govt. Holiday Allowance
- Saturday Allowance
- Evening/Night shift duty Allowance
- Pocket Allowance for local training
- Cash Allowance for foreign visit
- Cash Allowance against Recreation leave
- Quard against Provident Fund (QPF)
- Quard against Benevolent Fund (QBF)
- Staff Housing Building Investment Scheme (SHBIS)
- Household Durable Scheme (HDS)
- Khidmah Card / Credit facility
- Housing Investment Scheme (HIP)
- Cash Award for Deposit Mobilization
- Cash Award for Recovery of NPL
- Cash Award for Passing Banking Professional Examination/Diploma in Islamic Banking
- Non Refundable Grant from Benevolent Fund
- Non Refundable Grant from Bank's Fund
- Burial Expenses
- Gift (Upohar Cheque) to the employees at the time of their 1st Marriage/1st born baby
- Cash & Ifter items to the families of the deceased employees
- Gift items to the families of the deceased employees for Eid ul Adha
- Gift (Upohar Cheque), Crest, Crockeries at the time of normal/voluntary retirement
- Payment of Scholarship to the meritorious wards of the employees covering officer and below
- Payment of Cash Award to the meritorious wards of the Employees of the Bank
- Financial assistance for study of the wards of financially insolvent retired/deceased employees
- Transport facility

Human Resource Strength

Category	2022	2023
Executive	1,072	1,045
Officer	12,613	12,610
Sub-Staff	1,853	1,816
Sub total	15,538	15,471
Rural Development Scheme (RDS)	3,119	3,131
Others (Temporary)	2,135	2,207
Total Manpower	20,792	20,809
Total Branch	394	394
Per Branch Employee (including RDS & others)	53	47
Per Branch Employee (Excluding RDS & others)	39	39

Total Workforce (Including temporary manpower) by Age distribution

Age Group	Female	Male	Total
18-25	12	676	688
26-35	1,123	6,802	7,925
36-45	444	7,809	8,253
46-55	32	3,370	3,402
>56	5	536	541
Total	**1,616**	**19,193**	**20,809**

Training Programs during 2023

Sl. No.	Organizing Authority	No. of Programs	No. of participants
1	IBTRA	356	39,440
2	Division/Zonal Office	34	6,415
3	BIBM	96	271
4	BBTA	3	10
5	Other Institute	45	379
Total		**534**	**46,515***

*Some employees participated more than one training programs in the year 2023.

Integrated Reporting

Employer of Choice	2022	2023
Total Employee	20,792	20,809
Percentage of voluntary attrition	2.44%	1.85%
Total number of training	538	534
Average training per employee	2	2
Number of fresh recruited as Sr. Officer & above	11	126
Number of fresh recruited as Officer	5	7
Number of fresh recruited as Probationary Officer	-	-
Number of fresh recruited as Junior Officer	6	5
Number of fresh recruited as Trainee Junior Officer	281	5
Number of fresh recruited as Assistant Officer	5	-
Number of fresh recruited as Trainee Assistant Officer	531	6
Number of fresh recruited as Trainee Assistant Officer (Cash)	947	6
Number of fresh recruited as Field Officer (RDS)	174	107
Number of fresh recruited as Asstt. Field Officer (RDS)	21	-
Number of fresh recruited as Sub-staff	131	135

Remuneration Committee

Committee Charter

Bangladesh Bank guidelines do not permit to form a separate committee of Board on remuneration. As such, IBBPLC. does not have such type of committee. However, the Board of Directors time to time review and evaluate the remuneration paid to all level of employees of the Bank.

Compensation

Compensation to the employees is decided by the Board of Directors where all the members are non-executive directors. The Managing Director, Additional Managing Directors, Deputy Managing Directors, Head of Human Resources, CFO and other related officials work on the issue as per guidance of the Board.

Policies on Remuneration

Key policies to decide the remuneration include market trend, inflation, job requirement, position of other banks in the same area etc. The detailed remuneration policy of the Bank is also described in 'Market Disclosure of Basel-III.

Meetings on Remuneration Issues

Meetings of the executives as well as meeting of related Board meetings are held time to time to see the status of the remunerations that are being paid to the employees in line with the peer banks.

Remuneration of Chairman, Directors, Managing Director and Senior Executives

Honorarium paid to the Chairman and Directors and others for attending meetings are as follows:

- Board Meeting/Shari'ah Supervisory Committee Meeting Tk.8,000.00
- Executive Committee /Audit Committee/Risk Management Meeting Tk.8,000.00
- Managing Director is paid salaries and allowances as per approval of the Board as well as Bangladesh Bank which is separately disclosed in the Financial Statements.
- The senior management is remunerated as per standard pay structure of the bank being approved by the Board of Directors.

Corporate Structure

Corporate Structure of IBBPLC. is shown at the beginning of the Annual Report.

Global Reporting Initiative (GRI)

The Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental and social sustainability. GRI provides all companies and organizations with a comprehensive sustainability-reporting framework that is widely used around the world. In line with the above, Islami Bank Bangladesh PLC. has started to incorporate the components of standard disclosures in annual report.

Communication to Shareholders & other Stakeholders

Policy on Communication with Shareholders and Stakeholders

IBBPLC. follows specific policy to facilitate effective communication with the shareholders and stakeholders. Share & Bond Division of the Bank maintains communication with the Shareholders, Bondholders and other related stakeholders. Shareholders and others may contact at any time to this Division for any sort of information and query. IBBPLC. provides updated information in its website for all the stakeholders of the Bank.

Policy on Ensuring Participation of Shareholders at AGM

In order to make the AGM more participatory, IBBPLC. declares the date of AGM well ahead of time, circulate Annual Reports and other documents in time, arrange AGM in a well-known place & convenient time. Shareholders are allowed to speak in the AGM freely to give their valuable suggestions.

Environmental and Social Obligations

Policies and Practices on Social and Environmental Responsibility

The issue of climate change is being addressed seriously all over the world. It is identified that Bangladesh being a southern delta is under serious threat of natural disaster. A detailed discussion regarding environment and social obligation of IBBPLC. is included in the Sustainability Report.

Specific Policies undertaken by the Bank

IBBPLC, being a responsible corporation, has taken some initiatives in this regard, which has been presented in Green Banking & Sustainability sections of this Report.

Contribution to Environment and Society

A natural and clean environment, economical use of resources and respect for people's health and safety etc. are getting increasingly important. In accordance with this, IBBPLC. is continuously working towards reducing consumption of energy, elimination of use of hazardous substances from its processes and minimizing waste generation. The emphasis is on minimizing paper transactions to the extent possible. One of the key targets for financing manufacturing companies is to reduce their carbon footprint.

Investors Friendly Information

IBPLCL.'s share is a very reliable choice to the investors due to its strong fundamentals in the area of capital adequacy, profitability, liquidity and market leadership driven by an experienced top Management and dedicated human resource base. Besides, the return on IBBPLC.'s share is excellent. IBBPLC. ranked 915th position among the top 1000 banks around the globe in terms of profits on capital in 2023. The Bank has also reputation for Shari'ah based banking management. There is very little fluctuation in the Islami

Banks share price and no rumor is observed in the Islami Bank's share. Therefore, Investors rely greatly on this share.

Management Review & Responsibility

Managing Director acts as the Chief Executive Officer (CEO) of the Bank. Bank has approved Organizational Structure (Organogram) with clear functional separation and segregation of processing/functioning (Front and Back office) authorities. This ensures core risk management practice and compliance across the Bank. Bank's functions and plans also consider various regulatory limits and restrictions to be risk compliant.

Management Committee (MANCOM)

Management Committee (MANCOM), the apex management body of the Bank, is comprised of 20 (twenty) top-level executives having long experiences and sound knowledge in banking. The Committee is headed by the Managing Director & CEO of the Bank. The Committee exerts powers as delegated by the Board and is responsible for implementation of the policies and guidelines approved by the Board. The MANCOM scrutinizes the issues thoroughly before placing those to the Executive Committee, Audit Committee, Risk Management Committee and the Board.

Investment Committee (IC)

The Bank formed 02 (two) Investment Committee (IC) comprising of senior executives to review and examine all the investment related proposals and make specific recommendations to appropriate business authorities.

Asset-Liability Committee (ALCO)

The Asset & Liability Committee (ALCO) is constituted with the senior management of the bank and headed by the Managing Director & CEO. The Committee meets at least once in a month to review economic, market status, outlook and liquidity position of the bank. ALCO also assesses pricing of assets and liabilities, maturity wise grouping of assets and liabilities, Liquidity Contingency Funding Plan in order to manage the Balance Sheet Risk in a prudent way, Transfer Pricing, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) etc.

Supervisory Review Process (SRP) Team

As per the revised process document of Bangladesh Bank for SRP-SREP Dialogue on ICAAP under 2nd Pillar of Basel-III, the Bank has reconstituted the SRP Team with 10 (ten) members headed by the Managing Director & CEO.

The Shari'ah Supervisory Committee

As per Islamic Banking Guidelines issued by Bangladesh Bank, IBBPLC. formed an independent Shari'ah Supervisory Committee consisting of 13 (thirteen) members including experienced and knowledgeable persons in Islamic Jurisprudence. The Shari'ah Supervisory Committee of IBBPLC. gives opinions and guidelines to ensure Shari`ah compliance in all activities of the Bank particularly in the modes of investment.

Risk Management

Risk Management Wing (RMW) has been set up as per the guidelines of Bangladesh Bank. The Wing is responsible for identification and management of risks faced by the Bank. The details of internal and external risk management mechanism are included in Risk Management disclosures.

Corporate Governance Compliance

Corporate governance has become firmly entrenched on the world business scenario over the past three decades. Today it is a key component in the operation of all manner of entities around the globe. Even more important is the need for corporate governance to be effective, not only for business entities but for the economy as a whole. Sound corporate governance in the Banking is the prerequisite for efficient financial market.

Regulatory Compliance

Bank has meticulously been following related guidelines including submission of Quarterly, Half-yearly and Yearly financial statements and other statutory reports. Any significant development in the business is forth-with disclosed in the form of price sensitive declarations adhering proper rules/ guidelines/directives. Bank also ensures submission of returns to regulatory bodies in full compliance of the requirements and appropriate disclosures ensuring transparency and accountability. Board of Directors ensures adequate disclosures for the shareholders and other stakeholders.

Compliance Status of Bangladesh Bank Circulars

The Bank has fully complied with Bangladesh Bank circulars, instructions and guidelines regarding Corporate Governance. The Bank is governed by the Bangladesh Bank's rules and regulation on various issues of banking operation. As per BRPD Circular Letter No.11 dated October 27, 2013 regarding Formation & Responsibilities of Board of Directors of a Bank Company, the Bank has complied with all the instructions including formation of Board of Directors, Independent director, information regarding directors, responsibilities of the Board of Directors, formation of committees from the Board of Directors and training of the Directors. The Bank is also compliant with the BRPD Circular Letter No.18 dated October 27, 2013 regarding Appointment and Responsibilities of the Chief executive officer.

Corporate and Financial Reporting

The Directors of Islami Bank Bangladesh PLC in conformance with the BSEC Notification No. SEC/ CMRRCD/2006-158/208/Admin/81 dated 20 June 2018; confirm compliance with the financial reporting framework.

Directors' Attendance in the meeting of Board & its Committees during the year 2023

Directors' Attendance in the Board

Sl. No.	Name of the Directors	Position	Number of Meeting	
			Eligible to Attend	Attended
1	2	3	4	5
1	Ahsanul Alam	Chairman	10	08
2	Yousif Abdullah A AlRajhi	Vice-Chairman	12	07
3	Dr. Tanveer Ahmad	Vice-Chairman	13	12
4	Mohammad Solaiman, FCA	Independent Director	16	16
5	Dr. Mohammad Saleh Jahur	Independent Director	16	16
6	Dr. Md. Sirajul Karim	Director	16	16
7	Md. Joynal Abedin	Director	13	13
8	Dr. Qazi Shahidul Alam	Director	16	16
9	Syed Abu Asad	Director	16	15
10	Md. Quamrul Hasan	Director	16	16
11	Dr. Md. Fashiul Alam	Independent Director	16	16
12	Khurshid-Ul-Alam	Director	16	16
13	Mohammed Nasir Uddin, FCMA	Director	16	16
14	Borhan Uddin Ahmed	Independent Director	12	12
15	Abu Sayeed Mohammad Quasem	Director	06	06
16	Showkat Hossain, FCA	Director	06	06
17	Jamal Mostafa Chowdhury	Director	06	06
18	Mohammed Monirul Moula	Managing Director & CEO	16	15

Directors' Attendance in the Executive Committee

Sl. No.	Name of the Directors	Position	Number of Meetings	
			Eligible to Attend	Attended
1	2	3	4	5
1	Ahsanul Alam	Chairman	11	10
2	Dr. Tanveer Ahmad	Member	20	20
3	Md. Quamrul Hasan	Member	21	21
4	Dr. Mohammad Saleh Jahur	Member	21	21
5	Dr. Md. Fashiul Alam	Member	21	21
6	Abu Sayeed Mohammad Quasem	Member	09	09
7	Jamal Mostafa Chowdhury	Member	09	09

Directors' Attendance in the Audit Committee

Sl. No.	Name of the Directors	Position	Number of Meetings	
			Eligible to Attend	Attended
1	2	3	4	5
1	Mohammad Solaiman	Chairman	09	09
2	Syed Abu Asad	Member	05	05
3	Khurshid-Ul-Alam	Member	09	09
4	Mohammed Nasir Uddin, FCMA	Member	09	09
5	Borhan Uddin Ahmed	Member	06	06

Directors' Attendance in the Risk Management Committee

Sl. No.	Name of the Directors	Position	Number of Meetings	
			Eligible to Attend	Attended
1	2	3	4	5
1	Dr. Mohammad Saleh Jahur	Chairman	05	05
2	Mohammad Sirajul Karim	Member	08	08
3	Mohammad Joynal Abedin	Member	08	08
4	Dr. Qazi Shahidul Alam	Member	08	08
5	Showkat Hossain, FCA	Member	04	04

Note: Attendance of the present Directors is mentioned here.

Statement of Shares held by Directors & their Spouses and Minor Children as on 31.12.2023

Sl. No.	Name of the Director	Representing Company	Status in the Board	No. of Shares	Percentage of total Paid-up Capital of IBBPLC.
1	2	3	4	5	6
01	Ahsanul Alam	JMC builders Limited	Chairman	32,360,812	2.0100%
02	Yousif Abdullah A AlRajhi	BTA Finance LTD. U.A.E	Vice Chairman	7,9751,778	4.9536%
03	Tanveer Ahmad	Paradise International Limited	Vice Chairman	32,360,000	2.0099%
04	Mohammad Solaiman	Independent Director		0	0.0000%
05	Dr. Mohammad Saleh Jahur	Independent Director		0	0.0000%
06	Mohammad Joynal Abedin	ABC Ventures Limited	Director	32,301,030	2.0063%
07	Mohammad Sirajul Karim	Excel Dyeing & Printing Limited	Director	54,693,914	3.3972%
08	Dr. Qazi Shahidul Alam	Platinum Endeavors Limited	Director	32,285,000	2.0053%
09	Syed Abu Asad	Excelsior Impex Company Limited	Director	32,200,334	2.0000%
10	Mohammad Quamrul Hasan	Grand Business Limited	Director	32,547,335	2.0216%
11	Md. Fashiul Alam	Independent Director		0	0.0000%
12	Khurshid-Ul-Alam	Lionhead Business Resources Limited	Director	32,202,900	2.0002%
13	Mohammed Nasir Uddin, FCMA	BLU International Limited	Director	32,360,000	2.0099%

Sl. No.	Name of the Director	Representing Company	Status in the Board	No. of Shares	Percentage of total Paid-up Capital of IBBPLC.
14	Borhan Uddin Ahmed	Independent Director		0	0.0000%
15	Abu Sayeed Mohammad Quasem	Armada Spinning Mills Limited	Director	32,408,339	2.0130%
16	Showkat Hossain, FCA	Kingsway Endeavors Resources Ltd.	Director	70,799,870	4.3975%
17	Jamal Mostafa Chowdhury	Uniglobe Business Resources Ltd.	Director	75,202,140	4.6710%

Statement of Shares held by CEO, Company Secretary, CFO, Head of Internal Audit and their Spouses and Minor Children as on 31.12.2023

Sl. No.	Name	Status	No. of Shares	Percentage of total Paid-up Capital of IBBPLC.
1	2	3	4	5
01	Mohammed Monirul Moula	Managing Director & Chief Executive Officer (CEO)	18,139	0.00%
	Rafia Akter Lucky	W/o. Mohammed Monirul Moula, Managing Director & Chief Executive Officer (CEO)	0	0.00%
02	J Q M Habibullah, FCS	Additional Managing Director & Company Secretary	0	0.00%
	Mrs. Samima Akhter	W/O. J Q M Habibullah, FCS, Additional Managing Director & Company Secretary	0	0. 00%
03	Md. Farid Uddin, FCA	Senior Vice President & CFO	0	0. 00%
	Salma Akter Sweety	W/O. Md. Farid Uddin FCA, SVP & CFO	0	0. 00%
04	Md. Nayer Azam	Deputy Managing Director & Head of Internal Control & Compliance Wing (ICCW)	0	0. 00%
	Umme Habiba	W/O. Md. Nayer Azam, Deputy Managing Director & Head of ICCW	0	0. 00%

Statement of Shares held by top 5 (five) Salaried Employees other than the Directors, CEO, Company Secretary, CFO, Head of Internal Audit (ICCW) as on 31.12.2023

Sl. No.	Name	Designation	No. of Shares	Percentage of total Paid up Capital of IBBPLC.
1	2	3	4	5
01	Muhammad Qaisar Ali	Additional Managing Director	0	0.00%
02	Md. Altaf Hossain	Additional Managing Director	0	0.00%
03	Mohammad Jamal Uddin Mazumder	Deputy Managing Director	667	0.00%
04	Abul Faiz Muhammad Kamaluddin	Deputy Managing Director	0	0.00%
05	Mohammed Shabbir	Deputy Managing Director	0	0.00%

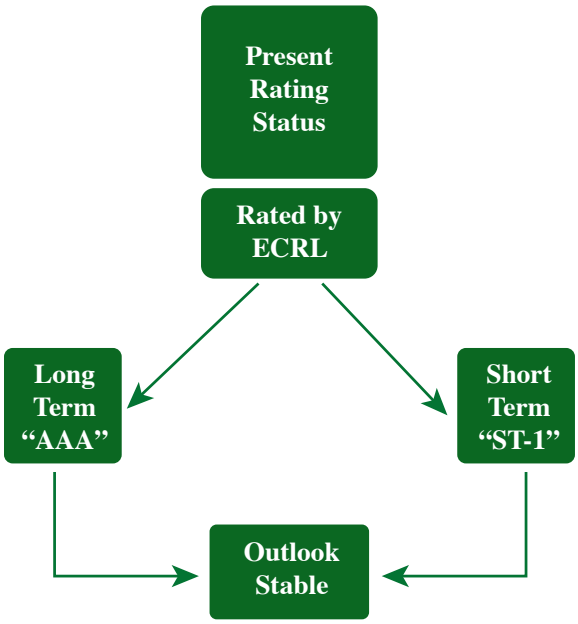
Islami Bank Bangladesh PLC.

Credit Rating Status

Bangladesh Bank as per BRPD Circular No. 06 dated July 05, 2006 made 'rating of the Banks' mandatory on yearly basis with effect from January 2007 and Banks are required to complete their Credit Rating within six months from the date of close each financial year. IBBPLC. started to get the rating services by domestic credit rating agency since 2002.

Previous Credit Rating statuses are shown as under

Rated by	Rating for the year	Rating status	
		Long Term	Short Term
1	2	3	4
CRISL	2002 - 2003	A+	ST-2
	2004 - 2005	AA-	ST-1
	2006 - 2008	AA	ST-1
	2009 - 2016	AA+	ST-1
Alpha	2017-2020	AAA	ST-1
ECRL	2021-2022	AAA	ST-1



Emerging Credit Rating Ltd. (ECRL) has assigned "AAA" in long term & ST-1 in short term expose highest rating. This report is valid upto 05.07.2024, IBBPLC. has been maintaining this highest credit rating among the Private Commercial Banks consistently and will likely to remain unchanged for years ahead.

Core fundamentals for scoring highest rating

- Strong liquidity position;
- Increasing total income;
- Sound asset quality;
- Increasing total asset base;
- Experienced top management;
- Advanced automation process;
- Good corporate governance;
- Environmental risk management;
- Strong internal control;
- Commendable market share.

MOU signing ceremony

Dividend Distribution Policy

This Policy is devised in compliance with the Directive No. SEC/CMRRCD/2021-386/3- dated, 14 January 2021 of Bangladesh Securities and Exchange Commission. This policy is effective from 25th April 2021 being the date of its approval by the Board of Directors of the Bank.

Objectives

The Policy is aimed to lay down the criteria and parameters that are to be considered by the Bank while declaration and distribution of the dividend.

Factors to be considered for declaration of Dividend

The Bank distributes the specified annual net profits, after deduction of all general expenses and other costs and arranging the necessary provisions against investment losses, off balance sheet exposures, other provisions and provision for taxation complying different regulatory guidelines/restrictions:

1. The Bank transfers @20% of the net profits before tax to the statutory reserve to ensure that the mentioned reserve becomes equal–at least–to the paid capital. However, to strengthen bank's capital base, the Board may transfer the lump sum amount to the statutory reserve even if it exceeds amount of paid up capital.
1. The bank distributes a certain amount of its distributable profit to the shareholders.
2. The Bank transfers the remaining distributable profit (if any) to the general reserve of the bank to support the business growth.

Procedure of declaration/recommendation of dividend

Dividend is approved by the shareholders at an Annual General Meeting (AGM) on the basis of recommendation of the Board. Dividend is recommended by the Board after consideration and approval of the financial statements which were considered by the Board Audit Committee before approval of the Board. All requisite approvals and clearances, where necessary as applicable, are obtained before the declaration of dividend.

Time line for dividend pays off

i. Stock Dividend shall be paid off to the entitled shareholder within 30 (thirty) days of approval.

ii. Cash Dividend shall be paid off as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time.

iii. Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time.

Procedures of Cash dividend payment

As per the Regulation No. 28 (Payment of Dividend) of Dhaka Stock Exchange (Listing) Regulations, 2015 and Chittagong Stock Exchange (Listing) Regulations, 2015, Cash Dividend is distributed to the Shareholders within 30 days of holding the AGM. Procedures are:

Agent Banking Conference

After Finalization of Accounts and getting recommendation for Cash dividend by the Board, an amount equivalent to the declared cash dividend for the concerned year is kept in a separate Bank Account.

The Bank pays off cash dividend directly to the bank account of the entitled shareholder as available in the BO account maintained with the DP or the bank account as provided by the shareholder through Electronic Transfer within thirty days of approval after deducting applicable tax at source, online (shareholders maintained bank account with IBBPLC. only) & if not possible to distribute cash dividend through BEFTN or any electronic payment system; Dividend Warrants are issued against the shareholders holding shares in Folio (paper shares).

In case of margin client having debit balance or margin loan of stock broker or merchant banker or portfolio manager, the Bank pays off cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of merchant banker or portfolio manager through Electronic Transfer in order to account for such dividend immediately in the individual client's portfolio account.

The Bank pays off cash dividend to non-resident sponsor, director, shareholder or foreign portfolio investor through the security custodian in compliance with the rules or regulations in this regard.

Procedures of stock dividend distribution

The stock dividend (Bonus Shares) is distributed to the Shareholders' BO account(s) through Central Depository Bangladesh Limited (CDBL) within 30 (thirty) days from the date of AGM against the shareholders holding shares in Folio (paper shares)/BO IDs on record date.

Fractional Bonus Shares is issued in a BO account operated by the Company Secretary of the Bank. Fractional Bonus Shares is sold out trough bank's own DP and the received amount of sale proceeds of Fractional Bonus Shares is distributed to the Honorable Shareholders' Bank account(s) through Bangladesh Electronic Fund Transfer Network (BEFTN), online (shareholders maintained bank account with IBBPLC. only) & Payment Warrants are issued against the shareholders holding shares in Folio (paper shares) and sale proceeds returned from BEFTN of BO IDs.

Unpaid or unclaimed dividend

Islami Bank Bangladesh PLC. maintains detailed information of Unpaid or unclaimed. As of 31.12.2023 total amount of unclaimed dividend is Tk.11,384,044. However Unpaid or unclaimed dividend shall be settled as per instructions of BSEC or Bangladesh Bank or other regulatory authority from time to time.

Amendments / Modifications

To the extent of any change/amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law of the land. Such amended policy shall be placed before the Board for approval.

Review

This Policy would be reviewed on an annual basis or as and when the need arises. Amendments (if any) would be approved by the Board.

Disclosure Policy

The Dividend Distribution Policy shall be available on the Bank's website and shall also be disclosed in the Bank's Annual Report.

Islami Bank Bangladesh PLC.

Declaration by CEO and CFO

24 April, 2024

Board of Directors
Islami Bank Bangladesh PLC.
Islami Bank Tower
40, Dilkusha C/A
Dhaka-1000

Subject: Declaration on Financial Statements for the year ended on 31st December, 2023

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Islami Bank Bangladesh PLC. for the year ended on 31st December, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

(i) We have reviewed the financial statements for the year ended on 31st December, 2023 and that to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

24.4.2024
Mohammed Monirul Moula
Managing Director & CEO

24.4.2024
Md. Farid Uddin FCA, CIPA
Chief Financial Officer

Report to the Shareholders of ISLAMI BANK BANGLADESH PLC

on

Compliance of Corporate Governance Code

Certificate as per Condition No.1(5)(xxvii) of the BSEC Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Islami Bank Bangladesh PLC for the year ended 31 December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Bank. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion and subject to the remarks as stated in the Status of Compliance Statement:

(a) The Bank has complied with the conditions of the Corporate Governance Code as Stipulated in the above-mentioned Corporate Governance Code issued by the Commission;

(b) The Bank has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the Bank as required under the Companies Act 1994, the Securities Laws and other relevant laws; and

(d) The Governance of the Bank is satisfactory.

For: **Mohammad Sanaullah & Associates**

Mohammad Sanaullah FCS
CEO & Lead Consultant

MOHAMMAD SANAULLAH & ASSOCIATES MSA

April 24, 2024

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	**Board of Directors.-**			
1(1)	Size of the Board of Directors The total number of members of a company's Board of Directors (herein after referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		The Board of IBBPLC. is composed of 17 (Seventeen) Directors.
1(2)	**Independent Directors:** All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:			
1(2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√		There are 4 (Four) Independent Directors (ID) in the Board of IBBPLC.
1(2)(b)	Independent director means a director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		Independent Directors have declared their compliances.
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	√		Do
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		Do
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		Do
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		Do
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		Do
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		Do
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	√		Do
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		Do

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	√		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		Do
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		No vacancy occurred
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the (Companies Act, 1994). Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	√		The Independent Directors are in their regular terms of office
1(3)	**Qualification of Independent Director.**			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		The Qualification and back ground of ID's justify their abilities as such
1(3)(b)	**Independent director shall have following qualifications:**			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	√		Not Applicable
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk.100.00 million or of a listed company; or	√		Not Applicable
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	√		Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		2 (Two) ID are university teacher and have such background.
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		1 (One) ID is a retired District & Sessions Judge and 1(one) ID is a Chartered Accountant.

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		All IDs have more than 10 years' experience.
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such cases arose
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		The Chairman of the Board and the Managing Director of the Company are different individuals
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		Complied BRPD Circular No. 11; dated 27 October 2013
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		Not Applicable
1(5)	**The Directors' Report to Shareholders** The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		As stated in the Directors Report
1(5)(ii)	The segment-wise or product-wise performance;	√		Do
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		Do
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;			Do
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such extraordinary gain or loss occurred
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		As stated in the Director's Report
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			No such situation arose

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			No such situation arose
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			As stated in the Director's Report
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		Do
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		Do
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		Do
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		Do
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		Do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		Do
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		Do
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		Do
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			Do
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		Do
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			Not Applicable
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		Not Applicable
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		16 Board Meeting held during the year.

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:**			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		-
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		-
1(5)(xxiii)(c)	Executives; and	√		-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	√		-
1(5)(xxiv)	**In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:**			
1(5)(xxiv)(a)	A brief resume of the director;	√		Disclosed in the Annual Report
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	√		-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		-
1(5)(xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		-
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;			-
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;			-
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;			-
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		-
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and			

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;			-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		Disclosed in the Annual Report 2023
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		Certificates disclosed in the Annual Report 2023
1(6)	**Meeting of the Board of Directors** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		Conducting of meeting and keeping records are done as per provisions of Bangladesh Secretarial standards of ICSB
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			The Bank complied Bangladesh Bank letter. Reference # BRP-D(R-1)717/2021-5064; Dated June 16,2021
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company.			
2	**Governance of Board of Directors of Subsidiary Company.**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		In practice
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	√		Do
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	√		Do
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	√		Do
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		Do
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).**			
3(1)	Appointment			-

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		The Board has duly appointed the CEO, CS, CFO and HIAC in the Bank
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		They are different individuals
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			No such case happened during the reporting year
3(2)	**Requirement to attend Board of Directors' Meetings** The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		The Bank complied Bangladesh Bank BRPD circular letter No.23; Dated December 26, 2013
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		Stated in the certificate of due diligence by CEO and CFO
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		Disclosed in the Annual Report
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.			
4	**Board of Directors' Committee.** For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee; and	√		Already in practice

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4(ii)	Nomination and Remuneration Committee.			The Bank complied Bangladesh Bank letter. Reference # BRP-D(R-1)717/2021-5064; Dated June 16,2021
5	**Audit Committee.**			
5(1)	**Responsibility to the Board of Directors.**			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		Already in practice
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		Do
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		As per Corporate Governance Code 2018
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		The Audit Committee (AC) is composed of 5 (five) members
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		Members of the AC are appointed by the Board who are Non-executive Directors.
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		-
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such instance
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		In Practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		In Practice
5(3)	**Chairperson of the Audit Committee**			

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		The Chairman selected by the Board is an Independent Director
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		Chairperson of Audit Committee was present at the last AGM
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	√		9 (Nine) meetings were conducted in the reporting year
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		-
5(5)	**Role of Audit Committee**			
5(5)(a)	Oversee the financial reporting process;	√		The Committee performed as per its norms
5(5)(b)	Monitor choice of accounting policies and principles;	√		-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		-
5(5)(d)	Oversee hiring and performance of external auditors;	√		-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		-
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		-
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		-
5(5)(h)	Review the adequacy of internal audit function;	√		-

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		-
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		-
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not Applicable
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	Reporting to the Board of Directors			-
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			-
5(6)(a)(ii)(a)	Report on conflicts of interests;			None
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			Do
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Do
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such events occurred

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(6)(b)	**Reporting to the Authorities** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such instance
5(7)	**Reporting to the Shareholders and General Investors** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		The activities of the AC are discussed in this Annual Report of the Bank
6	**Nomination and Remuneration Committee (NRC).**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;			The Bank complied Bangladesh Bank letter. Reference # BRP-D(R-1)717/2021-5064; Dated June 16,2021
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			Do
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).			Do
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;			Do
6(2)(b)	All members of the Committee shall be non-executive directors;			Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			Do

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			Do
6(2)(g)	The company secretary shall act as the secretary of the Committee;			Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			Do
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.			Do
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			Do
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.			Do
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			Do
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			Do
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			Do
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			Not in practice

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			Do
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			Do
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;			Do
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			Do
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			Do
7(1)	**External or Statutory Auditors.**			
7(1)	**The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely;**			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		-
7(1)(ii)	Financial information systems design and implementation;	√		-
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		-
7(1)(iv)	Broker-dealer services;	√		-
7(1)(v)	Actuarial services;	√		-
7(1)(vi)	Internal audit services or special audit services;	√		-
7(1)(vii)	Any service that the Audit Committee determines;	√		-

Corporate Governance Compliance Status

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		-
7(1)(ix)	Any other service that creates conflict of interest.	√		-
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√		-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		The Auditor duly attended at the 40th AGM of the Bank
8	**Maintaining a website by the Company.**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		Bank website is linked with the Stock Exchanges
8(2)	The company shall keep the website functional from the date of listing.			In Practice
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).			Do
9	**Reporting and Compliance of Corporate Governance.**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. Explanation:"Chartered Accountant" means Chartered Accountant as defined in the Bangladesh Chartered Accountants Order, 1973 (President's Order No. 2 of 1973); "Cost and Management Accountant" means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); "Chartered Secretary" means Chartered Secretary as defined in the Chartered Secretaries Act, 2010.	√		The Certificate of Compliance obtained from Mohammad Sanaullah & Associates is duly presented in the Annual Report 2023
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		Mohammad Sanaullah & Associates is duly appointed by the shareholders in the 40th AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		The status of Compliance is duly published in the Director's Report

IBBPLC.'s Approach to Integrated Reporting

Our Integrated Reporting promotes a more cohesive and efficient approach that aims to improve the quality and connectivity of information, enhance accountability and stewardship for the broad base of capital capitals (financial, manufactured, intellectual, human, social and relationship, and natural) Supports integrated thinking, decision-making and actions that focus on the value creation over the short, medium and long term. Our integrated report is a concise communication about how an organization's strategy, governance, performance and prospects aligned with business model. It encompasses the efforts we have undertaken towards contributing to economic progress, environmental sustainability and social well-being for a better Bangladesh.

Guiding Principles of IBBPLC. for preparation and presentation of an integrated report

Strategic focus and future orientation. provides insight into the organization's strategy, and how it relates to the organization's ability to create value in the short, medium and long term, and to its use of and effects on the capitals.

.**Connectivity of information.** shows a holistic picture of the combination, interrelatedness and dependencies between the factors that affect the organization's ability to create value over time.

Stakeholder relationships. provides insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests.

Materiality. discloses information about matters that substantively affect the organization's ability to create value over the short, medium and long term Conciseness.

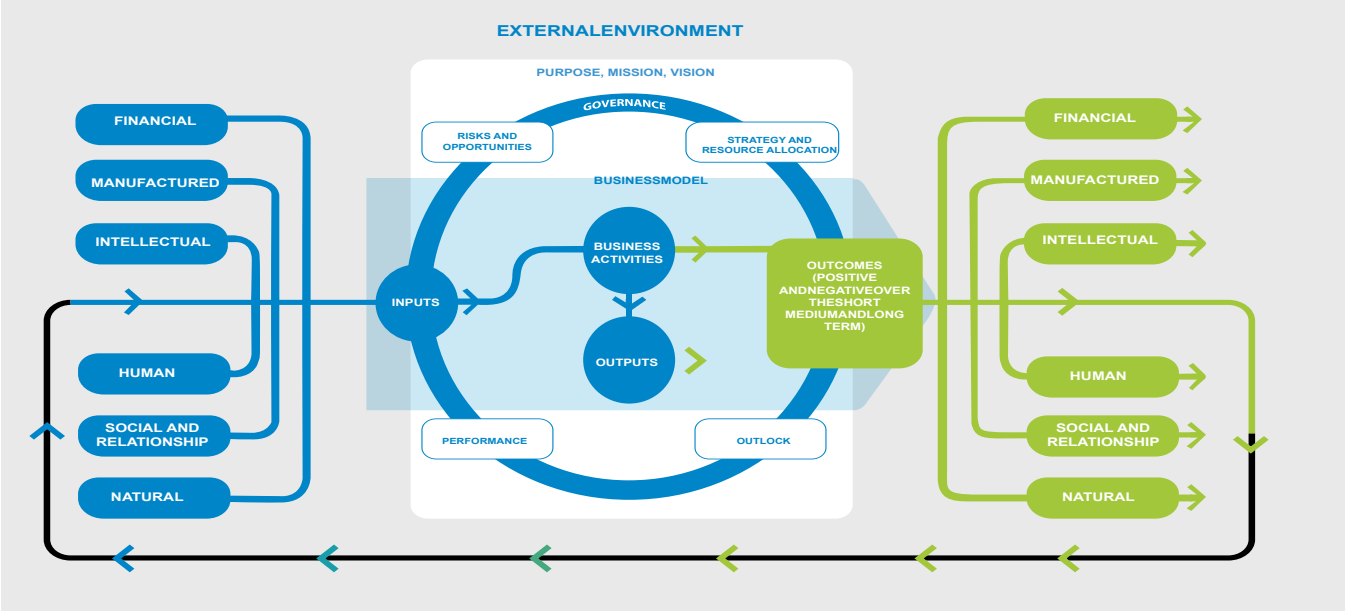
Reliability and completeness. includes all material matters, both positive and negative, in a balanced way and without material error.

Consistency and comparability. Our report presented on a basis that is consistent over time and in a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time.

Elements that are linked with our integrating Reporting

Organizational overview and external environment	Integrated report clearly outlines the purpose, mission and vision and provides essential context of culture, ethics and values, ownership and operating structure, principal activities and markets, competitive landscape and market positioning. This report also focuses the following 05 (five) major areas in its operations: Sustainable business relationship, Financial inclusion through fintech solutions, • Happy corporate environment, Financial excellence. Upholding ethical and moral values. External environment: Significant factors affecting the external environment include aspects of the legal, commercial, social, environmental and political context that affect ability to create value in the short, medium or long term directly or indirectly. Legitimate needs and interests of key stakeholders, macro and micro economic conditions, market forces, speed and effect of technological change and societal issues are also the components of external environment.
Governance	This report provides insight about IBBPLC.'s leadership structure, specific processes used to make strategic decisions and to establish and monitor the culture of IBBPLC., particular actions of those charged with governance direction of IBBPLC., approach to risk management, culture, ethics and values are reflected in its operations.
Business Model	An integrated report is a system of transforming inputs, through its business activities, into outputs and outcomes that aims to fulfill the organization's strategic purposes and create value over the short, medium and long term. A business model describes the operating process of the bank.
Risks and Opportunities	Integrated report identifies the key risks and opportunities that are specific to IBBPLC. This can include identifying the specific source of risks and opportunities, which can be internal, external or a mix of the two. External sources include those stemming from the external environment. Internal sources include those stemming from our business activities.
Strategy and resource allocation	It identifies the short, medium and long-term strategic objectives of the bank. This includes linkage between our strategy and resource allocation plans and the information covered by other elements.
Performance	It contains qualitative and quantitative information about quantitative indicators with respect to targets, risks and opportunities, explaining their significance, their implications and the methods and assumptions used in compiling them, effects on the capitals including material effects on capitals up and down the value chain, the state of key stakeholder relationships, the linkages between past and current performance and the outlook of the bank.
Outlook	Integrated report highlights anticipated changes over time and provides information, built on sound and transparent analysis about our expectations that are likely to be encountered.
Basis of Preparation and Presentation	The report describe the basis of preparation and presentation of reporting process and significant frameworks and methods used to quantify or evaluate material matters which include disclosures about the capitals, time frames for short, medium and long term, aggregation and disaggregation.

Value Creation Matrix



The capitals of IBBPLC.

Our glorious success and growth depends on deployment of various forms of capital. In the IR Framework, the capitals comprise financial, manufactured, intellectual, human, social and relationship, and natural, although which is describe in different part and different form of the annual report.

- Financial capital–The pool of funds that is:
- Available to an organization for using the provision of services
- Obtained through financing, such as debt, equity, or generated through operations or investments.
- Manufactured capital – Manufactured physical objects (as distinct from natural physical objects) that are available to an organization for using in the production of goods or the provision of services, including:
- Buildings
- Equipment
- Intellectual capital – Organizational, knowledge-based intangibles, including:
- Intellectual property, such as patents, copyrights, software, rights and licenses
- "Organizational capital" such as knowledge, systems, procedures and protocols.
- Human capital–People's competences, capabilities, and experience, and motivations to innovate, including:
- Alignment with and support for an organization's governance framework, risk management approach, and ethical values

Entities/stakeholders aligned with the reporting boundary

- Ability to understand, develop and implement an organization's strategy
- Loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate.
- Social and relationship capital–

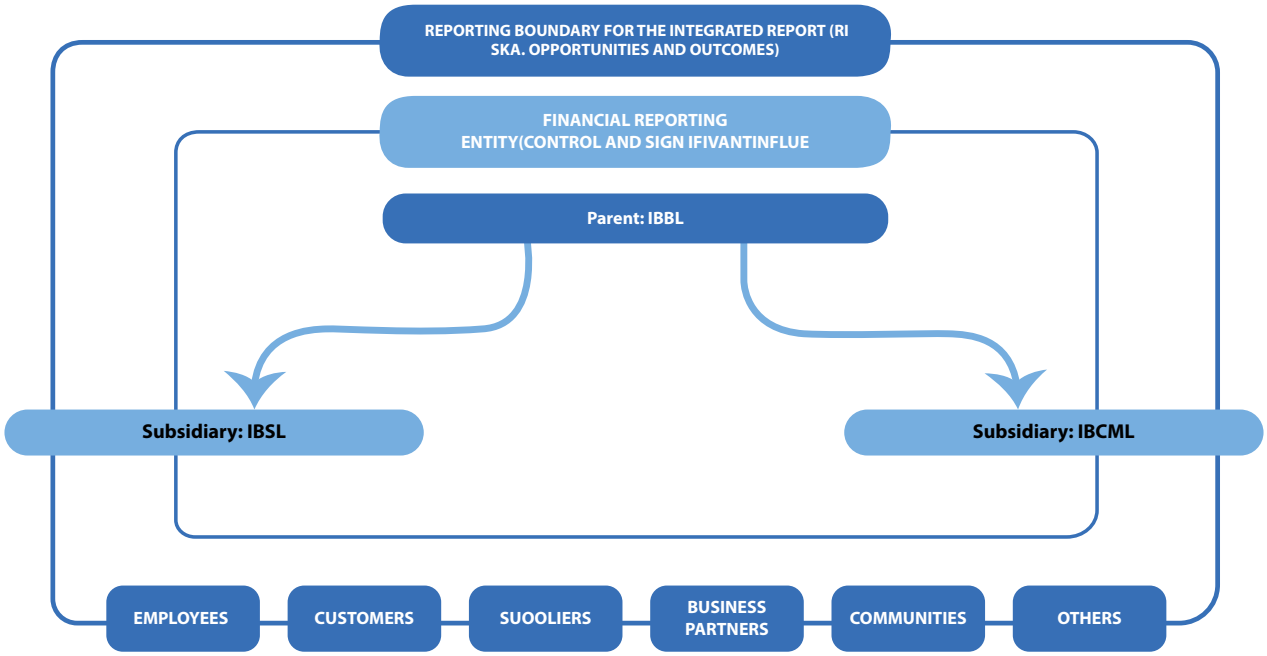
Relate within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social and relationship capital includes:

- Shared norms, and common values and behaviors
- Key stakeholder relationships, and the trust and willingness to engage that an organization has developed and

Strives to build and protect with external stakeholders

- Intangibles associated with the brand and reputation that an organization has developed
- An organization's social license to operate.
- Natural capital–All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organization. It includes:
- Air, water, land, minerals and forests
- Bio diversity and eco-system health.

Not all capitals are equally relevant or applicable to all organizations. While most organizations inter act with all capitals to some extent, these interactions might be relatively minor or so indirect that they are not sufficiently important to include in the integrated report.



Scope and areas also covered in integratng Reporting

Integrated Reporting also covers the integrated reporting checklist issued by the Institute of Chartered Accountants of Bangladesh (ICAB). In measuring the Bank operations and financial performance, financial information so disclosed has been extracted from the Audited Financial Statements for the Financial Year ended 2020 with relevant comparative information. The financial statements are prepared complying with the requirements of:

- International Financial Reporting Standard (IFRS);
- Standard on Accounting and Auditing Organization for Islamic Financial Institutions(AAOIFI);
- Bank Company Act 1991 (as amended);
- Companies Act 1994;
- Securities and Exchange Rules 1987;
- The Income Tax Ordinance 1984;
- Value added and Supplimentary duty act-2012
- Relevant rules & regulations of Bangladesh Bank;
- Other applicable laws and regulations of the land.

The disclosure of non-financial information has been extracted from internally-maintained records reported for the statement of financial position, unless otherwise stated that it has been extracted from a reliable source.

External assurance Provider

The bank has obtained external assurance on the following reports in the reporting period under consideration:

Sl. No.	Description of the Report	External Assurance
1	Financial Statements	1. ACNABIN., Chartered Accountants 2. Khan Wahab Shafiq Rahman & Co., Chartered Accountants
2	Corporate Governance	Mohammad Sanaullah & Associates Chartered Secretaries & Management Consultants
3	Provident Fund	Hoda Vasi Chowdhury & Co., Chartered Accountants
4	Gratuity Fund	Anil Salam Idris & Co., Chartered Accountants
5	Credit Rating	Emerging Credit Rating Limited
6	Superannuation Fund	Anil Salam Idris & Co., Chartered Accountants

Comparability

All the information presented in this report is on the same basis as the report of 2022 in terms of the entities covered, the measurement methods applied and time frames used. The information provided covers all material matters relating to business strategy, risk and areas of critical importance to our stakeholders. The structure of the report has been further developed as part of our continuous focus on improving communication to our stakeholders.

Availability of the Annual Report

Annual Report for the year 2023 of the Bank has already sent to the shareholder's e-mail address available in their beneficial owner (BO) accounts. Shareholder may collect the printed copy of the annual report from the Registered Office or Share & Bond Division and the AGM venue if requires in writing beforehand. The report has also been made available in the website http://www.islamibankbd.com

RISK MANAGEMENT

Inauguration of Sub-Branch

Report of the Risk Management Committee

In compliance with BRPD Circular No. 11 dated 27 October 2013, and subsequent directives and guidelines of Bangladesh Bank, the Risk Management Committee of Islami Bank Bangladesh PLC. was first constituted in 2013 by the Board of Directors, comprising highly skilled professionals in risk management, with the objective of following the Central Bank's directives, monitoring risk management issues and risk-related policies, and building a strong risk management culture to achieve the bank's objectives. The Committee was reconstituted from time to time as required by the inclusion of more competent persons among its members, aiming to strengthen its overall functions. Finally, the existing risk management committee has been reconstituted with the following eminent persons having long experience in risk management and highly skilled professionals:

Sl.	Name of the Members	Status in the Committee
1	Dr. Mohammad Saleh Jahur	Chairman
2	Mohammad Sirajul Karim	Member
3	Mohammad Joynal Abedin	Member
4	Dr. Qazi Shahidul Alam	Member
5	Showkat Hossain, FCA	Member

The Company Secretary of the bank acts as the Secretary of the Risk Management Committee of the Board as per regulatory directives.

Role of the Risk Management Committee

In accordance with the circulars and guidelines of Bangladesh Bank and other best practices in national and international banking companies, the Committee provides oversight and advice to the Board in relation to existing and potential risk exposures and future risk strategy; it also provides advice, suggestions, direction and guidance to the management based on the Committee's findings on identified and potential risks so as to mitigate identified and potential risks. Key functions of the Committee, in addition to those noted above, include:

- Formulating and implementing appropriate strategies for risk assessment and its control. The Committee reviews the risk management policy of the bank and modifies/ amends the same as per requirement;
- Ensuring the suitable organizational structure of the bank for controlling risk and compliance with risk management guidelines relating to investment risk, asset-liability management risk, foreign exchange risk, internal control and compliance risk, money laundering risk, and information and communication technology risk. The committee has formed separate committees at the management level and also ensured monitoring of their activities;
- Reviewing the risk management policies and guidelines of the bank at least once a year, making necessary modifications as per requirement;
- Reviewing the system regarding the preservation of information and reporting of the management;
- Monitoring the overall implementation of the bank's risk management policy and also examining whether remedial measures have been taken to minimize credit risk, market risk and operational risk of the bank;

- Reviewing different decisions taken by the different risk committees formed at the management level and communicating the same to the Board on a regular basis; and

Ensuring compliance with different directives and guidelines as issued by regulators from time to time.

Meetings of the Committee & Key Focus Areas in 2023

In 2023, the Risk Management Committee has conducted a total of 8 (eight) meetings. As per the regulatory directives, holding at least 4 meetings in a year is necessary (preferably one meeting in every quarter). At those meetings, a total of 54 memoranda on different risk issues were discussed comprehensively, resulting in 194 significant decisions being taken; all of those were also implemented by the management under the close supervision of the Committee.

The proceedings of the Risk Management Committee meetings were also reported timely and regularly to the Board of Directors as well as to Bangladesh Bank to comply with the regulatory requirement. The major areas focused on by the Committee during the year include:

- Review of the Risk Appetite Statement of the bank for the year 2023;
- Review of the 'Risk Management Guidelines for IBBPLC. in line with Bangladesh Bank DOS Circular No. 04 dated 08.10.2018;
- Review of all the core risk management guidelines and policies of the bank;
- Performance of the Risk Management Coordination Committee (RMCC), ensuring at least 12 meetings in a year where all the risk-related issues were discussed, decisions were taken and implementation there against was ensured in due course;
- Evaluate the Stress Testing reports, provide guidance, recommend for placing the same before the Board and submission to Bangladesh Bank;
- The Internal Capital Adequacy Assessment Process (ICAAP) report along with supplementary documents under Supervisory Review Process (SRP) based on 31 of the previous pending issues;
- Continuous review and monitoring of the top 20 investment clients;
- Review report on risk management guidelines and effectiveness of risk management functions of IBBPLC. for the year 2022;
- Progress report on sustainable finance activities of the bank on a quarterly basis;
- Half-yearly performance report of the bank on anti-money laundering (AML) and combating the financing of terrorism (CFT);
- Recovery Plan for the bank based on 2022.
- Review of the position of asset quality, investment policy and classified investment of the bank; and
- Monthly summary report of new, renewed, enhanced, regretted investment proposals, rescheduled investment, overdue and status of large investment.

The Risk Management Committee is playing a significant role in building a strong risk culture within the bank. The Committee is alert to all existing and potential internal and external risks and simultaneously guides the management and informs the Board of Directors about risks and assists in ensuring efficient risk management of the bank. The Committee acknowledges the sincere cooperation received from the management in carrying out the work. The Risk Management Committee is committed to creating a strong foundation of proper risk management to achieve sustainable results for the bank.

Dr. Mohammad Saleh Jahur
Chairman, Risk Management Committee

Risk Management Report

Risk Management is a discipline at the core of every enterprise and encompasses all activities that affect its risk profile. Bangladesh Bank through the Risk Management Guidelines for Banks (section 2.4) requires the Board of Directors and the senior management of the Bank to formulate and implement policies and procedures to deal with various risks that arise from the bank's business and operational activities.

Islami Bank Bangladesh PLC. attaches the highest priority to establishing, maintaining and upgrading risk management infrastructure, systems and procedures with strategies in place to have all its ducks in a row. Adequate resources are allocated in this regard to enhance the risk management capacity of the bank. Responsibility and accountability reside at all levels from the Board to the individual employee.

How We Manage Risks

In IBBPLC., there are approved policies and procedures covering all the risk areas of business operations to ensure proper addressing of risks and to safeguard their against. Risk management principles and policies in IBBPLC. are as follows:

- The bank identifies and manages risks inherent in all of its products, services and activities. It ensures that the risks of products and activities new to them are subject to adequate procedures and controls before being introduced or undertaken, and approved in advance by the Board;
- IBBPLC. develops and utilizes internal risk rating systems in managing all of its risks provided the rating system is in line with the regulatory instructions and consistent with the nature, size and complexity of the bank's activities;
- In IBBPLC., risk management is carried out in a decentralized manner; it is considered a primary responsibility of the CEO, CRO and Risk Management Units of different Wings, Divisions and operating units;
- The Board of Directors of the bank determines the risk strategy and overall risk appetite and defines accountabilities, reporting structures, documentation and management of identified risks, and thresholds;
- IBBPLC. establishes and enforces internal controls and other practices to ensure that exceptions to policies, procedures and limits are reported promptly to the appropriate level of management;
- The risk management policy permits risk-taking authorities along with assigned responsibilities consistent with the expertise of bank personnel, preferably having an in-depth understanding of risk management principles;
- Policy exceptions are properly approved, having formal procedures to report how and why exceptions have occurred, and how they have been resolved; and
- IBBPLC. is required to manage risks and submit risk reports to Bangladesh Bank as per instructions.

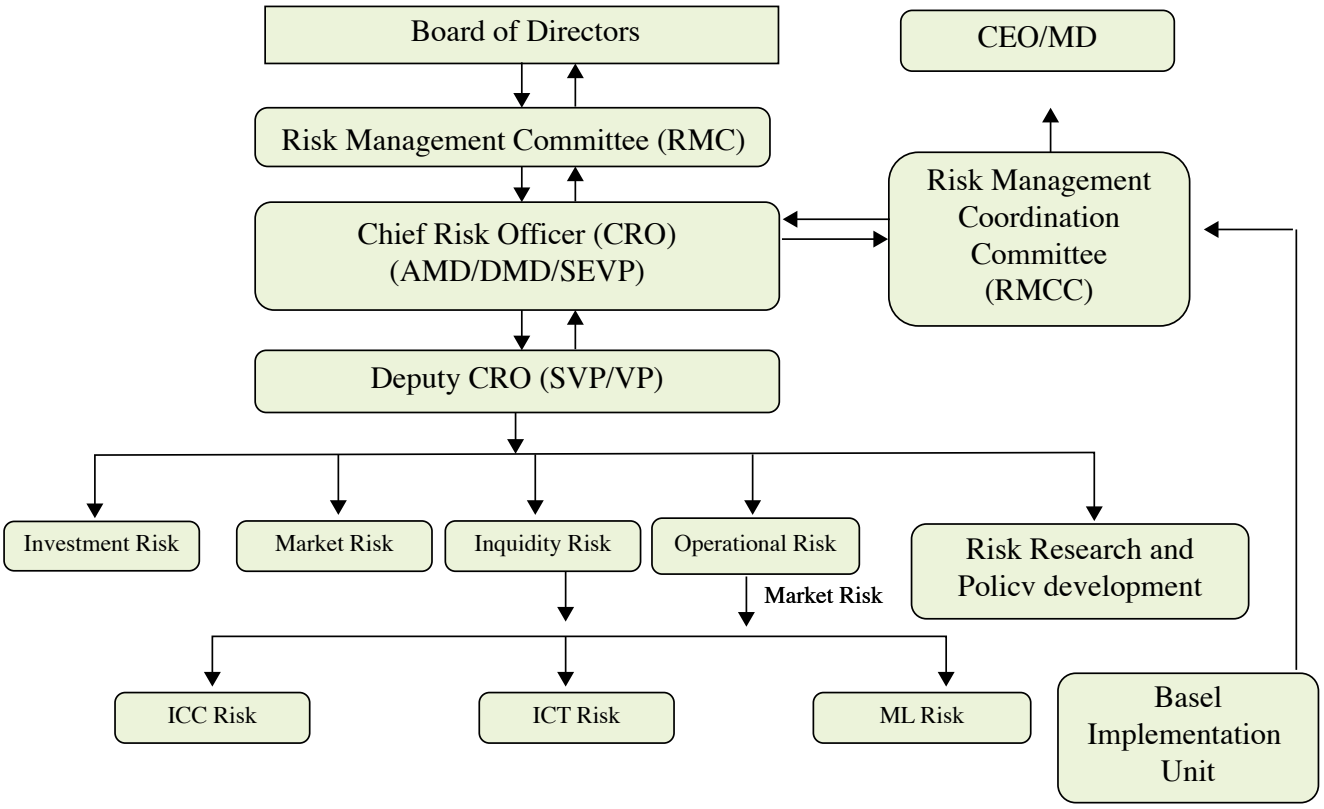
Tradition of Risk Management

IBBPLC. adopts, at least but not limited to, the following points to propagate risk culture across the Bank:

- The Board and the Management promote a responsible approach to risk;
- The responsibility of risk management is fully vested in the Board of Directors, which in turn delegates this to senior management;
- The risk management officials enjoy sufficient professional independence and stature;
- The Bank pays close attention to both quantifiable and unquantifiable risks;
- The bank's management ensures that risk and risk management awareness is enshrined throughout the bank; and
- The bank avoids any business where the associated risks cannot be objectively assessed or managed.

Risk Management Framework

The risk management framework of the bank is shown as under



Three Lines of Defense

Our risk management framework is subject to constant evaluation to ensure that it meets the challenges and requirements of the markets in which it operates, including regulatory standards and industry best practices. To achieve the objectives of the bank, IBBPLC.'s risk governance follows the three-lines-of-defense model:

1st Line of Defense	2nd Line of Defense	3rd Line of Defense
Day to day Risk Management & Management Control	Risk Oversight Policy & Methodology	Independent Assurance
• Business Units • Support Units	• Board Level Rist Management Committee • Chief Risk Officer • Management level Risk Management Committee • Risk Management Wing • Core Risk Management Committees	• Audit Committee • Internal Audit

Board's Oversight on Risk Management

The overall responsibility and oversight of risk management at the bank rest with the Board of Directors of the bank. The Board is responsible for approving risk appetite, which is the level of risk the bank desires to ascertain in pursuit of its business objectives. It regularly overviews the risk exposures and key controls and thereby oversees the management of the most significant risks. The Board monitors the 'tone at the top', our risk culture, and oversees emerging and strategic risks.

Risk Governance at Management Level

IBBPLC. has a strongly disciplined risk governance structure managed by an experienced senior team that enables the bank to manage the risks continuously. The bank's Risk Management Coordination Committee (RMCC) focuses on risk governance and provides a forward-looking view of risks and their mitigation. The RMCC meeting, chaired by the CRO, is arranged on a monthly basis. In the meetings, the top-most important risk issues are discussed, possible decisions for mitigation at their level are taken, and if not within their authority, they are forwarded to the RMC, where they are further discussed and approved if deemed fit.

Key Achievements in Risk Management during the Year 2023

We set out specific risk focus areas for 2023 and continued to make progress on these initiatives. We accomplished the following issues during the year 2023:

Arrangement of the Annual Risk Conference-2023;

- Arrangement of 12 meetings of the Risk Management Coordination Committee (RMCC) where all the risk-related issues were discussed, decisions were taken and implementation them against was ensured in due course;
- Review of the 'Risk Management Guidelines for IBBPLC. and all the Core Risk Management Policies in line with the instructions of Bangladesh Bank;
- Preparation of recovery plan of the bank based on 2022;
- Review of the position of asset quality, investment policy and classified investment of the bank;
- Preparation of Stress Testing Reports and Internal Capital Adequacy Assessment Process (ICAAP) report with supplementary documents under Supervisory Review Process (SRP) and placing the same before the Board for onward submission to Bangladesh Bank;
- Preparation of Comprehensive Risk Management Report (CRMR) and submission to Bangladesh Bank, and implementation of the decision of the RMCC on the findings of the CRMR;
- Preparation and review of the Risk Appetite Statement (RAS) of the bank for the year 2023;
- Compliance with Bangladesh Bank's core risk inspection reports.

Action Plan for the year 2024

Risk Management Wing has planned to address the following issues in 2024 to develop a strong risk management culture in IBBPLC.:

- Organizing the Annual Risk Conference (at least one day long) with the participation of all the branch managers and manager operations, including the officials related to risk issues;
- Keeping the risk rating up to the optimum level and ensuring proper risk management reporting, i.e., MRMR, CRMR, ICAAP, stress testing, Recovery Plan etc., to achieve the ultimate risk management goals;
- Reviewing and upgrading the 'Risk Management Guidelines for IBBPLC.' core risk management guidelines/policies and Recovery Plan of the bank in line with the instructions of Bangladesh Bank.
- Monitoring major and critical risk issues independently throughout the bank for compliance with the guidelines of the six core risks to secure a better risk rating;
- Preparation of the Risk Appetite Statement (RAS) of the bank;
- Preparation of "Guidelines on Profit Rate Risk in the Banking Book for IBBPLC." as per BRPD circular No. 06 dated 13.04.2021.
- Addressing concentration risk by diversifying the investment portfolio of the bank;
- Ensuring significant contribution in establishing sophisticated risk management infrastructure with a sufficiently robust database, data architecture and information technology;
- Reviewing the risks associated with agent banking, including sub-branches;
- Monitoring the level of operational risk in the bank's branches on a monthly basis to have a preventive effect and to help minimize the bank's operational risk;
- Developing the Key Risk Indicator (KRI) reporting format by maintaining the risk register.
- Implementation of control tests at branch level and building up awareness by ensuring the arrangement of training for the employees of all levels;
- Involving the employees at the branch level/operational level in identifying, analyzing, measuring and finally managing the risks of the bank as a collective effort; and
- Preparation for the implementation of the Prompt Corrective Action (PCA) Framework.

Core Risk Management

Following the guidelines of the Central Bank, IBBPLC. has designed and implemented its risk management guidelines and formed six core risk management committees for conducting separate meetings at least monthly. The major concerns of the committees are as follows:

(i) Investment Risk Management Committee supervises and monitors investment concentration, Internal Investment Risk Rating System (IIRRS/ ICRRS), corporate clients rating, non-performing investment, residual risk against investment, provision against classified investment, investment mix, asset quality etc.

(ii) Asset Liability Management Committee (ALCO) looks after the asset-liability risk, liquidity risk, Investment Deposit Ratio (IDR), Net Stable Funding Ratio (NSFR), deposit mix, investment mix, gap analysis etc.

(iii) Foreign Exchange Risk Management Committee oversees foreign exchange risk, treasury, net open position, import & export business, dealing room operations, anti-money laundering aspects in foreign exchange transactions, remittance etc.

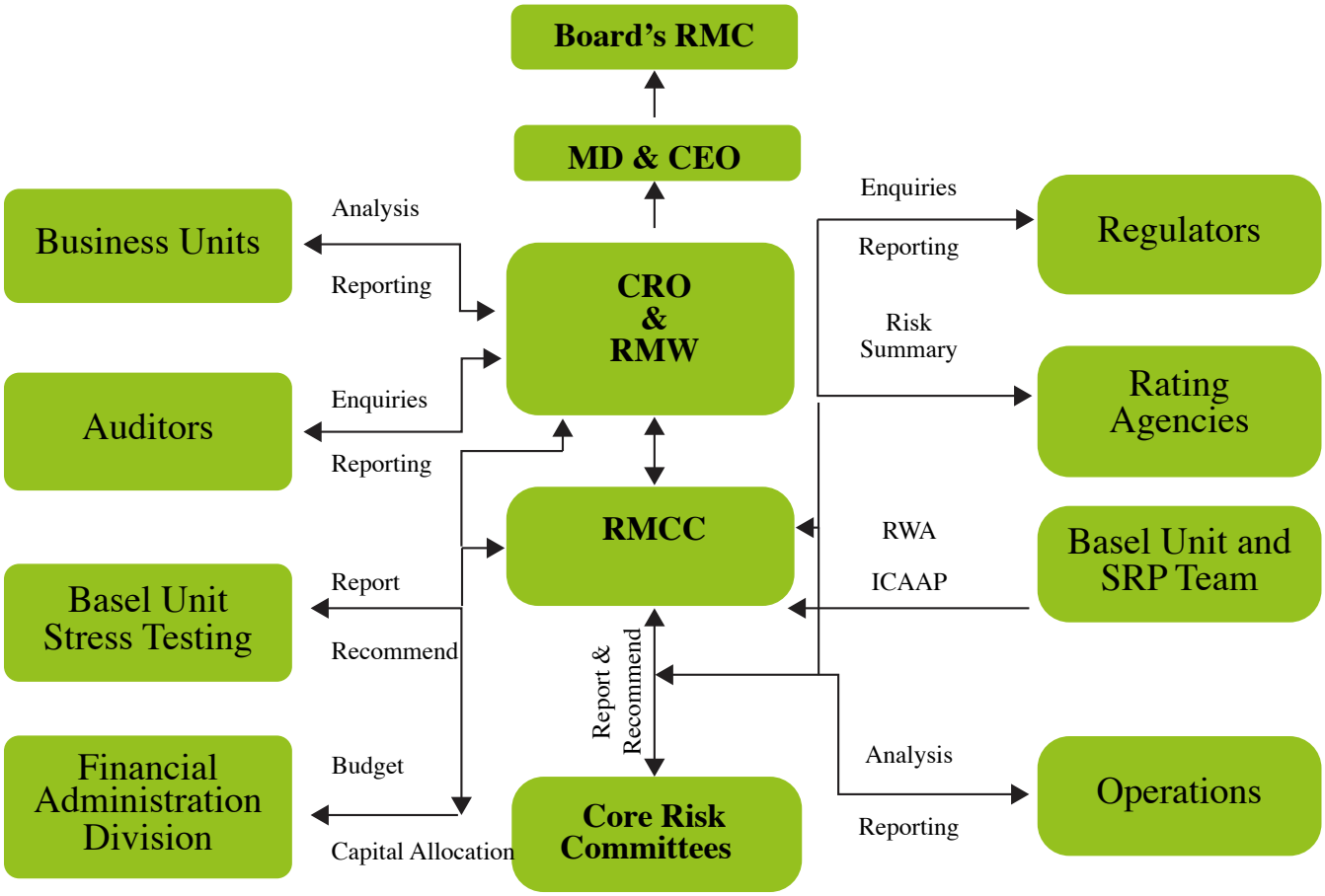
(iv) Internal Control and Compliance Risk Management Committee assesses and mitigates the risks related to compliance with regulatory requirements, internal checking system, lapses, fraud, forgeries, misappropriation, defalcation, violations of the set rules etc.

(v) Money Laundering Risk Management Committee ensures anti money laundering activities: STR, CTR, KYC, TP, Sanction Screening, central on-boarding and regulatory compliances.

(vi) Information & Communication Technology Risk Management Committee monitors and supervises the risks related to data security, physical security, network security, disaster recovery, fraud, forgery, Standard Certification of ICT issues, system failure and business continuity etc.

Relationship of Risk Management with Other Units

Risk management activities are directly or indirectly related to different units of the bank. The following flow diagram shows how the Risk Management Wing is involved with the overall risk management process of the bank.



Large Taxpayers Unit of National Board of Revenue awarded IBBPLC

Basel Accord and Implementation Status of Basel-III

For efficient and smooth implementation of the Basel III framework in the banking sector of the country, Bangladesh Bank issued Guidelines on Risk Based Capital Adequacy (RBCA) for banks. To implement the guidelines, we have formed three committees: (i) Basel Unit (ii) Operational Layer Committee of SRP Team and (iii) Supervisory Review Process (SRP) Team.

IBBPLC has successfully implemented the Basel-III Accord within the stipulated time given by Bangladesh Bank, i.e. December 2019. The latest status of the requirements of Basel-III is as follows:

Sl.	Parameters	Regulatory Requirement	Position of IBBPLC
1	Minimum Common Equity Tier-1 (CET-1) Capital Ratio	4.50%	4.72%
2	Capital Conservation Buffer (CCB)	2.50%	2.73%
3	Minimum CET-1 plus Capital Conservation Buffer	7.00%	7.45%
4	Minimum T-1 Capital Ratio	6.00%	8.73%
5	Minimum Total Capital Ratio	10.00%	10.00%
6	Minimum Total Capital plus Capital Conservation Buffer	12.50%	12.62%
7	Liquidity Coverage Ratio (LCR)	≥ 100%	48.74%
8	Net Stable Funding Ratio (NSFR)	>100%	100.09%

Supervisory Review Process (SRP)

As per Bangladesh Bank guidelines, IBBPLC. has formed a SRP Team for adequate supervision of capital functions and risks. The key principle of the Supervisory Review Process (SRP) is that bank has a process for assessing overall capital adequacy in relation to its risk profile and a strategy for maintaining its capital at an adequate level.

Internal Capital Adequacy Assessment Process (ICAAP)

ICAAP includes regulations for the bank's own supervisory review of capital positions, aiming to reveal whether it has prudent risk management and sufficient capital to cover its risk profile. It ensures that the bank maintains an amount of capital for additional risk that was not covered in Pillar I of Basel III. As per the approved ICAAP document, IBBPLC. conducts a rigorous review of its risk exposure and allocates the required capital for the same, which is reported annually to the Central Bank.

Stress Testing

Stress testing is an important risk management tool that provides an indication of how much capital might be needed to absorb losses in different stressed situations. IBBPLC. has a rigorous and comprehensive stress-testing program in place. The bank conducts periodical stress tests and assesses stress on the capital, both individual and combined shocks on different aspects.

Risk Appetite

Risk appetite describes the types and quantities of risks that the bank is prepared to take in executing its strategy and sets out the key business initiatives and probable financial effects of those initiatives. It is the maximum amount and type of risk that the bank is willing to assume in pursuit of its strategy.

Implementation of Core Risk Management Guidelines and other Specific Risks

Bangladesh Bank has issued six Core Risk Guidelines and Risk Based Capital Adequacy (RBCA) Guidelines that provide concepts, methods and processes with regard to the respective risk areas. IBBPLC. follows those guidelines and also reviews and updates them on a regular basis and gets approval from the Board. Apart from those, the SRP Guidelines and RBCA Guidelines of Bangladesh Bank cover some other specific risks. IBBPLC also manages those risks.

Investment Risk Management

Investment risk is the key factor of IBBPLC.'s risk management for determination of capital requirement, profitability, liquidity and many other risk elements involved therein. IBBPLC. handles this risk through a framework that sets out policies and procedures covering its measurement and management. There is a clear segregation between transaction originators at branch level and sanction approvers at Head Office level.

The Bank adopts Internal Investment Risk Rating System (IIRRS) and counterparty rating for evaluation of investment proposals. These ratings are reviewed by the Sanctioning Authority before final approval of the investment. Risk rating is also performed externally by appointing well-recognized external risk rating agencies to meet the requirements of Basel III.

Asset-Liability Management Risk

IBBPLC. has a dedicated committee named the Asset Liability Management Committee (ALCO), comprising the top executives of the bank, to make important decisions related to the risks associated with the balance sheet, liquidity and profit rate of the bank. The committee generally meets once a month and reviews the Asset Liability Management (ALM) Manual and its components on a regular basis

Liquidity Risk

Liquidity risk arises when the bank, despite being solvent, cannot generate sufficient cash resources to meet its payment obligations as they fall due or can only do so at materially disadvantageous terms. IBBPLC. being a Sharia'h-based bank, cannot lend or borrow money from the conventional money market. As such, it remains concerned and vigilant regarding liquidity risk. IBBPLC. continuously monitors the liquidity ratios and periodically conducts GAP and Duration GAP analyses.

As of December 31, 2023, the key liquidity ratios were as follows:

Sl.	Name of the Ratio	Standard Ratio	IBBPLC's Ratio
1	Cash Reserve Ratio (CRR)	4%	5.10%
2	Statutory Liquidity Requirement (SLR)	5.50%	6.04%
3	Investment Deposit Ratio (IDR)	<92%	91.90%
4	Liquidity Coverage Ratio (LCR)	≥100%	48.74%
5	Net Stable Funding Ratio (NSFR)	>100%	100.09%

Contingency Planning

While it is the bank's policy to ensure sufficient liquidity to meet any emergency, the bank may experience liquidity problems due to both external and internal conditions. Accordingly, the bank has a liquidity contingency plan to overcome such situations.

Foreign Exchange Risk Management

Foreign Exchange risk is the risk of loss from movements in cross-currency exchange rates between foreign currencies and from changes in the value of the home or functional currency against other currencies. The foreign exchange risks of IBBPLC. are identified, measured, monitored and controlled through proper market analysis, adherence to different dealing limits such as daylight, overnight, stop loss limit, off-premises dealing limit, Management Action Trigger (MAT), and counterparty investment limits as proposed by the Treasury and Fund Management Division.

Internal Control and Compliance Risk Management

To develop sound, sustainable and secure growth of the bank, there is a separate wing called the Internal Control & Compliance Wing. The Audit Committee of the Board reviews the lapses identified by the Audit & Inspection Division of the bank, Bangladesh Bank and other regulators. Appropriate actions are, then, taken as per the decisions of the Committee to protect the bank's interests.

Money Laundering Risk Management

The bank is committed to complying with all the applicable rules of the Money Laundering Prevention Act, the Anti-Terrorism Act, BFIU Circulars and FATF Recommendations. The bank has formed an independent Central Compliance Committee (CCC) under the leadership of the CAMLCO and established a separate division, namely the Money Laundering and Terrorist Financing Prevention Division in its organogram. The bank's money laundering and terrorist financing control policy continues to be updated to reflect best practice expectations.

Independence & National Day observed by IBBPLC.

ICT Security Risk Management

The bank has adequately addressed the ICT security risk that ensures ICT security functions and operations in a more effective manner. The bank uses its own developed core banking software to perform all types of transactions, including local/online/internet in a secure way. To take care of its core banking system, a separate security module has been incorporated into the software, which manages different roles for different users. All financial transactions can be tracked for future audit purposes. The bank uses a central data center travelling through the network and uses encryption and decryption mechanisms.

Strategic Risk

The aim of strategic risk management is to strengthen the bank´s earnings resilience and protect it against undue earnings volatility to support overall risk appetite targets. We aim to achieve this by identifying, assessing, limiting, mitigating, and monitoring key strategic risks. In order to minimize strategic risk, the bank adopts the following steps:

- Involvement of all levels of management in formulating strategy;
- Establishment of a robust strategic planning process; and
- Regular reviews on incorporating changes to the strategic environment.

Business Continuity Plan

A business continuity plan enables critical services or products to be continually delivered to clients. Instead of focusing on resuming a business after critical operations have ceased, or recovering after a disaster, a business continuity plan endeavors to ensure that critical operations continue to be available. IBBPLC. has a data center, a disaster recovery site and a disaster recovery system that are well equipped, designed, managed and monitored by the Information & Communication Technology Wing.

Some Specific Risks for Islamic Banking

IBBPLC. may also face some specific risks due to its extraordinary operations in addition to the usual risks, such as fiduciary risk, displaced commercial risk, liquidity risk for a lack of a non-structured Islamic financial market and Shari'ah compliance risk. The bank always remains vigilant, stringent and proactive to address and mitigate the risks.

Islami Bank received recognition for collecting remittance

Capital Plan

Capital Planning is a dynamic and ongoing process of incorporating changes in a bank's strategic focus, risk tolerance level, business plan, operating environment, or other factors that materially affect capital adequacy. Capital planning assists the bank's policy makers and management to identify risks, minimize the bank's overall risks, set risk tolerance levels and assesses strategic choices in longer-term planning. Bangladesh Bank, in line with Basel III recommendations, also emphasized the capital planning in the Revised Guidelines on Risk Based Capital Adequacy (RBCA) framework.

Fundamental components of sound capital planning process

The capital planning process is tailored with the overall risk, complexity and corporate structure of the Bank. While the content, extent and depth of the capital planning process may vary, we have an effective capital planning process to address the same in line with the Basel guideline which include the following:

- Internal control and governance;
- Capital policy and risk appetite;
- Forward-looking view;
- Management framework for preserving capital.

The purposes and objectives of Capital Planning:

The general purpose of the capital planning process is to ensure current capital adequacy and to plan for future capital needs. The general objective of this policy is to manage the capital position, not only to ensure compliance with bank regulations but also to ensure capital adequacy for future bank expansion.

Risk Appetite of IBBPLC.

Islami Bank Bangladesh PLC has determined Risk Appetite for possible measurable risk areas. Risk Appetite expresses the level of risk that IBBPLC is willing to assume within the risk capacity in order to achieve business objectives. Risk Appetite Statement has been approved by the Board of Directors.

Capital Structure

IBBPLC. gives due importance on quality of its capital in order to comply with the adequate capital requirement set by Bangladesh Bank. IBBPLC. historically maintained sound Tier-1 capital base which has the highest loss absorption capability on-going concern basis. In addition to common equity Tier-1 capital, we also maintain other types of capital instruments under Tier-2 capital in order to optimize capital mix and reduce overall costs of capital.

Capital Initiatives

IBBPLC. Manages its capital position proactively in order to meet stringent Basel III capital requirement. In order to strengthen its capital base, IBBPLC. subscribed 7 (seven) years 'IBBL Mudaraba Redeemable Non-Convertible Subordinated Bond' of Tk.5, 000 million out of Tk. 8,000 million issued in 2023.

Market Discipline: Disclosures on Risk Based Capital under Basel III as on 31 December 2023

Background

The purpose of Market Discipline in Basel III is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a Bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, this "Disclosures on Risk Based Capital (Basel III)" is made as per Bangladesh Bank's Guideline.

A) Scope of Application

Qualitative Disclosures	
a) The name of the top corporate entity in the group to which this guidelines apply: b) An outline of differences on the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group	**Islami Bank Bangladesh PLC.** The Consolidated Financial Statements of the bank include the financial statements of (i) Islami Bank Bangladesh PLC. (including Off-Shore Banking Units (OBUs). (ii) Islami Bank Securities Limited (iii) Islami Bank Capital Management Limited. A brief description of the Bank (Main Operation) and its subsidiaries are given below:
(a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk - weighted).	**Islami Bank Bangladesh PLC.** Islami Bank Bangladesh PLC. was incorporated on March 13, 1983 as a Public Limited Company (Banking Company) with limited liability under the Companies Act 1994 as interest free Islamic Shari'ah based commercial bank and commenced its operation on March 30, 1983 with the permission of Bangladesh Bank. The authorized and paid up capital of the bank respectively stood at Tk.20,000 million and Tk. 16,099.91 million as on December 31, 2023. Presently the Bank is operating its business through Head Office having 394 Branches (including 30 SME/ Agriculture Branches and 237 Sub-branches), 2986 own ATM booths and Cash Recycling ATM all over Bangladesh. The shares of the Bank are listed with both the Stock Exchanges of the country, i.e. Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. **Subsidiary Companies** **i) Islami Bank Capital Management Limited (IBCML)** IBCML is a fully owned subsidiary of IBBPLC. IBCML was established in April 01' 2010 under the Companies Act 1994 as a Public Limited Company with Authorized Capital of Tk.1,000.00 million & Paid-Up Capital of Tk.300.00 million. The Company was established as per Bangladesh Bank Letter No. BRPD(R-1)717/2010-47 dated 07 February 2010. The registered Office of IBCML is located at 65, Dilkusha C/A in Dhaka, Bangladesh. The Company has obtained Merchant Banker Registration Certificate No. MB-95/2019 date: March 31' 2019 from Bangladesh Securities & Exchange Commission to operate the activities of Issue Manager/Underwriting/Portfolio Manager.

	ii) Islami Bank Securities Limited (IBSL) IBSL is also a fully owned subsidiary of IBBPLC. IBSL was incorporated in March 22' 2010 as a Public Limited Company under Companies Act, 1994 with the objectives to carry out business of Stock Broker & Dealer in the capital market. The authorized and paid up capital of the company stood at Tk.5,000 million and Tk.2,700 million respectively as on December 31, 2023. The overall increase of activities in Brokerage operation plays an important role in the improvement of capital market of the country and enhances earning capability of IBBPLC through corporate declaration. **Off-shore Banking Unit (OBU)** Off-shore Banking Unit is a separate business unit governed by the applicable rules & regulations and guidelines of Bangladesh Bank. IBBPLC got permission to operate Off Shore Banking unit in its 3 Branches under International Banking Wing.
c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	- Not Applicable.
d) The aggregate amount of capital surplus capital of insurance subsidiaries included in the capital of the consolidated group.	- Not Applicable.

B) Capital Structure

Qualitative Disclosures	
Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET1, Additional Tier-1 or in Tier-2 Capital.	As per the guidelines of Bangladesh Bank, CET-1 Capital of IBBPLC consists of (i) Fully Paid-up Capital, (ii) Statutory Reserve, (iii) General Reserve (iv) Non-Repayable Share Premium Account (v) Retained earnings (vi) Dividend equalization account and (vii) Minority interest in subsidiaries. Additional Tier-1 consists of Subordinated Debt (Mudaraba Perpetual Bond) (up to max. 1.5% of the Total RWA or 33.33% of CET1, whichever is higher). Tier-2 Capital consists of applicable amount of (i) General Provision (against Un-Classified Investments, Off-Balance Sheet exposure & Off-Shore Banking Units)(ii) Assets Revaluation Reserves 50% of outstanding position as on 31 December' 2014, (iii) Revaluation Reserve for Securities 50% of outstanding position as on 31 December' 2014 (iv) Revaluation Reserve for equity instruments 10% of outstanding position as on 31 December' 2014 and (v) Subordinated Debt (Mudaraba Redeemable Bond) (Tier-2 Capital up to max. 4.0% of the total RWA or 88.89% of CET-1, whichever is higher).

Qualitative Disclosures

The Amount of Tier 1 Capital with separate disclosure

Sl. No.	Particulars	BDT in million	
		Solo	Consolidated
i	Fully paid-up-capital	16,099.91	16,099.91
ii	Statutory Reserve	22,735.47	22,735.47
iii	Non-repayable share premium account	1.99	1.99
iv	General reserve	23,609.33	23,688.45
v	Retained earnings	1,609.99	3,178.70
vi	Non-controlling interest in subsidiaries	-	0.31
vii	Dividend equalization fund	32.00	32.00
viii	**Common Equity Tier-1 (i to vii)**	**64,088.68**	**65,736.83**
ix	Less: Regulatory Adjustment (Intangible Assets)	121.40	121.76
x	**Common Equity Tier-1 (viii – ix)**	**63,967.28**	**65,615.07**
xi	Additional Tier-1 (AT1) (Mudaraba Perpetual Bond)	11,000.00	11,000.00
A	**Total Tier-1 Capital (x +xi)**	**74,967.28**	**76,615.07**
i	General Provision (Unclassified investment, SMA and off-balance sheet exposure)	18,009.43	18,009.43
ii	Mudaraba Subordinated Debt (Non-Convertible Subordinated Bond)	15,400.00	15,400.00
B	**Tier-2 Capital (i to ii)**	**33,409.43**	**33,409.43**
C	**Total eligible capital (Regulatory Capital) (A+B)**	**108,376.71**	**110,024.50**

C) Capital Adequacy

Qualitative Disclosures	
a) A summary discussion of the Bank's approach to assess the adequacy of its capital to support current and future activities.	The Bank has adopted Standardized Approach (SA) to compute capital charge for investment risk and market risk, and Basic Indicator Approach (BIA) for operational risk. Assessment of capital adequacy is carried out in conjunction with the capital adequacy reporting to Bangladesh Bank. The Bank has maintained Capital to Risk-weighted Asset Ratio (CRAR) at 12.82% & 12.62% based on "Consolidated" and "Solo" respectively as against the minimum regulatory requirement of 10% plus Capital Conservation Buffer of 2.50% totaling of 12.50%. Tier-1 Capital to Risk Weighted Asset Ratio under "Consolidated" basis is 8.93% and "Solo" basis is 8.73% as against Minimum Tier-1 requirement of 6.00%. The Bank's policy is to manage and maintain strong Capital Adequacy Ratio through investing high rating grade investment clients. The Bank maintains adequate capital that is sufficient to absorb all material risks associated with the Bank. The Bank also ensures that the levels of capital comply with regulatory requirements and satisfy the external rating agencies and all other stakeholders including depositors.

Quantitative Disclosures

Sl. No.	Particulars	BDT in million	
		Solo	Consolidated
a	Capital requirements for Investment risk	77,742.21	77,633.67
b	Capital requirements for Market risk	1,073.31	1,073.31
c	Capital requirements for Operational risk	7,028.12	7,122.52
d	**Minimum Capital Requirement (a+b+c)**	**85,843.64**	**85,829,50**
e	Capital Conservation Buffer (CCB) Required	2.50%	2.50%
f	Capital Conservation Buffer (CCB) Maintained	2.62%	2.82%
g	**Capital to Risk-weighted Assets Ratio (CRAR)**		
i	Total CRAR	12.62%	12.82%
ii	CET Ratio	7.45%	7.64%
iii	Tier-1 Ratio	8.73%	8.93%
iv	Tier-2 Ratio	3.89%	3.89%

D) Investment (Credit) Risk

Qualitative Disclosures

a) The General Qualitative disclosure requirement with respect to credit risk, including

i) Definitions of past due and impaired (for accounting purposes):	**Past Due:** As per Bangladesh Bank guidelines, any Investment if not repaid within the fixed expiry date will be treated as Past Due/ Overdue. **Impaired:** An Investment where profit and/or installment of principal remain for more than 90 days in respect of a Continuous Investment, Demand Investment or a Term Investment etc. except Term Investment below Tk. 1 million will be treated as Impaired (NPI). Bangladesh Bank issued Circulars from time to time for strengthening Investment (Credit) discipline and brings provisioning. All Investments/ loans & advances will be grouped into four (4) categories for the purpose of classification, namely (a) Continuous Investment/Loan (b) Demand Investment/Loan (c) Fixed Term Investment/Loan & (d) Short-term Agricultural & Micro Investment. The above Investment (Credit) are classified as follows: **Continuous and Demand Investment/ loan are classified as:** ● 'Sub-standard'if it is past due/overdue for 3 (three) months or beyond but less than 9 months; ● `Doubtful'if it is past due/overdue for 9 (nine) months or beyond but less than 12 (twelve) months; ● `Bad/Loss'if it is past due/overdue for 12 (twelve) months or beyond from the date of expiry or claim by the bank/date of overdue. **Fixed Term Investment (Loans), which are repayable by installment(s)are classified as: -** ● 'Sub-standard'if it is past due/overdue for 9 (nine) months or beyond but less than 15 (fifteen) months; ● `Doubtful'if it is past due/overdue for 15 (fifteen) months or beyond but less than 18 (eighteen) months; ● `Bad/Loss' if it is past due/overdue for 18 (eighteen) months or beyond from the date of expiry or claim by the bank or from the date of overdue.

	Cottage, Micro and Small Investment under CMSME: A Continuous, Demand are classified as: ● 'Sub-standard'if it is past due/overdue for 6 (Six) months or beyond but less than 18 (eighteen) months; ● `Doubtful'if it is past due/overdue for 18 (eighteen) months or beyond but less than 30 (Thirty) months; ● `Bad/Loss'if it is past due/overdue for 30 (thirty) months or beyond from the date of expiry or claim by the bank/ date of overdue. **Cottage, Micro and Small Investment for Fixed Term Investment/ Loan are classified as:** ● 'Sub-standard' if it is past due/overdue for 12 (twelve) months or beyond but less than 24 (twenty four) months; ● `Doubtful' if it is past due/overdue for 24 (twenty four) months or beyond but less than 36 (Thirty six) months; ● `Bad/Loss' if it is past due/overdue for 36 (thirty six) months or beyond from the date of expiry or claim by the bank/ date of overdue **Short-term Agricultural and Micro-Investment are classified as:** If not repaid within the due date as stipulated in the Investment (loan) agreement. If the said irregular status continues, the Investment (credit) will be classified as **'Substandard '**after a period of 12 months, as **'Doubtful'** after a period of 36 months and as **'Bad/Loss'** after a period of 60 months from the stipulated due date as per Investment (loan) agreement **Special Mention Account of Continuous, Demand and Fixed Term Investment:** A continuous and Demand investment/loan which will remain overdue for a period of 02 (two) months to below 3 months will be put into the Special Mention Account (SMA) from the date of expiry. Term Investment which will remain overdue for a period of 08 (two) months to below 9 months will be put into the Special Mention Account (SMA) from six month of Expiry date.
ii) Description of approaches followed for specific and general allowances and statistical method;	**Provision for investments is made on the basis of quarter-end review by the management and instructions contained in BRPD Circular no. 14 dated 23 September 2012, BRPD Circular no. 04 dated 29 January 2015, BRPD Circular no. 08 dated 02 August 2015, BRPD Circular No.12, dated 20 August, 2017, BRPD Circular No. 12 dated 20 August, 2017, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular no. 03 dated 21 April 2019, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no.51& 53 dated 30 December 2021, BRPD Circular no. 14 dated 22 June 2022, BRPD Circular no. 51 dated 18 December 2022, BRPD Circular no. 53 dated 22 December 2022 and BRPD Circular no. 03 dated 02 February 2023, Details are given below:** The Bank follows the specific and general provision for investment/ loan on the basis of Bangladesh bank Guidelines issued from time to time.

The rate of provision are given below:

a) General Provision: The Bank maintains General Provision in the following way :

(1) @ 0.25% against all unclassified loans of Small and Medium Enterprise (SME) as defined by the SME & Special Programs Department of Bangladesh Bank from time to time and @ 1% against all unclassified Investments (other than Investments/loans to Brokerage House, Merchant Banks, Stock dealers etc., Special Mention Account as well as SME Financing.)

(2) @ 1% on the unclassified amount for Consumer Financing whereas it has to maintain @ 2% on the unclassified amount for Investments/ Loans for Professionals to set up business under Consumer Financing Scheme.

(3) @ 1% on the unclassified amount for Investments/Loans to Brokerage House, Merchant Banks, Stock dealers, etc.

(4) @1% on the off-balance sheet exposures except Bills for Collection. Provision maintained against Bank Guarantees in the following way

BB rating grade equivalence of the Bank providing the counter-guarantee	Provision requirement (1% of the exposure amount)	
1	**NIL**	**Nil**
2	0.50	
3 or 4	0.75	
Others	1.00	

(5) At 1% & 2 % on Special Mansion Account as well as Unclassified Investments (CMSME& Others) have been maintained as 'Special General Provision-COVID-19' as per BRPD Circular No. 53, dated: December 22, 2022

b) Specific Provision: Provision maintained against Classified Investments/ Loans at the following rates for other than CMSME clients:

(1) Sub-standard : 20%
(2) Doubtful : 50%
(3) Bad/Loss : 100%

c) Provision for Short-term Agricultural &Micro-Investments

(1)'Unclassified and SMA' : 1%
(2)'Sub-standard' and 'Doubtful' : 5%
(3) Bad/Loss : 100%

d) Provision for Cottage, Micro& Small Investments under CMSME

(1) Sub-standard : 5%
(2) Doubtful : 20%
(3) Bad/Loss : 100%

iii) Decision of the Bank's Investment (Credit) Risk Management Policy;

The Bank has put in place a well-structured Investment/Credit Risk Management Policy known as Investment Risk Manual approved by the Board. The Policy document defines organization structure, role and responsibilities and, the processes whereby the Investment (Credit) Risks carried by the Bank can be identified, quantified and managed within the framework that the Bank considers consistent with its mandate and risk tolerance.

Authorities are properly delegated ensuring check and balance in investment operation at every stage i.e. screening, assessing risk, identification, management and mitigation of investment risk as well as monitoring, supervision and recovery of investments by Grading of Investment clients as Blue, Green, Grey, Yellow, Red and Brick Red.

Bank has framed Investment Policy, Investment Assessment & Risk Grading, Approval Authority, Internal Audit Approval Process, Investment Administration, Investment Monitoring, Investment Recovery etc. Status of investments is regularly reported to the Board /Executive Committee of the Bank.

Qualitative disclosures

a) Total General Investment/Credit exposures broken down by major types of Investment modes

Particulars	BDT in million
Bai-Murabaha	871,988.41
Bai-Muajjal	100,714.90
Hire Purchase under Shirkatul Melk	267,149.48
Hire Purchase under Shirkatul Melk (HPSM in FC-OBU)	11,176.97
Hire Purchase under Shirkatul Melk (HPSM in FC-GTF)	2,442.53
Bai-Murabaha Import Bills	34,704.63
Baim FC Bills	18,293.06
Musharaka	269.02
Mudaraba Investments	5,000.10
Bai-Salam	19,387.83
Mudaraba Foreign Currency Investments	23,979.45
Quard	57,561.03
Investment in Khidmah Card	2,684.75
Bill Purchase and Discounted	184,913.50
Total Investments	**1,600,265.66**

b) Area wise distribution of exposures of Investments/credit exposure

Particulars	BDT in million
In Rural Areas	96,176.04
In Urban Areas	1,504,089.62
Total	**1,600,265.66**

c) Division wise distribution of Investment/credit exposures the bank

Particulars	BDT in million
Dhaka Division	701,875.84
Chattagram Division	483,920.70
Khulna Division	90,895.16
Rajshahi Division	212,355.42
Barishal Division	20,163.36
Sylhet Division	19,683.28
Rangpur Division	49,768.30
Mymensing Division	21,603.60
Total Investments	**1,600,265.66**

d) Major industry type wise distribution of exposures of investment/credit

Particulars	BDT in million
Economic purpose wise investment	
Investment to Directors	-
Investment to CEO & Sr. Executives	1,324.94
Trade & Commerce	502,502.83
Real Estate	91,298.32
Transport	7,852.65
Agriculture (including fertilizer & agriculture implements)	50,737.80
Industrial investment*	887,058.51
Others	59,490.61
Total	**1,600,265.66**
Industrial Investment	
Textile-Spinning, weaving & dyeing	198,833.72
Garments & garments accessories	99,056.51
Steel, re-rolling & engineering	113,997.57
Agro-based Industry	235,800.64
Food & Beverage	19,889.91
Cements Industry	18,896.55
Pharmaceuticals	4,965.65
Poultry, Poultry feed & Hatchery	3,431.75
Sanitary Wares	88.86
Chemicals, Toiletries & Petroleum	18,292.56
Printing & Packaging	18,150.78
Power (Electricity)	14,966.94
Ceramic & Bricks	18,916.96
Healthcare (Hospital & Others)	8,987.63
Plastic Industries	9,946.27
Petrol Pump, & CNG Filling Station	2,953.94
Information Technology	291.26
Hotel & Restaurant	1,928.87
Other Industries	97,662.14
Total	**887,058.51**

e) Maturity wise breakdown of investment excluding Bill purchased and discounted, broken down by major types of investment/credit exposures

Particulars	BDT in million
Repayable on Demand	145,151.21
Up to 1 month	64,232.02
Over 1 month but not more than 3 months	150,695.24
Over 3 months but not more than 1 year	514,149.38
Over 1 year but not more than 5 years	219,868.89
Over 5 years	321,255.42
Total	**1,415,352.16**

f) By major industry or counterparty type

i) Amount of past due investment/loans provided separately:

Particulars	BDT in million
Special Mention Account (SMA)	16,288.69
Sub-Standard (SS)	17,303.07
Doubtful (DF)	5,938.65
Bad & Loss (B/L)	45,946.39
Total	**85,476.80**

ii) Specific & General Provisions

Specific and General Provision were made on the amount of following classified and unclassified investments/loans, Off-Balance Sheet exposure of the bank according to Bangladesh Bank guidelines:

Particulars	BDT in million
Unclassified Investments	1,531,077.55
Classified Investments	69,188.11
Off-Balance Sheet Exposures	223,707.33
Total	**1,823,972.99**

iii) Charges for specific allowances and charge-off as on 31.12.2023

Cumulative specific and general provision as on 31.12.2023 were made on the amount of classified investment, Unclassified Investment and Off-Balance Sheet Exposures:

Particulars	BDT in million
General Provision for Unclassified Investment	16,942.46
General Provision for Off-Balance Sheet Exposures	1,066.97
Specific Provision for Classified Investment	48,662.86
Total General & Specific Provision	**66,672.29**

iv) Gross Non-Performing Assets

Movement of Non-Performing Assets (NPAs):

Particulars	BDT in million
Opening Balance	54,022.01
Addition	199,110.00
Reduction	183,943.90
Total classified investment at the end of the year	**69,188.11**

v) Movement of specific provisions for NPAs

Particulars	BDT in million
Opening Balance	42,073.98
Recoveries of amount previously written-off	287.69
Provisions made during the period	6,307.83
Fully provided Investment write-off/waived/transferred	(6.64)
Total provision held against classified investment at the end of the year	**48,662.86**

vi) Provision made during the period includes provision made against subjective judgment.

E) Equities: Banking Book Positions

Qualitative disclosures

The general qualitative disclosures requirement with respect to equity risk include:	
• Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	Investment in equity securities are broadly categorized into two parts: i) Quoted Securities (common or preference share & mutual fund) that are traded in the secondary market (Trading Book Assets). ii) Unquoted Securities are categorized as banking book equity exposures which are further sub-divided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM). Securities those are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Unquoted securities are valued at cost.
• Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	The primary objective is to invest in equity securities for the purpose of capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received and when right to receive is established. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price. As per Bangladesh Bank guidelines, the HFT equity securities are revaluated once in each week using mark to market concept and HTM equity securities are amortized once a year according to Bangladesh bank guideline. The HTM equity securities are also revalued if any, are reclassified to HFT category with the approval of Board of Directors.

Quantitative Disclosures

Sl.	Particulars	As on December 31, 2023 (BDT in million)	
		Solo	Consolidated
a	Value disclosed in the balance sheet of investments, as well as the fair value of those investments, for quoted securities a comparison to publicly quoted share values where the share price is materially different from fair value.	1,951.27	3,886.31
b	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	22.83	118.30
c	Total unrealized gains (losses).	(571.20)	(1,773.39)
d	Total latent revaluation gains (losses)	-	-
e	Any amounts of the above included in Tier – 2 capital.	-	-
f	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.		
i	Specific Market Risk	198.40	198.40
ii	General Market Risk	198.40	198.40

F) Profit Rate Risk in the Banking Book

Qualitative Disclosures

a) The general qualitative disclosure requirement including the nature of Profit Rate Risk in the Banking Book (PRRBB) and key assumptions, including assumptions regarding investment prepayments and behavior of non-maturity deposits, and frequency of PRRBB measurement.	Profit rate risk is the risk where changes in market profit rates might adversely affect bank's financial condition. Changes in profit rates affect both the current earnings (earnings perspective) as well as the net worth of the bank (economic value perspective). Re-pricing risk is often the most apparent source of profit rate risk for a bank and is often gauged by comparing the volume of a bank's assets that mature or re-price within a given time period with the volume of liabilities that do so.

Quantitative Disclosures

BDT in million

Particulars		1-90 days	Over 3 Months to 6 Months	Over 6 Months to 9 9 Months	Over 9 Months to 12 Months
The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring PRRBB, broken down by currency (as relevant)	Rate Sensitive Assets	543,866	276,389	74,354	191,196
	Rate Sensitive Liabilities	755,904	142,854	35,685	101,566
	GAP	(212,038)	133,535	38,669	89,630
	Cumulative Gap	(212,038)	(78,503)	(39,834)	49,795
	Adjusted profit rate changes (PRC)	1%	1%	1%	1%
	Quarterly earnings impact (Cum. Gap*PRC)	(530.09)	333.84	96.67	224.07
	Accumulate earning impact to date	(530.09)	(196.26)	(99.59)	124.49

Market Risk

Qualitative Disclosure

i) Views of BOD on trading / investment activities	The Board approves all necessary policies related to market risk, sets various internal limits to monitor and review compliance on a regular basis. The objective of market risk management is to minimize the impact of losses on bank's earnings and shareholders' equity.
ii) Methods used to measure Market risk	The Bank measures impact on profitability and impact on asset prices under market risk through Maturity GAP Analysis, Sensitivity Analysis, VaR, and Mark to Market. Capital requirement under market risk as per Standardized rule based approach of Basel-III, is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category, minimum capital requirement is measured in terms of two separately calculated capital charges for "specific risk" and "general market risk".
iii) Market Risk Management system	The Bank has its own Market Risk Management System, which includes Asset Liability Risk Management (ALM) and Foreign Exchange Risk Management under core risk management guidelines. The Treasury Division manages market risk covering liquidity, profit rate, foreign exchange and equity price risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director & CEO. ALCO meets at least once in a month to monitor and oversee among others the overall market risks.

iv) Policies and processes for mitigating market risk	The bank has put its Asset Liability Management policy by setting various risk limits for effective management of market risk and ensuring that the operations are in line with bank's expectation of return to market risk through proper Asset Liability Management. The effectiveness of approved policies is monitored on an on-going basis. Foreign Exchange Open Position limits (Day limit / Overnight limit), Deal-wise cut-loss limits, Stop-loss limit, Profit / Loss in respect of cross currency trading are properly monitored and exception reporting is regularly carried out. Holding of equities is monitored regularly so that the investment remains within the limit as set by Bangladesh Bank. Asset Liability Management Committee (ALCO) analyzes market and determines strategies for mitigating market risks. Reconciliation of foreign transactions is also carried out regularly.

Quantitative Disclosure

Capital Requirement for	BDT in million	
	Solo	Consolidated
Profit (Interest) Rate Risk	-	-
Equity Position Risk	396.80	396.80
Foreign Exchange Risk	676.51	676.51
Commodity Risk	-	-
Total Capital Requirement for Market Risk	**1,073.31**	**1,073.31**

H) Operational Risk

Qualitative Disclosures

i) Views of BOD on system to reduce Operational Risk	Operational risk is the risk of loss or harm resulting from inadequate or failure of internal processes, people and systems or from external events. The policy for measuring and managing operational risks including internal control & compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control & Compliance to protect all operational risks. As a part of continued surveillance, the Management Committee (MANCOM), Risk Management Co-ordination Committee (RMCC), Risk Management Committee (RMC) of Board and Risk Management Wing (RMW) regularly review different aspects of operational risks and suggest to formulate appropriate policies, tools & techniques for mitigation of operational risk.
ii) Performance gap of executives and staff	IBBPLC has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. It recognizes the importance of having the right people at right positions to achieve organizational goals. The learning and development strategy puts special focus on continuous professional development to strengthen individual's skill set by removing weaknesses to perform the assigned job with perfection. The strong brand image of IBBPLC plays an important role in employee motivation. As a result, there is no significant performance gap.
iii) Potential external events	No potential external events are expected to expose the Bank to significant operational risk.

iv) Policies and processes for mitigating operational risk	The policies for operational risks including internal control & compliance risk are approved by the Board taking into account relevant guidelines of Bangladesh Bank. The bank has put its policy guidelines on Risk Based Internal Audit (RBIA) system with a view to rating the branches. As per provision of RBIA, branches are rated according to their risk grading/scoring. Subsequently, Audit Division prepares their audit plan, procedure and frequency of audit to be conducted on Branches. All the business units and supporting units of Head Office primarily identifies operational risk issues through Departmental Control Function Check List (DCFCL) and Audit Division regularly reviews the reports and ensure implementation of the same. Bank's anti money laundering activities are continuously monitored by Chief Anti Money Laundering Compliance Officer (CAMLCO). The activities of Money Laundering and Terrorist Financing Division (MLTFPD) are devoted to protect all money laundering and terrorist finance related activities. Apart from that, there is adequate check & balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.
v) Approach to calculating capital charge for operational risk	Basic Indicator Approach is being used for calculating capital charge for operational risk as of the reporting date.

Quantitative Disclosures

As per the Risk Based Capital Adequacy Framework, the capital charge for operational risk is equal to 15% of average positive annual Gross Income of the previous three years:

Capital Requirment	BDT in million	
	Solo	Consolidated
In line with the above, the Bank has adopted the Basic Indicator Approach for computing capital to operational risk.	7,028.12	7,122.52

I) Liquidity Risk

Qualitative Disclosure

) Views of BOD on system to reduce liquidity risk	The Board approves the significant policies, sets tolerance limit for various liquidity risk indicators and risk appetites for liquidity risk management. The BOD also reviews the related policies and guidelines of liquidity risk and ensures necessary steps taken by management to identify, measure, monitor and control liquidity risk.
ii) Methods used to measure Liquidity Risk	At a very basic level, liquidity measurement involves assessing of Bank's all cash inflows and its all cash outflows to identify the potential net surplus/(shortfall). Cash outflows also include funding requirements for off balance sheet commitments. IBBPLC uses two approaches/methods to measure Liquidity risk. (a) Time bucket analysis: Time bucket analysis is an assessment of cash flow mismatches and is done through preparation of Structural Liquidity Profile of on balance sheet and off balance sheet exposure. Appropriate tolerance levels/ prudential limits have been stipulated for mismatches in different time buckets. (b) Ratio analysis: Under ratio analysis, various ratios are prescribed with appropriate limits. Several key liquidity risk indicators are being used to identify, measure, monitor and control liquidity position on regular basis. The key liquidity risk indicators are: Statutory Liquidity Ratio (SLR), Cash Reserve Ratio (CRR), Investment to Deposit Raito (IDR) Maximum Cumulative Outflow (MCO), Medium Term Funding Ratio (MTFR) , Liquid Asset to Total Deposit Ratio, Liquid Asset to Short Term Liabilities, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio(NSFR).

iii) Liquidity Risk management system	Responsibility of managing liquidity lies with Asset Liability Committee (ALCO) of the Bank which meets at least once in every month. Asset and Liability Management (ALM) desk closely monitors and controls liquidity requirements on a daily basis by proper coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. In order to develop comprehensive liquidity risk management framework, Contingency Funding Plan (CFP) has been developed which is a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. For day-to-day liquidity risk management, CFP ensures that the bank is well prepared to respond to an unexpected problem. In this sense, a CFP is an extension of ongoing liquidity management and formalizes the objectives of liquidity management by ensuring: (i) a reasonable amount of liquid assets are maintained; (ii) measurement and projection of funding requirements during various scenarios; and (iii) management of access to funding sources. CFP also provides directions for plausible actions in distress and emergency situations. In case of a sudden liquidity stress, it is important for the bank to handle the same in an efficient and organized way to meet its obligations to the stakeholders. Since, such a situation requires a spontaneous action, CFP will put the bank in better position by addressing the liquidity problem more efficiently and effectively. CFP ensures that bank management and key staff are ready to respond to any distress situation.
iv) Policies and processes for mitigating Liquidity Risk	A structural maturity ladder or profile is prepared periodically following the guidelines of the Bangladesh Bank DOS circular no. 02 dated 29 March 2011. Maturity ladder of cash inflows and outflows is an effective tool to determine bank's liquidity position. It estimates a bank's cash inflows and outflows and thus net deficit or surplus (GAP) both on a day-to-day basis and over a series of specified times can be estimated. A bucket wise (e.g. call, 2-7 days, 1 month, 1-3 months, 3-12 months, 1-5 years, over 5 years) maturity profile of assets and liabilities is prepared to understand mismatch in every bucket.

Quantitative Disclosure

Particulars	As on 31 December 2023 (Amount in million Taka)
Liquidity Coverage Ratio (LCR)	48.74%
Net Stable Funding Ratio (NSFR)	100.09%
Stock of High Quality Liquid Assets (HQLA)	151,490.84
Total net cash outflows over the next 30 calendar days	310,814.20
Available amount of Stable Funding	1,474,673.94
Required amount of Stable Funding	1,473,414.39

J) Leverage Risk

Qualitative Disclosure

i) Views of BOD on system to reduce excessive leverage	The Board approves all policies related to Leverage Ratio. In order to avoid building-up excessive on-balance sheet and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced to constrain leverage in the banking sector.
ii) Policies and processes for mitigating excessive on and off-balance sheet leverage	Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III) as provided by BRPD of Bangladesh Bank is followed by IBBPLC while managing excessive on and off-balance sheet leverage of the bank. As per RBCA Guidelines, leverage ratio is being calculated as Tier I Capital divided by Total Exposure (on and off-balance exposures) after related deductions.
iii) Approach for calculating exposure	IBBPLC calculates the regulatory leverage ratio as per the guideline of Basel III leverage ratio framework as adopted by Bangladesh Bank where a minimum Tier 1 leverage ratio of 3.25% has been prescribed both at solo and consolidated level. IBBPLC has been maintaining leverage ratio more than minimum requirement of 3% applicable from 01 January 2015. The regulatory leverage ratio has been calculated considering the following: **1. Capital Measure** The amount of capital (the numerator) for the leverage ratio is being calculated as per definition of Tier 1 capital as specified in Chapter 3 of 'Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III' **2. Exposure Measure** General Measurement Principles: The amount of exposure (the denominator) for the leverage ratio is being calculated following the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following are being applied by the bank: i. On balance sheet, non-derivative exposures are being calculated by netting-off of specific provisions and valuation adjustment. ii. Physical or financial collateral, guarantee or credit risk mitigation purchased are not used for reducing on-balance sheet exposure. iii. No Netting off loans and deposits is done. On-Balance Sheet Items: Bank has included the accounting balance sheet item for the purposes of leverage ratio. Off-Balance sheet Item: Bank has calculated the off-balance sheet (OBS) items by applying a uniform 100% Credit Conservation Factor (CCF). For unconditionally cancellable commitments without prior notice, a CCF of 10% is applied.

Quantitative Disclosures

Particulars	BDT in million	
	Solo	Consolidated
Leverage Ratio	3.72%	3.80%
On balance sheet exposure	1,982,748.52	1,983,546.48
Off balance sheet exposure	34,349.67	34,349.67
Total exposure	**2,017,098.19**	**2,017,896.15**

K) Remuneration

Qualitative Disclosures

a) Name, composition and mandate of the main body overseeing remuneration.	Board of Directors of the Bank is the main body to oversee the remuneration. The Board, however, generally suggest the management to place proposal for revision of remuneration from time to time.
External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	Generally, no advice from any external consultant with regard to the remuneration process of the bank is sought whatsoever and therefore no commission to this effect is paid to any agencies.
A description of the scope of the bank's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.	The bank does not have any foreign subsidiary; rather it has branches as well as zonal offices throughout the country. IBBL follows uniform remuneration policy which does not change due to the employees working at diversified geographical locations.
A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.	No group of employees has been categorized as material risk taker as well as senior managers; rather the risks in different areas of operations of the bank are taken by the employees concerned as a team.
b) An overview of the key features and objectives of remuneration policy.	Remuneration policy is based on attracting, retaining and motivating the employees to ensure that they perform in the best interests of the bank and its shareholders by growing and developing the business. The remuneration system of the bank has been designed to ensure optimum level of fairness in reward to the service of the employees in such a way so that they can satisfactorily manage the basic expenses concerning their household as well as get sufficient future benefits on attaining the superannuation. The key features of the remuneration system are as under: In consideration of the nature of works/responsibilities fixed remuneration has been established for the employees of a particular grade. However, the fixed remuneration differs from grade to grade and generally changes with the promotion/demotion to the higher/lower grades. The components of the fixed remuneration are basic pay, house rent, medical as well as conveyance allowances etc. The basic pay is increased at a fixed rate every year towards adjustment of the inflation. Employees may have additional remuneration by means of getting special increment, promotion for their extraordinary performance.
Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that was made.	Remuneration concerning the future benefits of the employees is paid in the form of Gratuity, Provident Fund and Superannuation Fund. The amount of such remuneration varies in terms of grade, basic pay as well as service length. Variable remuneration is paid to the employees in the form of Incentive Bonus on the basis of the performance resulting satisfactory annual profit of the bank. The overall performance of the employees is considered as team performance without categorizing any 'Identified Staff as Risk Takers' and Incentive Bonus is allowed to them in proportion to their respective basic pay. The remuneration of the bank was not reviewed by the Board of Directors last year and consequently no change whatsoever has taken place in the remuneration process.
A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	No segment of the employees has been categorized as the 'risk and compliance employees" and therefore no scope is there to separately remunerate such type of employees for their overseeing the business.

Prize Distribution Ceremony of Remittance Campaign

c) An overview of the key risks that the bank takes into account when implementing remuneration measures.	Basically, the 'fixed remuneration' process is being practiced and in some cases the adjustment of the losses, so incurred by the bank due to the employees' non-compliance of different rules & regulations is compensated from the fixed remuneration as well as deferred future benefits of the employees concerned through claw back process as a means of adjustment of the current and future risk.
An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (valued need not be disclosed) A discussion of the ways in which these measures affect remuneration	The risk of non-adherence to regulatory compliances as well as violations of different rules and procedures causing significant losses from the side of the employees is taken into consideration while implementing the remuneration measures. To avert the risks, the provisions with regard to partial payment of basic pay as well as non-disbursement of incentive bonuses and future benefits, claw back process from the monthly remunerations etc. are there.
A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.	Various disciplinary measures ranging from the issuance of censure to dismissal from the service for committing the irregularities is there and such measures significantly affect the remuneration process. Over the past years, due to committing various types of violations, remuneration of the individual employees has been changed but no change affecting the remuneration system has taken place.
d) An overview of main performance matrix for the bank, top-level business lines and individuals.	The individual performance measurement metrics affecting the remuneration is strictly followed. Overall performance of the employee is considered as the team result. Variable remuneration in the form of Incentive Bonus is allowed to them in proportion to their respective basic pay, which generally varies in relation with the operating profit. However, employees may get accelerated promotion for extraordinary performance as well as may be awarded demotion for committing violations that has a link with the remuneration process. In some cases, due to non-fulfillment of desired criteria as set by the Board, a portion of incentive bonus to some employees was not allowed. In some cases the employee's committing lapses and incurring financial losses, are not allowed the incentive bonus.
e) A discussion of bank's policy on deferral and vesting of variable remuneration and if, the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.	To ensure long-term retention of the employee's remuneration concerning future benefits has been designed which includes Gratuity, Provident Fund, and Superannuation Fund etc.

f) A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.	As per the prevailing practice, the incentive bonus, as variable remuneration, is to be completely paid to the eligible employees and any fraction thereof is not deferred with regard to the determination of their relative performance. Once the incentive bonus, as variable remuneration, is paid it cannot have refunded through claw back arrangement.
g) An overview of the forms of variable remuneration offered (i.e. cash, shares and share-linked instruments and other forms)	No different form with regard to payment of variable remuneration is there. The remuneration of the employees is paid in the form of cash.
h) A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees) a description the factors that determine the mix and their relative importance.	Not Applicable
i) Number of meetings held by the main body overseeing remuneration during the financial year and the remuneration paid to its members.	Not Applicable
j) Number of employees received a variable remuneration award during the financial year.	Not Applicable
k) Number and total amount of guaranteed bonuses awarded during the financial year.	02 (two) incentive Bonus have been declared
l) Number and total amount of sign-on awards made during the financial year	Not Applicable
m) Number and total amount of termination payments made during the year.	Not Applicable
n) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Not Applicable
o) Total amount of deferred remuneration paid out in the financial year	Not Applicable
p) Breakdown of the amount of remuneration awards for the financial year to show - Fixed and variable - deferred and non- deferred - different forms used (Cash, Shares and share-linked instruments and other forms).	Not Applicable
q) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments.	Not Applicable
r) Total amount of reductions during the financial year due to ex post explicit adjustments.	Not Applicable
s) Total amount of reductions during the financial year due to ex-post implicit adjustments.	Not Applicable

Inauguration of 20 Agent Banking Outlets

Better Asset Quality & Smart Management of Non-Performing Assets

Non-performing investment (NPI), an important aspect of financial sector, plays a pivotal role in the stability of banking sector and consequently in the economy of the country. When the volume of NPI crosses tolerable range, it creates substantial setback in running banking operation in a smooth and desired manner as the profitability of the Bank is largely affected by the surge of NPI leading to volatility in the economy.

By adopting prudent investing practices, implementing early warning systems, and pursuing appropriate resolution strategies banks can contribute to a more resilient and stable financial system. Bankers are to be in the helm in tackling impacts of NPI for ensuring stable and sustainable financial health.

Non-performing Investment

When any investment ceases generating profit, it is considered non-performing investment. In general, NPIs are those that are not paid off within the expiry date or as per extended payment schedules. Alternatively, NPI typically means an investment, payment of which is quite a few months late or not as per terms.

Reasons that trigger NPI

There are many reasons that lead to build-up of NPIs. The followings are the most common among those:

- Lack of corporate governance in the banking sector.
- Wrong induction of investment clients.
- Weak business and industry analysis, defective cash flow forecast overlooking historical payment behavior of the clients etc.
- Undue pressure on approval process.
- Faulty documentation.
- Inadequate security coverage.
- Lengthy legal process to recover defaulted investments.
- Inter-bank unhealthy competition.
- Frequent cancellation of export orders without consent of the exporters.
- Improper assessment of the project.
- Lax monitoring and supervision after disbursal.
- Failure in adopting effective measures timely.

Impacts of Non-Performing Investment

NPI is always an area of concern for banks. Any irregularities in investment management might build up NPI in the banking system. The presence of larger volume of NPI leads to undesirable impacts for banks, including the followings:

- NPI limits new investing capacity of a Bank. Unless money invested is recovered in a timely manner, it will not be available to make fresh investment. When the problem becomes persistent in the financial sector, the banking system fails to provide credit, including working capital, to the economy's productive segments. This invariably results in an economic slowdown.
- Large NPIs could lead to falling confidence of all stakeholders.
- NPI adversely affects the liquidity of banks.
- NPI requires banks to maintain provision against looming investment losses which ultimately causes a bank to lose hard-earned profit.
- NPI has negative impact on the EPS. EPS is reduced as Bank has to set aside provision against NPI.
- NPI retards the growth and profitability of the Bank.
- High NPL ratio diminishes the overall quality of investment. Banks act as custodians of the deposits, influence and facilitate economic activities, such as resource mobilization both in the public and private sectors, production and distribution, and consequent poverty reduction. It is thus paramount to engage all-out efforts to effectively address the stressed investments.
- Large amount of NPI hampers Bank's image among the depositors, investment clients, regulators and foreign correspondents and so on.

Inauguration of ISLAMI BANK-WESTERN UNION Remittance Campaign

Comparative Position of Asset Quality

BDT in million

Sl. No.	Items	31.12.2022		31.12.2023	
		Amount	% to General Inv.	Amount	% to General Inv.
1	General Investment	1,461,365	-	1,600,266	-
2	Overdue Investment	108,761	7.92%	131,177	8.98%
3	Classified Investment	54,022	3.70%	69,188	4.32%
4	Rescheduled Investment	187,291	13.64%	333,703	22.17%
5	Written-off investment	9,063	0.66%	8,533	0.57%
6	% of Written-off to CL Investment		16.78%		12.33%

Raft of measures were taken in order to boost asset quality in 2023

Investment Management Wing (IMW) of the Bank taking four divisions under its fold namely Investment Recovery Division(IRD), Legal Affairs Division (LAD), Investment Control Division (ICD) and Investment Monitoring Division (IMD) remained vigilant and proactive throughout the year-2023 and played vital catalytic role in implementing prudent and pragmatic guidelines/instructions from the Board and Management of the Bank. Some of the activities/initiatives of IMW were as under:

- A month-long drive titled "Smart Banking towards Excellence in Asset Quality" from June 1, 2023 to June 30, 2023 was launched for concentrating exclusively on recovery and regularization of NPI
- 5 (five) Teams at Head Office comprising AMDs, DMDs, CRO, Head of IMW & Heads of Sanctioning Wings (CIW-I, CIW-II, RIW-I, RIW-II & ITW) have been constituted to closely follow-up, persuade and monitor top-50 NPI (OD, CL, Rescheduled, Restructured & Written-Off etc.) clients for ensuring eventual recovery/ regularization
- A list of top-20 NPI clients of each Zone and Corporate Branch has been prepared by the respective units with specific recommendations from the heads of the Zones/Corporate Branches and the head of SMCs for regularization of the defaulted clients. The list has been forwarded to the sanctioning Divisions for meticulous implementation of the recommendations.
- 12 meetings of "Supervision and Monitoring Committee'' were held with the Heads of Corporate Branches and Heads of Zones. The meetings thoroughly discussed threats and challenges in managing asset quality and provided concrete, doable and time-bound guidance to scale up the asset quality.
- A month-long campaign styled "Smart Banking towards Financial Excellence" had been conducted between November 01, 2023 to November 30, 2023 engaging entire manpower of the Bank with a view to ensuring robust recovery of NPI. This campaign had been prolonged up to the end of the year.
- IMW underscored utmost priority on recovery of Written-off Investment from the very outset of the year-2023. Lots of groundwork has been done and many innovative initiatives have been taken throughout the year in order to attain substantial progress in collection of written-off investment. All those efforts really paid off and IMW achieved remarkable, solid & phenomenal performance this year on recovery from written-off investments.

Stakeholder and Materiality

Identification of Stakeholder

Identification of stakeholders is the key to understanding the expectations from the company and as such helps pave the pathway towards delivering value and fulfilling those expectations. While shareholders, customers, suppliers and employees are the prime stakeholders; the regulators, local community, and the environmentally interested group's complete stakeholder circle of IBBPLC.

Engagement with Stakeholders

The first step of Stakeholder Engagement process for IBBPLC. is to establish the three pronged sustainability dimension- economic, social and environmental. The key stakeholders are hence aligned with these dimensions and sustainable business objectives are identified by understanding correlated stakeholder expectations. By gauging these objectives, IBBPLC. has formulated strategies through aligning the business model with the value creation process that targets stakeholders' expectations. This is summarized in the table below:

Sustainability Dimension	Key Stakeholders Targeted	Sustainable Business Objectives	How IBBPLC. Addresses this
Economic	Shareholders	▸ Maximizing shareholder wealth by declaring sound returns annually	▸ Being strategically focused, planning well ahead to counter challenges and identifying opportunities. ▸ Continuing to uphold sound governance practices and effective risk management infrastructure. ▸ Reinforcement of the internal controls and compliances.
	Customers	▸ Provide quality product/ service that meets absolute needs of customers ▸ Careful management of operations so as to protect customer interest especially for depositors	▸ Spreading the geographical boundaries through opening more branches, Sub-Branches and Agent Outlets across the country. ▸ Molding existing service suites to cater to diversified customer requirements. ▸ Continuously innovating in product suite and operational process to meet customer requirements in the most efficient manner.
	Suppliers/ Service Providers	▸ Adhere to proper procurement regulations while maintaining a good business relationships with the service providers	▸ Rigorously following internal procurement policy and upgrading the policy regularly to ensure strong control and fair treatment of suppliers.
	Regulators	▸ Ensure compliance with all regulatory guidelines and directives	▸ Putting in place processes, practices and controls to ensure compliance with applicable rules and regulations imposed by local and international laws and regulations. ▸ Maintaining sound relation with regulators. ▸ Always thriving to achieve global best practices.
Social	Employees	▸ Continuously encouraging employees and working towards creating a healthy, ethical and supportive work environment ▸ Nurturing human capital to ensure sustained collaboration with the Company	▸ Engaging employees in activities other than business as usual, to achieve a balanced productive environment which is beneficial to both employees and IBBPL. ▸ Investing in a wide range of training programs for every member of the human capital to ensure personal and professional development.

Sustainability Dimension	Key Stakeholders Targeted	Sustainable Business Objectives	How IBBPLC. Addresses this
	Local Communities	▸ Adding value to the society ▸ Conducting business without causing disruptions in the society	▸ Implementing programs and initiatives targeted at marginalized communities and underprivileged to address the requirement of society in education/ skills development, healthcare and overall poverty alleviation ▸ Enhancing financial access to marginalized population ▸ Most importantly, adding value to the society by being a good and transparent corporate citizen.
Environmental	Environmentally Interested groups/Non-Government Organizations	▸ Conducting business without harming the environment	▸ Implementing Green Banking practices and ensuring compliance through Green Reporting to Bangladesh Bank ▸ Holding a rigid control on energy consumption to reduce wastage

In consideration of the above, IBBPLC. has engaged with regulators, management and employees to identify their references, concerns and expectations.

Stakeholders Engaged	Engagement Process	Key Issues raised by Stakeholders
Regulators	▸ One-on-one Meetings ▸ All local regulations ▸ Circular/ directives/ instructions issued by Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), National Board of Revenue (NBR) and other regulatory bodies.	▸ Corporate Governance, Ethics and Compliance ▸ Anti-corruption measures implemented by the organization ▸ Responsibility of the organization towards the environment and the community
Management	Interactions	▸ Corporate Governance, Ethics and Compliance ▸ Anti-corruption measures implemented by the organization ▸ Financial Performance ▸ Creating an enabling environment for all IBBPLC. employees ▸ Non-discrimination, Diversity and Equal Opportunities ▸ Social obligations through capacity development of the underprivileged and women entrepreneurs ▸ Environmental obligations through in-house management, CSR and Green Banking initiatives ▸ Superior customer service and trust through continuous improvement
Employees	Interactions	▸ Remuneration and Benefits ▸ Career Growth and Development Opportunities ▸ Fair Treatment ▸ Safe and Healthy Work Environment for both Male and Female employees ▸ Work-life Balance ▸ Employee Grievance Management

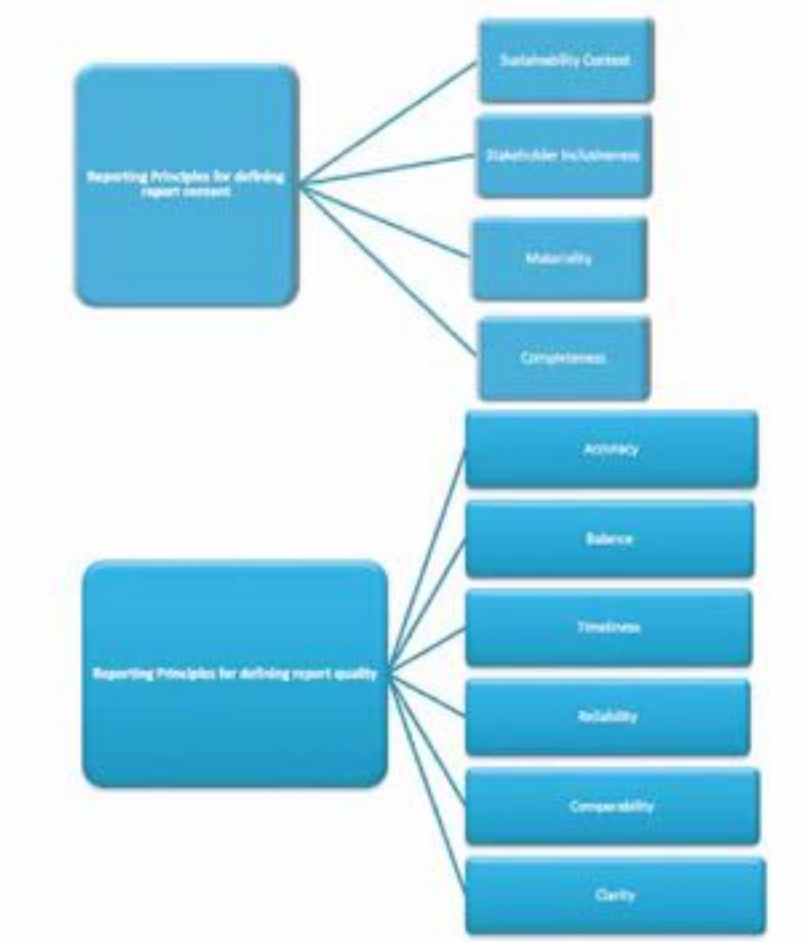
Addressing the Material Issues

Category	Aspects	Material within the Organization	Material outside the Organization
Economic	Economic Performance Procurement Practices	Yes	N/A
Environmental	Energy Biodiversity Compliance	Yes Any negative influence on protected and/ or high biodiversity areas caused by IBBPLC.'s operations may lead to fines /sanctions/loss of license to operate/ negative publicity.	Yes This aspect is material for the environment, and for communities living close to protected and/or high biodiversity areas.
Social			
I. Human Resources Practices			
Employment and Occupational Health and Safety		Yes	N/A
Training and Education		Yes	N/A
Diversity and Equal Opportunity		Yes	Yes This aspect is material for communities where IBBPLC. creates job opportunities through its operations / branch networks.
Equal Remuneration for Women and Men		Yes	N/A
II. Human Rights			
Child Labour		N/A	N/A
Security Practices		Yes	N/A
Non-discrimination		Yes	Yes This aspect is material for communities where IBBPLC. creates job opportunities through its branch networks.
III. Society/ Local Communities			
Local Communities		N/A	Yes This aspect is material for local communities where IBBPLC. has operations or investments in projects.
Anti-corruption		Yes	Yes This aspect is material for IBBPLC.'s customers and other stakeholders.
IV. Product Responsibility			
Customer Health and Safety		N/A	Yes This aspect is material for IBBPLC.'s customers.
Marketing Communications		Yes	Yes This aspect is material for IBBPLC.'s existing and potential customer groups.
Customer Privacy		Yes Maintaining privacy of Customer information is one of the major priorities of IBBPLC. staff and a significant part of its employee Code of Conduct.	Yes This aspect is material for IBBPLC.'s customers.

SUSTAINABILITY REPORT

The Sustainability Reporting Process

To work credibly towards integrating sustainability into business operations and developing, a sustainability report is important to adhere to principles that help identify, prioritize and define sustainability issues. The GRI Standards are principle-based, so IBBPLC. used them to define the content of the report as well as the quality of the information it communicates. The principles are:



The GOALS for Sustainable Development

Our planet faces massive economic, environmental and social challenges. Sustainable Development Goals (SDGs) were designed to help society and business focus on solving global sustainability challenges. As a key stakeholder, the business sector was closely involved in the development of this process. The SDGs provide a vision of a sustainable future and propose actionable targets for current major sustainability challenges, including: - climate change - water scarcity - food insecurity- waste and pollution - inequality - human rights-urbanization

Sustainable Finance and Green banking activities

IBBPLC. has broadened its sustainable banking initiatives in the 3 (three) major categories like Sustainable Finance including Green Finance & Green Banking, Corporate Social Responsibility and Financial Inclusion aligning with the Sustainable Development Goals (SDGs), Integrated Nationally Determined Contribution (INDC), Islamic Shariah oriented objectives and mission/ vision of the bank.

The achievement of Green Term Investment Disbursement in the year 2023 was tremendous that exceeded more than four times of the 5% target fixed by Bangladesh Bank. On the other hand, 15.18% Sustainable Finance disbursement has been achieved against 20% target fixed by Bangladesh Bank.

The detailed scenario of the sustainable and green finance disbursement during the year against BB target is given below in comparison to the previous year:

Green Term Investment Disbursement Target Achievement

(BDT in million)

Achievement Target (Bangladesh Bank fixed achievement target of green term investment disbursement in respect of total term investment disbursement)	Achievement-2022		Achievement-2023		Growth
	Volume	%	Volume	%	
5%	20,711.99	16.72%	21,606.95	22.50%	5.78%

Sector-wise Term Disbursement

(BDT in million)

Sl. No.	Sectors of Green Finance	2022	2023	Growth
1	Renewable Energy	83.63	80.99	(3.16)%
2	Energy & Resource Efficiency	5,363.86	4,564.49	(14.90)%
3	Alternative Energy	-	-	-
4	Liquid Waste Management	1,173.80	803.79	(31.52)%
5	Solid Waste Management	-	-	-
6	Circular Economy & Eco-Projects Financing	5,580.60	3,834.50	(31.29)%
7	Environment Friendly Brick Production	166.65	247.82	48.71%
8	Green/ Environment Friendly Establishments (with LEED certificates)	8,343.45	12,075.36	44.73%
Total		**20,711.99**	**21,606.95**	**4.32%**

Sustainable Investment disbursement target achievement

(BDT in million)

Achievement Target (BB fixed sustainable finance disbursement (including green term disbursement) achievement target in respect of total investment disbursement)	Achievement-2022		Achievement-2023		Growth
	Volume	%	Volume	%	
20.00%	166,737.11	11.72%	182,222.11	15.18%	3.46%

Sector-wise Sustainable Linked Investment Disbursement

(BDT in million)

Sl. No.	Sectors of Sustainable Linked Finance	2022	2023	Growth
01.	Sustainable Agriculture	90,352.24	72,299.93	(19.98)%
02.	Sustainable MSME	25,176.22	31,827.46	26.42%
03.	Working Capital & Demand Inv. for Green Products	23,564.28	49,649.49	110.70%
04.	Priority Green & Eco-Friendly Products for Trading Sector	6,932.38	6,838.28	(1.36)%
Total		**146,025.12**	**160,615.16**	**9.99%**

Green Transformation Fund (GTF)

The bank signed Participation Agreement with Bangladesh Bank for availing re-finance from GTF in FC (USD & Euro) and BDT. The bank availed 21.88 million Euro from GTF (FC) fund.

Environmental & Social Risk Rating

The Bank has incorporated Environmental & Social Risk Management as part of the existing investment risk methodology to assess the customers through Environmental & Social Due Diligence (ESDD) checklists during induction. Total 108,416 numbers of projects have been rated under Environmental & Social Risk Rating (ESRR) in 2023.

Dedicated Sustainable Finance Help Desk

The bank established the 'Dedicated Sustainable Finance Help Desk' at potential IBBPLC. branches for rendering sustainable linked finance and green finance. The quarterly reports to Bangladesh Bank on the activities/ performances and progresses of the Desks are being submitted as a regulatory issue.

Sustainability Rating

IBBPLC. has been rated and listed as the top 10 (ten) high performed Banks in Bangladesh in terms of Sustainability Rating for the year 2020 & 2021. This rating added points in our CAMELS rating.

Technological Advancement for Green Activities and Green Growth

The bank is practicing Online and Internet banking, ATM, CRM, Visa Card, Credit Card, CellFin, mCash, Call centre and all other types of innovative, modern and automated banking services that help environment friendly practices and reduce carbon footprint.

In house management: Utility Consumption

As part of the continuous effort of positively upholding the Green Banking initiatives, the bank has developed the Principles for In-house Green Operations, - a general guideline to facilitate the in-house management and to the efficient uses of resources, which accordingly circulated among all concerned.

Employees Training and Capacity Building

Total 1,275 numbers of employees have been trained on Green and Sustainable Finance during the year-2023 covering all investment in-charges, dedicated officials and almost all the entry level officials. Some Executive Development Programs (EDP) were also conducted by IBTRA on Sustainable Finance Policy and Sustainability Rating.

CSR Activities

CSR activities are running under the CSR Policy of the bank in line with Bangladesh Bank's directive. A detailed contribution of CSR fund is included in the CSR part.

Climate Risk Fund

IBBPLC. can use the Climate Risk Fund to invest in the projects linked to Socially Responsible Finance (SRF) specially in the affordable basic infrastructure, access to essential services (such as health and healthcare), employment generation, food security, socioeconomic advancement and empowerment, financing in orphanage/ child rehabilitation center/ old age home, shelter for cold affected people etc.

Major Achievements of Green Banking Department in 2023

- ✓ Achievement of 22.50% Green Term Investment Disbursement Target against the 5% target fixed by Bangladesh Bank.
- ✓ IBBPLC. has signed Participation Agreement with Bangladesh Bank for availing re-finance from GTF in BDT in addition to the GTF in euro.
- ✓ Special emphasis has been given to obtain more LEED certificates for green buildings/ industries by convincing new or existing investment clients.
- ✓ ICTW has completed the Software up gradation covering the total sustainable taxonomy.
- ✓ Initiatives have been taken for installation of Solar Panel for ATM/CRM services at branch/ office premises.
- ✓ All investment in-charges and dedicated officials for Green & Sustainable Finance Desks have been brought under training on Sustainable & Green Finance. A list of need-based training programs is submitted to the bank's training academy.

Strategic Plan of Green Banking Department for 2024

- ✓ Giving special focus to achieve Sustainable Finance disbursement target.
- ✓ Keeping the high ranked position in banking sector in terms of Sustainability.
- ✓ Taking initiatives for carbon footprint measurements and disclosure of information about sustainability and climate related financial risks and opportunities in its annual reports step by step.
- ✓ Reducing utility consumption (electricity, gas, water and other utilities) to the reasonable level and prioritizing the installation of Solar panel for ATM/CRM services at branch/ office premises.
- ✓ Arrangement of Zone/ Branch wise special programs/ events for potential customers to build their awareness on environment friendly activities and sustainable/ green finance.
- ✓ Arranging EDPs & training programs regarding awareness and capacity building for the disclosure of sustainability and climate related financial risks and opportunities for all concerns of the bank.

Islami Bank handed over a cheque of Tk. 1 crore to Proyash Donation Fund

Corporate Social Responsibility (CSR)

The Bank is committed to improve the life style of the inhabitants of the country. Since inception, IBBPLC. has been contributing to serve the Distressed People, improvement of Education, extend Health and Medicare facilities, promoting Arts, Culture, Literature, Sports, Science and Technology, creating facilities for productive self employment through Human Resources Development, help to Humanitarian and Disaster Management, Relief and Rehabilitation, Environment and Climate Risk Fund. In 2023, IBBPLC. spent Tk.997.86 million among 0.30 million of beneficiaries and in 2022 Tk.3,273.69 million for 0.63 million beneficiaries under different sectors. However, the total accumulated CSR expenditure incurred by the Bank is Tk.16,581.80 million since 1983-2023 among 18.41 million of beneficiaries in different sectors.

Promoting of Education Sector

We made donated Tk.50.00 million to Prodhan Montrir Shikkha Sohayota Trust Tohbil and Tk.10.00 million to PROYASH institute of special education, organizing by Bangladesh Army to provide educational opportunities to the Autistic students as per guideline of Bangladesh Bank. An amount of Tk.62.82 million was spent for education purpose in the year 2023.

Promoting of Health Care Sector

IBBPLC. spent an amount of Tk.2,716.35 million for 7,244,620 beneficiaries from 1983-2023 for this purpose. Out of which Tk.252.85 million for 08 beneficiaries were contributed in 2023.

Environment and Climate Change, Mitigation & Adaptation

IBBPLC. contributed an amount of Tk.201.07 million to 3,917,977 beneficiaries from 1983-2023 for environmental issues of the country. Out of which Tk.40.40 million for 514 beneficiaries were contributed in 2023.

Disaster Management

Being a corporate citizen of the country, IBBPLC. always stands beside the distressed humanity. Disaster relief program including winter blanket and relief distribution, donation to Prime Minister Relief Fund and rehabilitation program etc. An amount of Tk.7,675.34 million for 5,775,305 vulnerable persons was spent by IBBPLC. from 1983-2023. Out of which Tk.605.83 million for 285,471 beneficiaries were contributed in 2023.

Infrastructure Development

In 2023, we have donated of Tk.0.40 million to Child Day Care Center ''PUSPITA'', Motijheel, Dhaka to provide day care and educational opportunities to sons and daughters of the Bankers as per guideline of Bangladesh Bank.

Promoting of Arts, Literature, Culture & Sports

IBBPLC. sponsors various Arts, Literature, Cultural & Sports events every year. An amount of Tk.968.16 million to 665,542 beneficiaries was spent by IBBPLC. from 1983-2023 for this purpose. Out of which Tk.30.00 million contributed for 02 (Two) beneficiaries like Bangladesh Olympic Association, Father of the Nation Bangabondhu Sheikh Mujibur Rahman Memorial Trust in 2023.

Our Commitment to the Communities

We support (1) Education, (2) Health Care, (3) Disaster Relief, (4) Sports, Arts, Literature & Culture, (5) Environment & Climate Change, (6) Infrastructure Development, (7) Humanitarian & Social Care and (8) Others etc. An amount of total Tk.16,581.80 million for 18,409,829 beneficiaries spent by IBBPLC. from 1983-2023 in the above mentioned areas. Out of which Tk.997.86 million for 299,397 beneficiaries were contributed in 2023.

Sector wise CSR expenditure of IBBPLC. from 1983 to 2023

(Amount in Million Tk.)

Year	Disaster Management		Education Sector		Health Care Sector		Infrastructure Development		Arts, Literature, Culture & Sports		Environment & Climate Change		Others Sectors		Total	
	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1983-2009	218	452,291	285	265,197	874	6,055,481	61	413,622	69	187,107	-	-	61	56,674	1,567	7,430,372
2010	64	158,760	68	98,787	64	721,160	12	2	11	41,964	7	15,240	12	655	238	1,036,568
2011	22	32,928	56	128,925	26	128,556	249	636	7	643	0	3	51	118,115	411	409,806
2012	88	597,866	84	3,014	40	19,230	2	144	8	11	12	493,822	75	34,438	309	1,148,525
2013	140	254,078	135	7,756	72	95,255	79	7	6	21	23	592,722	22	768	476	950,607
2014	190	498,768	161	7,928	89	125,079	40	5	15	17	21	723,673	7	51	525	1,355,521
2015	324	606,320	175	8,930	226	99,469	27	6	5	643	21	757,558	22	33	800	1,472,959
2016	426	481,644	161	14,235	17	209	-	-	0	4	26	690,251	40	751	671	1,187,094
2017	568	420,566	383	12,924	29	116	21	2	12	3	26	644,162	19	20	1,058	1,077,793
2018	664	271,962	2,119	7,792	2	22	8	3	6	10	1	4	13	32	2,813	279,825
2019	180	421,485	586	8,858	1	4	-	-	150	1	0	3	114	7	1,031	430,358
2020	506	403,594	187	10,039	16	18	1	1	145	10	-	-	1	3	855	413,665
2021	483	256,992	65	6,982	1,001	7	-	-	4	20,678	0	3	2	3	1,555	284,665
2022	3,197	632,580	46	63	8	6	-	-	-	-	20	22	2	3	3,274	632,674
2023	606	285,471	63	10,003	253	8	0	1	30	2	40	514	6	3,398	998	299,397
Total	**7,675**	**5,775,305**	**4,574**	**591,433**	**2,716**	**7,244,620**	**500**	**414,429**	**469**	**251,114**	**201**	**3,917,977**	**447**	**214,951**	**16,582**	**18,409,829**

* In 2021, No of health sector beneficiary is 07 (seven) out of which one is ‘ Islami Bank Foundation’. A huge amount was donated to ‘ Islami Bank Foundation’ for proper management of health sector of the country in special Covid-19 situation.

Smart ICT Management

Information & Communication Technology Wing (ICTW) of IBBPLC. provides various types of IT enabled attractive products and services like Online (any branch) banking, Web based banking (i-banking), App based banking (Cellfin, iSmart), Mobile banking (mCash), Phone banking, SMS banking, Payment Gateway (iPaysafe) various cards like Debit Card, Khidmah Card, Salary Card, Travel Card, Remittance Card, Duel Currency Debit Card etc. It maintains wide range of network connectivity and deals with the IT security related issues of all operational units including 394 Branches, 237 Sub-branches, 16 Zonal Offices and all the units of Head Office along with hundreds of ATM / CRM Booths and POS terminals of the Bank.

Digital IT Infrastructure

Digital Infrastructure is considered the backbone of Banking & Financial Services. The more efficient and innovative the infrastructure, the better the services provided to the users & clients. As the Banks embark on a digital transformation journey, its digital infrastructure has to be transformed to enable Banks to operate effectively, sustain growth, provide innovative services, follow regulations and partner with creative start-ups and finTechs. During the tenure of digital journey, Infrastructure Management Division of ICTW has added the following remarkable achievements in the year 2023:

- The existing email systems has been upgraded with licensed email solution (.COM) for compliances & secured usage
- Segregation of Core Network at Disaster Recovery Site (DRS) to achieve Card Operations related Certification (PCIDSS)
- Deployed in-house customized Open Source Operating System (OS) and mitigate regulatory compliance issues on the oldest computers running non-compliant OS
- Replaced the Radio link related tower for online connectivity with suitable media/ last mile solution and saving the cost of Branches' & ATMs' Roof rent
- Local Area Network (LAN) at 54 sites (Branch, Sub-Branch, Division & Department of Head Office) has been established
- Online connectivity at 676 sites (Branch, Sub-Branch & ATM Booths) has been established
- Approximately Tk.6.00 crore has been saved through repairing of computer peripherals at the lab of IMD, ICTW.
- Deployed the cheapest solution for online connectivity to ATMs & Sub-Branches through 4G SIM of telco's network that save approximately Tk.25 lac

Information Security & Risk Management

The Information System & Risk Management Division is leading the formation & implementation of the information security framework for the Bank based on the principles of ISO27001 (ISMS), PCI DSS Guideline, regulatory & other industry standards. The main purpose of the division is to ensure the confidentiality, integrity, and availability of all critical information and computer resources of IBBPLC. Key achievements related to Information Security & Risk Management in the year 2023 were:

- Management & completion of ISO27001:2013 Certification Project for the Bank
- Prepare & review the Bank's Information Security Policies and Procedures
- Perform Risk Assessment on Critical ICT Assets, process & people of the Bank
- Organize Cyber Security Awareness Month (October) & different IS Awareness Programs
- Operation of information Security Operations Center (iSOC)
- Central management & monitoring of Anti-Malware Software
- Coordination with Bangladesh Bank regarding compliance issues, audits & guidelines review
- Conduction of ICT Self-Assessment of the Bank for Supervisory Review Process (SRP) of Basel-III Framework & submit report to Bangladesh Bank

In-house developed Software/Modules/Apps for Smart banking operations

Corporate Banking: IBBPLC.'s Corporate iBanking Module "connect2bank" provides the facilities like processing bulk transactions like salary payment, bills payment, corporate collections and distributions, investment proposal processing, disbursement, repayment etc. to IBBPLC. account or any other bank account from clients' own premises through internet by maintaining proper security and controls.

RDS Collection App: RDS Field Officer can record his collected money from the client with this application that will minimize time gap between collection and entry in the system as well as ensure monitoring or tracking of collected money.

Personal Retail Account (PRA): Using Quick Merchant On-boarding service by uploading the NID and photo, Customers can open a Personal Retail Account in Islami Bank. Customers can generate a Bangla QR code in the cellfin app with the help of bank's official and subsequently conduct business transactions.

Inaguration of the Campaign Smart Bangladesh Smart Banking

Core Banking System (CBS): The CBS of IBBPLC. namely electronic Integrated Banking System (eIBS) is an in-house developed Centralized Core Banking System wherein all banking modules have been fully integrated including three major modules: General Banking, Investment and Foreign Exchange. These modules are running at all branches and sub-branches of the Bank. The RDS/UPDS module of eIBS has also been developed by the Bank's own manpower and implemented in all RDS/UPDS units of the Bank.

C**IPPS:** The Centralized Investment Proposal Processing System (CIPPS) is to automate the life cycle of an investment proposal and to maintain limit information of the customer which saves time and cost. Khidmah Card proposal processing is fully automated (from recording proposal to sanction) at CIPPS.

Back Office: IBBPLC. has developed a back office system for foreign trade module which covers the automation of all transaction received from AD branches by which system can maintain shadow ledger of nostro and FC clearing accounts. Through this application, IBBPLC. can find out the daily FC position, mark-to-market valuation, trade confirmation and settlement processing, deal settlement verification including normal and cover deal, regulatory report, progressive balance.

Online Money transfer system: It is used by the exchange houses for sending spot/instant cash and direct customer account credited from abroad. At present near about 150 exchange houses are directly connected with this system.

SMS Banking: Through SMS push service, Bank notify all account transaction and remittance payment to its client. Moreover, through SMS pull service, clients can request for balance, short statement, fund transfer, product information from anywhere in the world at any time by sending SMS to 6969 (for local clients) +8801714006969 (for international clients).

CellFin (Mobile Wallet): CellFin is the Omni channel for all types of digital services and transactions through which any customer (banked or non-banked or un-banked) who has a smart phone can avail all kinds of transactional and non-transactional services including: Add Money, Fund Transfer, Mobile Top Up, Cash Withdraw, Bill Payment, Request Money, Receive Remittance etc.

iBanking (Internet Banking): It provides valuable services for the clients like Account Related Services, Transfer Related Services, Bill Pay Related Services

Cards Related Services iSmart (Mobile App of iBanking): IBBPLC. iSmart' is the mobile application of IBBPLC. iBanking for Android as well as iOS platform. This app is to facilitate smart-phone and tablet users' instantly give the required access to the IBBPLC. iBanking services in a secured manner.

iPaysafe (Payment Gateway): "iPaysafe" enables customers to purchase product from online. The services available in iPaysafe are: Online shopping (ecommerce) from various merchant sites, Bus and Air ticketing, Mobile and Wimax recharge, Different bill payment services etc.

BACH Module: Bangladesh Bank Automated Clearing House (BACH) has 3 components: BACPS, BEFTN, and RTGS (BDT and FC). All kinds of banking operations of BACPS, BEFTN and RTGS use this module.

Agent Banking Module: For spread up banking facilities to unbanked urban people and remote poor people, IBBPLC. has introduced Agent banking services and now 2,771 outlets are operating across the country with own developed Agent Banking Module.

mCash (Mobile Financial Services): mCash is the Mobile Banking of Islami Bank Bangladesh PLC. where the customers of any mobile company take the 24 hours of mobile banking services from anywhere of the country without going to any branches.

Utility Bill Payment: This service will facilitate customers to pay bills of different utility companies from their IBBPLC. account. Currently we have the following Utility Companies to pay bills from CBS Module as well as iBanking module: DESCO Smart Meter, Dhaka Power Distribution Company Limited (DPDC), Dhaka Electric Supply Company Limited(DESCO), Titas Gas, Bakhrabad Gas Distribution Company Limited (BGDCL), Karnaphuli Gas Distribution Company Limited, Jalalabad Gas Transmission and Distribution System Limited, Chittagong Water Supply & Sewerage(CWASA), West Zone Power Distribution Company Ltd, Khulna Water Supply & Sewerage (KWASA), Dhaka Water Supply & Sewerage (DWASA), Electricity- PDB Dhaka &Chittagong, Electricity- PDB Sylhet, Electricity- PDB Rangpur, Electricity- PDB Dinajpur etc.

Management Information System

The Management Information System (MIS) Division of the Bank plays a crucial role in the bank's success by managing large volumes of data and generating essential analytical reports. These reports aid in timely and accurate business decisions. Achievements of MISD in 2023 were:

- A centralized Online Appointment Scheduling application has been introduced
- Maintaining "Circular Curator Application" for handling different circulars, "Capacity Building System" for providing efficient professional testing and training to a wide range of staffs and executives, "Stationary Cloud" for managing stationery items and automates daily activities like requisitions, work orders, and billing, "Repair Tracker" for handling IT asset repair, requisition, and vendor information and "Payroll" platform offers a reliable banking facility for processing employee salaries, increments, bonuses, arrears, investments, provident funds, and taxes
- A proprietary module IBBPLC. AML App for submitting Suspicious Transaction Reports (STR), Suspicious Activity Reports (SAR) and Basic Account Information (BAI) have been introduced

Implementation and Operations Management

The Implementation & Operations Management Division (IOMD) under ICT Wing significantly contributes to the Bank's business operations by offering ICT systems support, conducting UAT/UVT testing, deploying business applications, monitoring operations, analyzing business processes, and facilitating communication between business and software teams.

Plan for adopting 4IR technologies at IBBPLC.'s products and services

1. Biometric Authentication like fingerprint recognition, facial authentication, and iris scanning to authenticate users, reducing the reliance on traditional passwords
2. Artificial Intelligence (AI) and Machine Learning (ML) for ensuring Cyber Security of ICT-enabled services
3. Block chain for Data Integrity and Trust including enhancing the security and transparency of the transactions as well as mitigating the risk of fraud and unauthorized alterations
4. Secure Cloud Computing to ensure confidentiality (keeping information private), integrity (accurate and unchanged) and availability (always ready to use) of data
5. Internet of Things (IoT) for enhanced banking services like smart payments, improved transaction monitoring and greater overall customer experiences
7. Quantum Computing for Cryptographic advancements including speeding up tasks like managing investments and optimizing supply chains, making risk management more efficiently
8. Robotic Process Automation (RPA) to perform repetitive tasks like data entry, transaction processing, and report generation etc. which will ultimately free-up human resources for more complex and strategic tasks
9. Regulatory Technology (RegTech) to simplify and streamline compliance processes
10. 5G Technology for faster & reliable operations like clients can experience smoother and more responsive interactions with their banking services

Towards Smart Bangladesh Through IBBPLC. Digital Banking

Digital transformation in Banking refers to integrating digital technologies in all areas of banking operations, interact with customers and drive innovation in the Banking industry. In the past, banks used physical branches as the primary means of interacting with customers. But now banks have to interact with customers through multiple channels, mobile apps, online portals and chatbots to exist in the competitive market. Today's demand of banking is- anytime & anywhere banking which requires innovative, secure, optimized and ready to meet the expectations of the customers especially the younger consumers.

Footstep of IBBPLC. in Digital Banking: It is expected that a minimum of 75 percent of local transactions to be executed digitally by 2027 as part of the nationwide Smart Bangladesh Vision 2041. IBBPLC. has already put its footstep in digital banking arena. We have several services of digital banking like completing KYC (know your client) procedures electronically, online account opening, QR payment and other banking services through digital omni channel- 'CellFin', internet banking, mobile banking and other digital platforms. We are also working to implement digital lending system very soon. In this context we can announce that we are more than digital.

Prestigious Awards to IBBPLC. for Digital Banking Products and Services in 2023

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Excellence in Mastercard Prepaid Business 2022-2023

Excellence in VISA Consumer Cards- Debit 2022-2023

Excellence in VISA Consumer Cards- Prepaid 2022-2023

Excellence in VISA Islamic Banking Cards Business 2022-2023

Digital Banking Statistical Data

SL	Digital Banking Products	Cumulative Total			Growth % (2022 to 2023)
		2021	2022	2023	
1	Debit Card (Active only)	3,547,202	4,713,910	5,412,346	14.82%
2	SMS Banking	6,892,950	8,242,230	8,441,100	2.41%
3	Khidmah Card	21,654	31,087	38,650	24.33%
4	Prepaid Card	473,995	2,621,069	3,886,541	48.28%
5	e-KYC Account By CellFin	194,706	562,652	841,275	49.52%
6	CellFin Customers	866,562	2,222,945	3,602,575	62.06%
7	iBanking Customers	687,237	833,607	962,465	15.46%
8	mCash Customer	2,811,131	3,038,261	3,281,946	8.02%
9	mCash Agent	50,716	50,995	51,149	0.30%
10	mCash Distributor	1,598	1,608	1,622	0.87%
11	No. of ATM	1,723	2,095	2,189	4.49%
12	No. of CRM	595	770	800	3.90%
13	Number of ATM/CRM Booths	1,795	2,121	2,188	3.16%
14	Merchant POS	4,000	4,082	4,047	-0.86%
15	Branch POS	690	995	1,003	0.80%
16	Agent POS	930	970	1,024	5.57%
17	Branch POS Trx. (Crore)	10,200	12,230	15,500	26.74%
18	Agent POS Trx. (Crore)	6,200	8,100	9,450	16.67%
19	Merchant POS Trx. (Crore)	329	560	600	7.14%
20	QR Merchant			39,000	14.82%

IBBPLC. ATM/CRM Network: The Country Largest ATM/CRM Network

With Real time cash deposit and ATM service, our ATM/CRM works like a Digital Branch functioning on 24/7 basis. We have a good numbers of ATM/CRM based transactional services which made our ATM/CRM terminals as friend in deed. Our Customers feel comfort with our card and ATM/CRM Services.

SL	IBBPLC All Card Based Transactions	2021	2022	2023	Growth % 2021 to 2023
1	Transactions No.	6.48 Crore	12.2 Crore	12.71 Crore	96%
2	Transactions No./Day	177,734	334,233	348,326	
3	Transactions Amt. (Million Tk.)	796,154	1,387,474	17,93,504	125%
4	Transactions Amt/Day (Million)	218,1	380,1	491.3	

Cash Counter (including online) & ATM /CRM Transaction Comparison-2023 (in million)

Cash Withdrawal				Cash Deposit			
At Branch Counter up to 50,000		At ATM/CRM		At Branch Counter up to 50,000		At CRM	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
15,421,677	260,533	55,989,988	653,937	30,947,366	403,130	1,386,976	17,383
Total 78.40% Number & 71.51% volume of withdraw Transactions are happening with our ATM/CRM upto amount				Total 4.29% No. & 4.13% volume of deposit Transactions are happening with our CRM upto amount Tk. 50,000.00			

IBBPLC. Debit Card Service

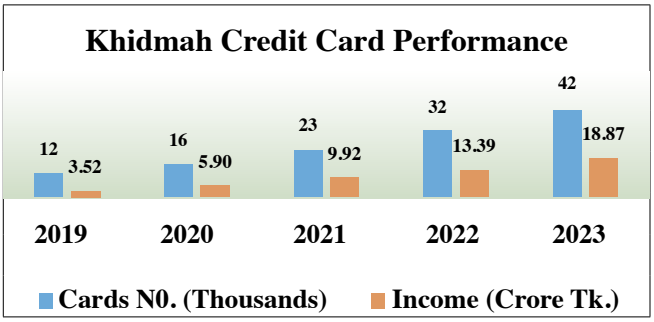
IBBPLC. debit card is one of the most popular card in the country. Also all of our debit card is now contactless dual currency card which enables customer more flexibility and freedom. Our branches given their efforts for debit cards as well and all branches are instructed to issue card with every new account.

SL	Transaction Type	Trans. No	Trans. Amount (Tk.)
1	Cash Withdraw- ATM/CRM	71,330,280	767,955,401,692
2	Purchase with Card	7,569,801	20,028,964,552
3	Cash Withdraw- POS	2,132,699	210,044,006,045
4	Cash Deposit at CRM	4,473,925	113,989,012,500
5	Card Based Fund Transfer	16,806,319	607,007,209,433
6	Card based Payment	3,636,189	74,479,889,583
7	Total	105,949,213	1,793,504,483,805
8	Per Day Average	290,272	4,913,710,915

IBBPLC. Khidmah Credit Card

Numbers of IBBPLC. Khidmah credit Card has been increased significantly over the last few years. Numbers of Issued Khidmah Credit Card in different years are furnished underneath:

Year	Khidmah Cards No.	Card No. Growth %	Khidmah Card Income (Tk.)	Income Growth %
2019	12,056		35,237,770	
2020	16,080	33%	58,957,443	67%
2021	22,992	43%	99,190,000	68%
2022	31,852	39%	133,938,760	35%
2023	41,954	32%	188,673,201	41%



CellFin: The most versatile & robust Digital Solution

CellFin is a Virtual Prepaid Card that managed by Mobile Application and identified by Mobile Number which on-board customer as per e-KYC guideline BFIU Circular no-25, dated 08/01/2020.

With the CellFin app, we have successfully launched hundreds of different banking and card services. This product created a huge vibe in the market and captured a good number of new generation customer. Our AIM is to make CellFin as a SUPER APP.

Year	Registration	Cumulative Registration	Transaction Number	Transaction Amount (Tk.)	Transaction Growth %
2021	585,268	585,268	4,938,867	8,592 crore	
2022	1,356,384	1,941,652	14,261,838	19,818 crore	130%
2023	1,379,630	3,321,282	33,615,728	77,449 crore	290%

iBanking

iBanking is the another stronger feather of our digital banking journey. In 2023, we reached to register 1.00 Million customers with our iBanking platform. We are continuously adding new features with it to provide customer new requirements.

It is one of the big income generating and branch queue reducing tool and easy solution for big transaction client. We are going to introduce iBanking Corporate for our Joint & Corporate Clients.

Year	Registration	Cumulative Registration	Transaction Number	Transaction Amount (Tk.)	Transaction Growth %
2021	150,045	788,715	4,682,562	24,604 crore	
2022	177,418	966,133	6,785,252	40,046 crore	63%
2023	130,515	1,096,648	7,808,004	54,875 crore	37%

mCash, the only product to make IBBPLC. available to all stage people.

mCash is the MFS service of IBBPLC. Since inception, MFS clients & transaction is increasing rapidly. Now, 25% of Bangladeshi adults use MFS and total MFS client is about 179 million and reaching daily transaction about 30,000 million.

Some Achievements of mCash in 2023

41 (Forty-one) educational institutions have come entrance in mCash platform to receive educational fees/tuition and 4.82 Crore taka has been transacted by this process. A huge amount of corporate salary has been disbursed through mCash and 435 crore taka deposited in this year.

Contact Center

Contact Center has been providing customer service round the clock since 2013. At present 30 regular and 50 outsourced officials are engaged in order to ensure prompt and smooth customer service from Contact Center Department, DBW and customer can get answer of their queries, complaints, feedbacks and other requirements.

Marchant QR

With a view to cope with 4IR (Industrial Revolution) and integrating Digital Technologies to enhance and streamline banking services, Digital Services Division of Digital Banking Wing has evolved with Card Business, Merchant Acquiring (both POS & Bangla QR), e-Com Business and various IT enabled business.

MOU signing ceremony

Achievements and Upcoming Digital Banking Products and Services

New Digital Banking Products and Services in 2023	Upcoming Digital Banking Products and Services
• Contactless NFC card issuance for both VISA and Mastercard • Bangla QR and mVISA QR live • Airport lounge facility for Khidmah credit card • Issued 10,000 new Khidmah Credit Card in 2023 • Launched VISA Signature & Master Card World Khidmah Credit Card • Issuing Union Pay International (UPI) card & Debit card closing and reissuance from CCMS • Sending OTP to email/SMS/both for e-commerce transaction • One stop card and Digital Banking Service Portal for branch/call center/customer support • CellFin payment gateway deployment • Overseas customer registration in CellFin with NID/Bank Account/Passport • Introducing of CellFin Business app for Merchant and agent • Integration with BREB Postpaid, BREB Prepaid, DPDC Smart and 100+ fees payment institutions with CellFin & Sonali eSHEBA gateway, Indian Visa Application Centre (IVAC) payment • Direct Inward Remittance Payment Service for MFS, Account, CellFin	• Converting mobile phone into card via Host Card Emulator (HCE) and Card Tokenization • Virtual debit card issuance and uses facility from CellFin • Customer initiated issuance of debit card from CellFin • Auto-Pay in CellFin for all kinds of transactional services including bill payments • Digital financing for distributors, FMCG sectors, agent-banking & Apply, disbursement and recovery for QMSS, QTDR, QMMS etc. from CellFin • Khidmah card monthly statements viewing from CellFin • Installment of Investment Payment through CellFin, iBanking • Corporate iBanking for business and corporate Account • Multi Debit card & SMS to Joint Account/Corporate Account • Introduction e- ticketing of railway • Debit Card issue to mCash & other MFS/PSP Account holder, to facilitate them to Cash Withdrawal, Deposit & Transfer at ATM/CRM & POS Transaction (specially for Salay Disbursement) • Arranging Discount & Cashback campaign at different occasions over the year • Enlisting more EMI, Discount, BOGO Partners

MANAGEMENT REPORT & ANALYSIS

Business and Financial Overview

In 2023, despite many odds, IBBPLC. has performed well in the banking industry in term of deposit, investment, operating profit, foreign exchange performance, alternative delivery services, keeping non-performing investment in good shape as well as upholding the image of the bank at top. It was possible because of the grace of Al-mighty Allah, Bank's massive induction of new customers, modernization of payment system, strengthened bank customers' relationship, enhanced service quality apart from complying banking regulations and Shari'ah rules.

Profit before Tax

In 2023, the Bank earned highest operating profit in the country's private banking sector. The profit before tax of the Bank was Tk.16,501.66 million. However, comprising of the income of two subsidiaries of IBBPLC. that is IBSL and IBCML, the consolidated profit before tax in 2023 was Tk.16,842.68 million.

Deposit

At the end of 2023, deposit of the Bank reached to Tk.1,534,566.01 million with an increase of Tk.124,120.58 million registering 8.80% growth over 2022. In 2023, IBBPLC.'s market share in deposit stood at 9.28%

General Investment

Total general investment of the Bank stood at Tk.1,600,265.66 million with an increase of Tk.138,900.16 million registering 9.50% growth over 2022. At the end of 2023, the Bank holds 8.21% market share of investment. Major sectors of Investments are corporate, SME, agriculture, housing, transportation, rural and urban development.

Foreign Exchange Business

Import, Export & Remittance business stood Tk.573,416 million, Tk.338,069 million and Tk.566,122 million respectively. Hence, total foreign exchange business of the Bank stood at Tk.1,477,607 million in 2023.

Information and Communication Technology

Since 2009, IBBPLC. has been operating its own ATM network which is now running through 2,989 own ATM booths and above 12,000+ shared ATMs. Necessary steps were taken to integrate IBBPLC. with NPS (National Payment System) network of Bangladesh Bank for facilitating access of customers to all banks' ATM booths. Other ICT based products includes Fintech, Cellfin services, online banking, e-banking, mCash, ATM, SMS banking, Call Center, Phone Banking, e-recruitment, etc.

Investors' Capital Management

IBBPLC. always strives to offer high Return on Equity (ROE) to the shareholders through prudential business decision while deploying their capital. The Bank maintained Capital to Risk-weighted Asset Ratio (CRAR) above minimum requirement of 12.50% throughout the year which stood at 12.62% (solo) as on December 31, 2023.

Operations and Compliance

The Bank adheres to the highest standards of risk management and compliance throughout 2023. The compliance policies of the Bank are formulated following the standards and policies of national and international regulatory bodies. The Bank properly adopted the regulatory guidelines like Money Laundering Prevention Act, Anti-Terrorist Act etc. to remain as a compliant Bank.

Green Banking

The Bank used to emphasize on social, ethical and environmentally responsible approaches to business activities. Keeping in view the spirit of Green Banking, IBBPLC. opened a Green Banking Department and took effective steps in line with Central Bank's directives. By now, the Bank has been able to reduce paper use substantially through automation and simplification of its operational models.

CSR Activities

IBBPLC. through its various CSR programs has been contributing significantly to upgrade socio-economic condition of underprivileged population of Bangladesh. The Bank spent Tk.997.86 million in 2023 under CSR particularly in education, health, environment, disaster management and sports sector. IBBPLC. is highly appreciated by the Central Bank for its highest contribution in CSR activities among all Banks in Bangladesh.

Relationship between the entities performance with the management's objectives and strategies

Management's objectives are consciously directed toward effective and efficient achievement of organizational objectives. On the other hand, management's strategy involves formulation and implementation of the major goals and initiatives formulated by the Board of Directors on the basis of resources and vis-a-vis assessment of the internal and external environment in which the organization competes. Management strategy provides overall direction to the enterprise and involves specifying the organization's objectives, developing policies and plans designed to achieve these objectives, and then allocating resources to implement

Employee Conference

the plans. Being a welfare oriented bank, IBBPLC. always strives for highest standards of equity and distributive justice in the field of economic activities.

Holding the above spirit, IBBPLC. formulated well-structured policies and procedures approved by the Board to transform every Branch into a Center of Excellence for capacity building of the employees of all tiers. IBBPLC. has constantly been making effort to establish strong reserve of managerial succession and adopt technological changes to ensure the development of the Bank as a stable financial institution, emerge as a healthier & stronger bank at the top of the banking sector and continue to maintain stable positions in all major business indicators.

Priorities in 2024

As a shariah based financial institution, IBBPLC. focuses on ethics, excellence and modernism in banking; accountability and transparency in service; equity and justice in wealth distribution; and responsibility towards society with regard to achieving highest socio economic welfare and sustainability. IBBPLC. also prioritizes in providing innovative speedy solutions/services at a cheaper but competitive price in a full range of banking services to the customers.

Keeping the comprehensive well being in view, our theme for the year 2024 is "Smart Banking Better Tomorrow". In line with the theme we have selected the following priorities and strategic focuses to reach the mass people with our commitment to ensure overall betterment and sustainability:

Financial Inclusion: Through welfare oriented products & services

Financial inclusion appears to be a key element of social inclusion and economic emancipation necessary in fostering inclusive growth participated by and benefiting all population segments. IBBPLC. is playing a cardinal role in disseminating financial inclusion all over the country overall by ensuring sustainable development of mass people of the country as a whole through welfare oriented products & services. Islami Bank Bangladesh PLC. was established with a vision that it will try to establish Islamic Banking through the introduction of a welfare oriented banking system and also ensure equity and justice in the field of all economic activities, achieve balanced growth and equitable development through diversified investment operations particularly in the priority sectors and less developed areas of the country. In accordance with the vision, IBBPLC. has introduced some unique products which are already become popular in the banking industry. The welfare oriented deposit & other products of IBBPLC. are described in the following:

Mudaraba Waqf Cash Deposit Account (MWCDA)

Mudaraba Cash Waqf provides a unique opportunity for making investment in different religious, educational and social services. IBBPLC. plays a leading role in introducing this exclusive product. The objectives of the product are solely welfare of the society. This account may be opened at a time with a minimum deposit of Tk.1,000/- and the subsequent deposit by instalments in thousand Taka or in multiple of thousand Taka. Profit of this account is utilized for social and human welfare as per instruction of the account holders. During 2023, we have opened 7087 MWCD Account and at the end of 2023, total account stood at 94,984.

Mudaraba Hajj Savings Account (MHSA)

IBBPLC. has introduced monthly instalment based Hajj Savings Account for any Muslim. The account may be opened for a period from 1 year to 25 years considering the capacity and ease of the account holder for building up savings by monthly instalments. During the year 55,449 MHS Accounts have been opened and at the end of 2023, total account stood at 118,324.

Mudaraba Special Savings (Pension) Scheme Account (MSSA)

It is a simple, attractive & unparallel scheme which makes a source of income in future from monthly small savings. At person acquires the opportunity to build up savings by small monthly instalments for getting an attractive amount at the end of a specified time or a monthly amount for a specific period on the expiry of 3 years or 5 years or 10 years term. The parents or legal guardians are allowed to open this account jointly with a minor. The account can be opened for monthly deposits of Tk.100/- (for RDS) & its multiple amount up to Tk.1,000/- and Tk.1,000/- & its multiple amount up-to Tk.20,000/- only. In 2023, a total number of 432,365 MSS Accounts have been opened and at the end of 2023 total accounts stood at 1,914,464. Maximum 80% of outstanding balance is allowed as quard after elapsing half of the term.

Mudaraba Monthly Profit Deposit Scheme (MMPDS)

Any individual may open account under this savings scheme by depositing a minimum amount of Taka 100,000/- and multiple thereof at a time either for 3 or 5 years. Monthly provisional profit is given to the account just after completion of one month from the date of opening of the account. The profit amount is adjusted on completion of each accounting year after declaration of final rate of profit. In 2023, a total number of 5,487 MMPDS Accounts has been opened and at the end of 2023, total account stood at 62,753. Maximum 90% quard are allowed against total outstanding balance in this account.

Mudaraba Muhor Savings Account (MMSA)

This Scheme has been designed for the people particularly the professionals & service holders opening up an opportunity for them to save in monthly instalment basis according to their capability for paying muhorana to their wives as well as rectifying their marriage life and protecting the human right of the women. This account can be opened for monthly instalments of Taka 500/- to 5,000/- for a period either of 5 or 10 years. In 2023, a total number of 11,877 MMSS Accounts have been opened, total account stood at 26,785.

Mudaraba NRB Savings Bond (MNSB)

The Non-Resident Bangladeshis (NRBs) & their family members are eligible to purchase Mudaraba NRB Savings Bond in single or joint names. An expatriate may purchase Mudaraba NRB Saving Bond in the name of his/her minor children as per usual terms & condition applicable to other deposit products. The Mudaraba NRB Savings Bond denominated Tk.25,000/-, 50,000/-, 100,000/- 200,000/-, 500,000/- and 1,000,000/- for a period of 5 or 10 years are available. Service charge, account closing fee and account maintenance fee are not realized from this account. In 2023, a total number of MNSB Accounts has been reduced and at the end of 2023 total account stood at 544. Maximum 90% quard are allowed against total outstanding balance in this account.

Students Mudaraba Savings Account (SMSA)

Students of any Educational Institutions are eligible to open Students Mudaraba Savings Account with minimum balance of Tk.100/-. No service charge is realized from this account except excise duty and tax as per govt. policy. ATM/VISA Debit Card is free against the accounts. The account may be continued as Mudaraba Savings Account in their own name when the student becomes adult. In 2023, a total number of 342,832 SMSA Accounts has been opened and at the end of 2023, total account stood at 1,427,388.

Pay tribute on the death anniversary of the father of the Nation Bangabandhu Sheikh Mujibur Rahman

Mudaraba Farmers Savings Account (MFSA)

This product is designed to provide banking facilities to the unbanked people especially farmers. Only a genuine farmer can open this account by initial deposit of Tk.10/-. Farmers, Association or Co-operative society of farmers, shall also be eligible to open Mudaraba Farmers Savings Account (MFSA). This MFSA may be opened by the father/mother/ legal guardian in favor of a minor. In 2023, a total number of 104,593 MFS Accounts have been opened and at the end of the year 2023, total accounts stood at 658,928.

Mudaraba Upohar Deposit Scheme Account (MUDSA)

In our country, on many occasions like Marriage Ceremony, Aqiqa, Sunnate Khatna, even during Eid festival people offer Upohar in cash or in other form. The common practice of giving Upohar/Gift to the bride/bridegroom or other recipients can comfortably be served by "Mudaraba Upohar Deposit Scheme". Any individual may purchase Upohar Cheque of Tk.500, Tk.1,000 & Tk.5,000 denomination initially under this scheme from any branch of IBBPLC. as well as can encash the same from any branch of IBBPLC.

Mudaraba Industry Employees Savings (MIES)

In order to improve the life standards of the employees of RMG, Leather and Footwear sector, IBBPLC. has launched Mudaraba Industry Employees Saving (MIES) Account with an initial deposit of Tk.100/-. There is no bar of minimum balance & no charge is realized from this account except excise duty and tax as per govt. policy. Charge free ATM/ VISA Debit Card is available against this account.

Account for Street Children & Working Children

As a part of better financial inclusion and to ensure financial services for all, IBBPLC. has already taken initiatives to introduce account for Street Children & Working Children.

Mudaraba Payroll Account

IBBPLC. has launched a deposit product titled 'Mudaraba Payroll Account' as the centerpiece of Employee Banking Value Pack. The product will provide one-stop solutions for the multinational corporate / medium to large local organizations so as to offer their employees a wide range of Shari'ah Compliant personal banking solution starting from a Salary Account to Credit Cards and other personal investment schemes.

Mudaraba Bibaho Savings Account

To attract parents and younger generation having plans to start a family in near or distant future, "Mudaraba Bibaho Savings Account (MBSA)" has been introduced to strengthen the deposit portfolio of IBBPLC. through deposit of small amount monthly at affordable capacity of the customers. Any adult Person being mentally sound can open the account as per

Inauguration of Smart Banking Towards Excellence in Asset Quality

rules of the bank and the law of the land. Account holder is entitled for getting an attractive amount on the expiry of 3 or 5 years' term. The account can be opened by monthly deposit of Tk.500 & its multiple amounts up to Tk.50,000.

Mudaraba Senior Citizen Monthly Profit Deposit Scheme (MSCMPDS)

Senior citizens feel solitary at the eleventh part of life. Liquidity solvency may safeguard them from all despair in that age. They expect smooth and easier life with financial abundance. Considering this view, MSCMPDS has been designed for the Senior Citizens so that they may remain themselves from financial anxiety.

Mudaraba Education Savings Scheme (MESS)

In Bangladesh, the majority of the families can hardly afford the expenses of higher education to their children due to their inadequate savings after meeting-up regular household necessities. As a result, the dreams of many students for higher education don't come true due to lack of proper savings plan. In these circumstances, to assist in pursuing higher education, a deposit product titled "Mudaraba Education Savings Scheme (MESS)" has been designed, which will contribute to expansion of higher education in the country.

Mudaraba Expatriate Housing Deposit Scheme (MEHDS)

Housing is one of the basic needs. Like other citizens, the expatriates desire for comfortable accommodation of their own. To meet their abode expectations and make life easier, this deposit scheme has been developed. In this scheme, they can save a portion of their income for housing purposes. On maturity of the scheme, they can build up an adequate equity to construct a house or purchase a flat.

Rural Development Scheme (RDS)

In order to ensure financial inclusion & facilitate financial empowerment, self-employment and raising income of the rural people with a view to alleviate poverty, IBBPLC. has been conducting collateral free micro investment program under Rural Development Scheme (RDS) among the rural poor people. At present this scheme has covered about 17 lac members of 31,000 villages of the country where major beneficiaries are women.

Islami Bank mCash

Islami Bank mCash is the Mobile Banking service of Islami Bank Bangladesh PLC. where the customers of any mobile operators can take the 24 hours of mobile banking services from anywhere of the country without going to any branches.

Agent Banking Activities

Islami Bank Bangladesh PLC. launched Agent Banking services with a view to reaching banking services to the door-steps of unbanked people across rural areas. Account opening, mCash account opening, cash receipt & payment, foreign remittance payment, fund transfer, utility bill payment, cheque book requisition, fund transfer, balance inquiry, debit & credit card application and investment processing, disbursement & recovery facilities are available at Agent Banking Outlets. As many as more than 2,771 Agent Banking outlets have been opened up to 2023.

Students Banking

Students are the future of a nation. With a view to encouraging savings & ensuring financial services, the Bank has introduced Students Mudaraba Saving Account (SMSA) and Mudaraba School Students Savings Account (MSSSA) with minimum balance of Tk.100/-. The program meantime got good response from the students with 1,423,527 lac accounts with 4,672.19 million deposit up to 2022 with near about 10% market share.

Banking for Farmers

In order to ensure smooth economic activities of the country by way of inclusion of unbanked farmers into banking services, Islami Bank Bangladesh PLC. has introduced Mudaraba Farmers Account (MFSA) with minimum balance of Tk.10/-.The Bank has opened 653,798 farmers' accounts till December, 2023 with deposit of Tk.1,584.93 million.

Banking for Industry Employees

In order to improve the life standards of the workers of RMG, leather and footwear sector IBBPLC. has launched Mudaraba Industry Employees Saving (MIES) with an initial deposit of Tk.100/-. The Bank has opened 222,800 accounts in this sector up to December 2023.

Products & Services

Deposit Products in Local Currency

- Al-Wadeah Current Account (AWCA)
- Mudaraba Savings Account (MSA)
- Mudaraba Special Notice Account (MSNA)
- Mudaraba Special Savings (Pension) Account (MSSA)
- Mudaraba Term Deposit Account (MTDA)
- Mudaraba Savings Bond Account (MSBA)
- Mudaraba NRB Savings Bond (MNSB)
- Mudaraba Hajj Savings Account (MHSA)
- Mudaraba Waqf Cash Deposit Account
- Mudaraba Monthly Profit Deposit Account
- Mudaraba Muhor Savings Account
- Students Mudaraba Savings Account
- Mudaraba Farmers Savings Account
- Mudaraba Upohar Deposit Scheme (MUDS)
- Mudaraba Industry Employees Saving Account (MIESA)
- Mudaraba Payroll Account (MPA)
- Mudaraba School Students Savings Account
- Mudaraba Priority Savings Account
- Mudaraba Bibaho Savings Account (MBSA)
- Mudaraba Senior Citizen Monthly Profit Deposit Scheme (MSCMPDS)
- Mudaraba Education Savings Scheme
- Mudaraba Expatriate Housing Deposit Scheme (MEHDS)
- Mudaraba Double Benefit Account (MDBA)

Deposit products in Foreign Currency

- Mudaraba Foreign Currency Account (MFCA)
- Mudaraba Exporters' Retention Quota Account (MERQ)
- Foreign Currency Account (FCA)
- Foreign Currency Account (ERQ)
- Foreign Currency Account of EPZ Enterprise
- Resident Foreign Currency Deposit Account (RFCD)
- Non-Resident Foreign Currency Account of Exchange Houses/Banks
- Non Resident Investors Taka Account (NITA) for Foreign port-folio Investors.
- Non-Resident Taka Account (NRTA) for Foreign Direct Investors.
- Foreign Currency Account for EPZ Companies (FCA-EPZ)
- Foreign Currency Account for Recruiting Agency of women workers abroad
- Mudaraba International Banking Account (MIBA)

Investment Products & Schemes

- Bai-Murabaha
- Bai-Muajjal
- Bai-Istijrar
- Bai-Salam
- Bai-Salam (Pre-shipment)
- Bai-Istisna
- Mudaraba
- Musharaka
- Musharaka Documentary Bill (MDB) Inland
- Musharaka Documentary Bill (MDB) in Foreign Currency
- Musharaka Investment in Potato Storage
- Hire Purchase under Shirkatul Melk (HPSM)
- Murabaha Post Import (MPI)
- Murabaha Import Bills (MIB)
- Murabaha Import LC
- Murabaha Foreign Currency Investment (MFCI) under EDF
- Murabaha Foreign Currency Investment (MFCI) under Balance of MFCD A/C
- Bai-Muajjal Back to Back Bills
- Bai-as-Sarf (Foreign Documentary Bill: FDB)
- Bai-as-Sarf (Foreign Currency Cheques/Drafts: FCD)

Welfare-oriented Investment Schemes

- Household Durable Scheme (HDS)
- Housing Investment Program for Govt.
- Employees (HIPGE)
- Housing Investment Scheme (HIS)
- Real Estate Investment Program (REIP)
- Transport Investment Scheme (TIS)
- Car Investment Scheme (CIS)
- Investment Scheme for Doctors (ISD)
- Small Business Investment Scheme (SBIS)
- Agriculture Implements Investment Scheme (AIIS)
- Rural Development Scheme (RDS)
- Micro Enterprise Investment Scheme(MEIS)
- Urban Poor Development Scheme (UPDS)
- Micro Industries Investment Scheme(MIIS)
- Women Entrepreneurs Investment Scheme
- Palli Griha Nirman Beniyog Prakalpa
- NRB Entrepreneurs Investment Scheme (NEIS)
- Solar Panel Investment Scheme(SPIS)

Offshore Banking Unit (OBU) Products

Depsoit Products

- Al Wadiah Foreign Currency Account (AWFCA).
- Mudaraba Foreign Currency Deposit Account (MFCDA).
- Mudaraba Foreign Currency Term Deposit Receipt Account (MFCTDRA)

Remittance Services

- Foreign Remittance Services
- Central Crediting Account
- Issue checque book centrally for expatriate.
- Payment of 3rd Bank Remittance through BFTN.
- Payment of Spot Cash Remittances
- Centrally NRB Accounts Opening
- SMS Notification
- SMS Push Pull Service
- Maintaining NRD & NRT Account
- Agent Banking remittance payment
- Remittance Card

- SWIFT msg. payment
- API service.

Inward Remittance

- Electronic fund Transfer
- Spot cash
- Encashment of cash Foreign Currency
- Collection of FC Cheques / drafts
- Payment of Foreign TT & DD (FTT & FDD)

Outward Remittance

- Travel purpose
- Study purpose/Student File
- Medical purpose
- Issuance of Foreign TT & DD (FTT & FDD)
- Selling/Issuance of Foreign Currency note
- Commercial Remittance
- Different Private Remittance

Treasury Activities

Dealing Room Operations

- Foreign Exchange Operations
- Money Market Operations

Money Market Operations

- Placement to others Islami Bank & Financial Institutions.
- Bangladesh Government Islamic Investment Bond (BGIIB)
- Islamic Interbank Fund Market (IIFM)

Forex Investment Products

- Bill Financing under Mudaraba Documentary Bills (Mura-UPAS) against Usance import Bills
- Bill Financing under Mudaraba Documentary Bills (HPSM-UPAS) against Usance import Bills
- Bill Financing under Mudaraba Investment for MDB in FC against Inland Export Bills
- Import Financing
- Export Financing
- Short term Murabaha
- Post-Shipment Financing (Bai-as-Sarf, MDB in FC)

Cash Service

- 2,989 Own ATM & CRM and above 12,000 shared ATM Booths.
- 126 IDM (Islami Bank Deposit Machine)
- 47 Sheba Ghars (Islami Bank Electronic Booth)
- 2,771 Agent Banking outlets
- Connectivity with NPSB & VISA network
- 24 hour support service for ATM
- Visa Debit Card
- Khidmah Credit Card
- Hajj Card
- Travel Card
- Business Expenses Card
- i-PaySafe: e-Commerce Payment Gateway
- IBBPLC. Mobile Banking: mCash

Corporate Services

- Corporate Salary Payment,
- Free/reduced charges of ATM,
- Standing Instruction facility for depositing MSS & Hajj A/c,
- Existing BEFTN facilities through Bangladesh Bank,
- Existing BACPS service through Bangladesh Bank,
- Existing RTGS service through Bangladesh Bank,
- Crediting salary instantly throughout the Country,
- Centralized Investment Proposal Processing System (CIPPS),
- Centralized foreign trade processing system,
- IBBPLC Online money transfer,
- mCash withdrawal From ATM.

Other Value Added Services

- Cellfin Services
- Payment Order (PO)
- Demand Draft (DD)
- Locker Service
- Quard against TDR/MSS/MMPDS/MSB/ MNSB
- IBBPLC Web Portal (i-Banking)
- Letter of Credit
- Back to Back Letter of Credit
- Bank Guarantee
- Foreign Bank Guarantee
- Export Bills Collection
- Bonded Warehouse facilities to exporters
- Duty Draw Back facilities to exporters
- Substitute Cash Assistance
- SWIFT
- Automated Clearing
- IBBPLC Contact Center
- Agent Banking Services
- Phone Banking/SMS Banking
- Point of Sale (POS)
- IBBPLC iSmart (Android Apps)
- Payroll Software
- Dissemination of information through Web-site
- EFT
- Foreign Currency endorsement
- School Fees Payment Services

Services through Islami Bank Foundation

- Islami Bank Hospitals
- Islami Bank Medical College, Rajshahi
- Islami Bank Community Hospitals
- Islami Bank Nursing Training Institute
- Islami Bank Institute of Health Technology
- Islami Bank Homeopathic Clinics
- Monorom: Islami Bank Crafts & Fashion
- Islami Bank Institute of Technology
- Islami Bank International School and College
- Islami Bank Model School
- Islami Bank Mohila Madrasah
- Bangladesh Cultural Centre
- Distressed Women Rehabilitation Centre

Stakeholders Information

Distribution of Shareholding

Sl. No.	Particulars	As on 31.12.2023			As on 31.12.2022		
		No. of shares	(%) to total	Taka	No. of shares	(%) to total	Taka
01	a) Local Sponsors /Directors	498,085,799	30.9372%	4,980,857,990	531,554,755	33.0160%	5,315,547,550
	b) Foreign Sponsors/Directors	79,751,778	4.9536%	797,517,780	354,926,856	22.0453%	3,549,268,560
	Sub-total	**577,837,577**	**35.8907%**	**5,778,375,770**	**680,794,538**	**42.2856%**	**6,807,945,380**
02	Govt. of Bangladesh**	20,317	0.0013%	203,170	20,317	0.0013%	203,170
03	Institutions (Excluding Foreigners)	688,929,333	42.7909%	6,889,293,330	234,912,465	14.5909%	2,349,124,650
04	Foreign shareholders (Excluding Foreign Directors)	211,843,026	13.1580%	2,118,430,260	325,867,682	20.2403%	3,258,676,820
05	General Public	131,360,415	8.1591%	1,313,604,150	162,708,593	10.1062%	1,627,085,930
	Total	**1,609,990,668**	**100%**	**16,099,906,680**	**1,609,990,668**	**100%**	**16,099,906,680**
	Foreign:	291,595,864	18.1116%	-	680,794,538	42.2856%	-
	Local:	1,318,395,864	81.8884%	-	929,196,130	57.7144%	-

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

Evaluation of Paid-Up-Capital

(Amount in million Taka)

Year	Particulars	Increase	Cumulative. Total
1	2	3	4
1983	Initial Capital	0.50	0.50
1983	Sponsors (56 million Foreign, 11.50 million Bangladeshi, 4 million Govt. of Bangladesh)	71.50	72.00
1985	I.P.O	8.00	80.00
1990	1st Rights/1989 (1R:1)	80.00	160.00
1996	2nd Rights/1996 (1R:1)	160.00	320.00
2001	3rd Rights/2000 (1R:1)	320.00	640.00
2003	4th Rights/2003 (2R:1)	1,280.00	1,920.00
2004	Bonus/2003 (1B:5) – Stock Dividend @20%	384.00	2,304.00
2005	Bonus/2004 (1B:5) – Stock Dividend @20%	460.80	2,764.80
2006	Bonus/2005 (1B:4) – Stock Dividend @25%	691.20	3,456.00
2007	Bonus/2006 (1B:10) – Stock Dividend @10%	345.60	3,801.60
2008	Bonus/2007 (1B:4) – Stock Dividend @25%	950.40	4,752.00
2009	Bonus/2008 (3B:10) – Stock Dividend @30%	1,425.60	6,177.60
2010	Bonus/2009 (1B:5) – Stock Dividend @20%	1,235.52	7,413.12
2011	Bonus/2010 (35B:100) – Stock Dividend @35%	2,594.59	10,007.71
2012	Bonus/2011 (1B:4) – Stock Dividend @25%	2,501.93	12,509.64
2013	Bonus/2012 (17B:100) – Stock Dividend @17%	2,126.64	14,636.28
2014-23	Bonus/2013 (10B:100) – Stock Dividend @10%	1463.63	16,099.91

Share price status in the Stock Exchanges-2023

Month	DSE		CSE	
	Highest rate	Lowest rate	Highest rate	Lowest rate
January	34.80	32.60	34.90	32.60
February	32.60	32.60	32.60	32.60
March	32.60	32.60	32.60	32.60
April	32.60	32.60	32.60	32.60
May	32.60	32.60	32.60	32.60
June	32.60	32.60	32.60	32.60
July	32.60	32.60	32.60	32.60
August	32.60	32.60	32.60	32.60
September	32.60	32.60	32.60	32.60
October	32.60	32.60	32.60	32.60
November	32.60	32.60	32.60	32.60
December	32.60	32.60	32.60	32.60

Stock Details of Share and Bond

Sl.No.	Particulars	DSE	CSE
1	Share Symbol	ISLAMIBANK	ISLAMIBANK
2	MPB Symbol	IBBPLCPBOND	IBBPLCPBOND
3	IBBL 2nd Perpetual Mudaraba Bond	IBBL 2 PBOND	IBBL 2 PBOND
4	Share Listing Date	02.07.1985	07.03.1996
5	MPB Listing Date	25.11.2007	25.11.2007
6	IBBPLC 2nd PMB Listing Date	19.12.2021	19.12.2021
7	Market Category	'A'	'A'
8	Electronic Share/MPB/2nd PMB	Yes	Yes
9	Face Value of Share (Taka)	10	10
10	Face Value of MPB (Taka)	1,000	1,000
11	Face Value of IBBPLC 2nd PBOND (Taka)	5,000	5,000
12	Total Number of Shareholders	25,773	25,773
13	Highest Price of Share	34.80 (18.01.2023)	34.90(29.01.2023)
14	Lowest Price of Share	32.60 (23.05.2023)	32.60 (12.01.2023)
15	Total Number of MPB holders	11,835	11,835
16	Highest Price of MPB	1,053 (31.12.2023)	1,053 (31.12.2023)
17	Lowest Price of MPB	1,053 (31.12.2023)	1,053 (31.12.2023)
18	Total Number of IBBL 2 PMB holders	430	430
19	Highest Price of IBBL 2 PMB holders	5,000 (31.12.2023)	5,000 (31.12.2023)
20	Lowest Price of IBBL 2 PMB holders	5,000 (31.12.2023)	5,000 (31.12.2023)

Accessibility of Annual Report

Annual Report 2023 and other information of the Bank may be accessed on Bank's Website: www.islamibankbd.com. IBBPLC. provides copies of Annual Report to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange and Chattogram Stock Exchange for their reference.

Governance on Investors' Relation

IBBPLC. is strongly committed to ensure equitable treatment for every shareholder. The Company Secretary of IBBPLC. addresses queries relating to any corporate information and published financial information.

Investors' Inquiries and Communication

Shareholders and others may contact at any time to share & bond division for any sort of information and query. In order to make the AGM more participatory, it is arranged in a well-known place at convenient time to enable the shareholders to speak in the AGM hassle free and provide their valuable suggestions. Any queries relating to shareholders such as transfer of shares, changes of name and addresses and payment of dividend may be communicated to the following address:

Share & Bond Division

Islami Bank Bangladesh PLC.
63, Dilkusha Commercial Area, (5th Floor), Dhaka-1000.
PABX: (+88-2) 222383040, 222338416; Ext.-369
Mobile : 01714-003950, 01787-693288, 01844-242639
E-mail: share@islamibankbd.com & share&bond@islamibankbd.com

Redress of Investors' Complaints

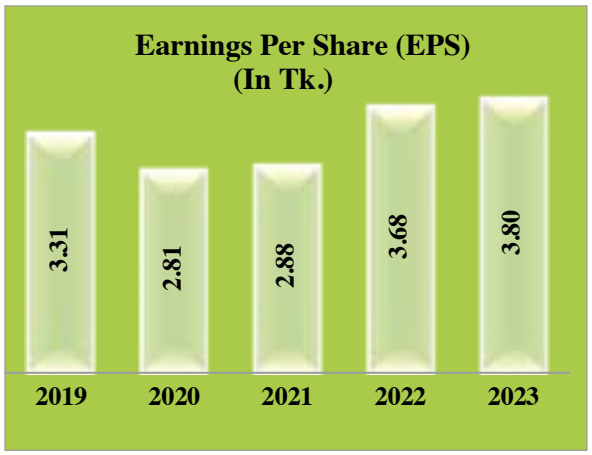
In the 40th Annual General Meeting held on 22.06.2023, some shareholders suggested on different aspects of financial, development and services of the bank. Management of the bank has addressed the issues with due diligence and importance.

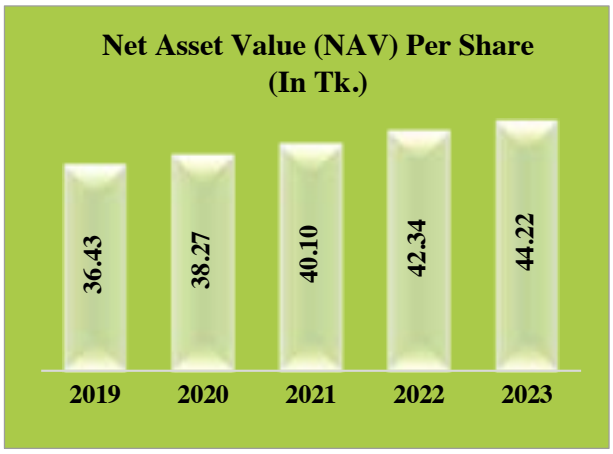
Shareholders' Suggestions and Implementation Status thereof

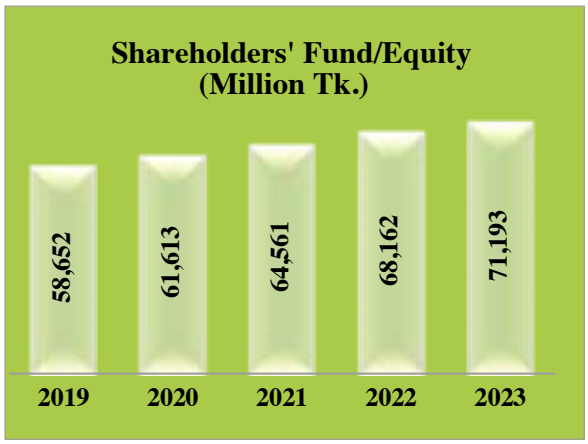
Sl.	Complains/Suggestions	Redressal of the Investors' Complains/ Suggestions
1	Some shareholders requested for declaring 20% Cash Dividend in the coming year while some other shareholders suggested for creating a Dividend Equalization Fund so that dividend consistency can be maintained even at the Bank's rainy day.	Dividend is the key indicator of the financial health of any financial organization. Shareholders always expect high dividend. It actually depends on the income volume of the organization. Last year was very challenging for banking industry due to post Covid and Russia-Ukraine War impact as well as domestic political instability. Hence a negative trend was prevailed in different macro & micro economic factors. However, the Bank has taken diversified strategy to increase profit. Hopefully bank will be able to pay a handsome package of dividend.
2	A few shareholders were a bit critical about increase of administrative & others expenses compared to previous year and requested to control the same.	• To control the administrative & other expenses of the Bank, the following measures have been adopted : • Excessive running of the air coolers, fans, computers, printers, lights etc. has been controlled. • Strict observance of office timetable is being followed to reduce the overtime bill. • Conference / Get-together / Training / Meeting etc. are being held through online platform to a significant extent. • Letters / Circulars / Instruction Circulars / Memos etc. are being dispatched through E-mail in lieu of courier / postal service to reduce the consumption of paper / stationery items. • The frequency of physical visit to the out station is being minimized by way of conducting the same through virtual platform, if possible, to bring down TA / DA bill.

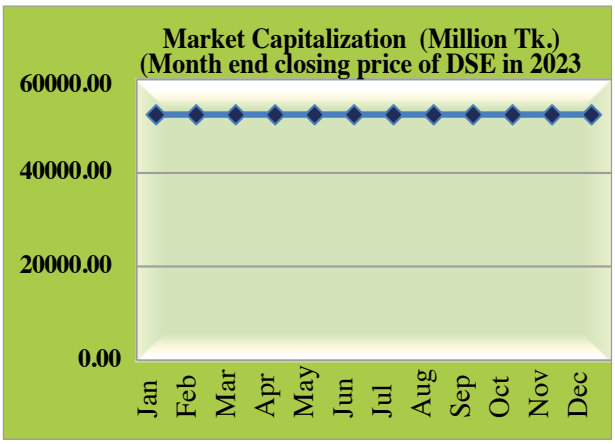
3	One of the shareholders felt proud to be an IPO shareholder holding the share since 1985 and thanked the Management for registering 931st position in the UK based magazine "The Banker" and highest remittance award and suggested to reduce bad investment portfolio.	• A 30-day long drive titled "Combined Efforts towards Excellence in Asset Management" from 16th May, 2022 to 15th June, 2022 was launched for ensuring colossal and massive regularization of NPI. 389 teams comprising minimum 4 members had been formed at different Wings and Divisions of Head Office to exert wholehearted efforts for figuring out the best way forward for regularizing long-standing NPI clients of Dhaka based Zones and Corporate Branches. • 5(five) Teams at Head Office comprising AMDs, DMDs, CRO, Head of IMW & Heads of Sanctioning Wings have been formed to closely follow-up, persuade and monitor top-50 NPI , clients for ensuring eventual recovery/ regularization. • 11 (Eleven) meetings of "Supervision and Monitoring Committee'' were held with the Heads of Corporate Branches and Heads of Zones and discussed thoroughly threats in managing asset quality and provided concrete, doable and time-bound guidance to scale up the asset quality. • A month-long campaign titled "Financial Excellence through Sound Asset Management" from November 01, 2022 to November 30, 2022 had been launched engaging entire manpower of the Bank with a view to ensuring robust recovery of Non-performing Investment • IMW put utmost priority on recovery of Written-off Investment from the very outset of the year-2022. Surpassing all previous records, Tk.225.90 million has been realized from Written-off Investment and, as a result, the bank posted stupendous 75% growth over the past calendar year.
4	Some shareholders praised for excellent mobilization of Deposit & enhancement of Investment and remittance. They also suggested for maintaining optimum Investment Deposit Ratio and excreting best efforts to increase Investment Income, Net profit, Commission, Exchange, Brokerage & other operating Income with a view to ensuring more satisfactory profit in future.	• Bank has taken a set of measures in order to ensure substantial recovery from NPI clients with special emphasis on cash recovery from Overdue, Classified, Rescheduled and Written-off investments so that volume of NPI can be kept at reasonable level. • Back in January 2024, 8 (eight) Teams (A to H) has been formed headed by DMDs (called as Mentors) under direct supervision of AMDs for making sure heightened supervision & monitoring to better asset quality by way of ensuring substantial recovery from long-standing NPI clients. • Earlier, a recovery campaign had been conducted from 1st November, 2023 to 31st December, 2023 styled ''Smart Banking towards Financial Excellence'' throughout the country in a bid to ramp up efforts to improve asset quality through substantial recovery from NPIs i.e. from Overdue, Classified, Rescheduled and Written-off Investments. • Besides, Task Force Committees of the Branches & Zones are working relentlessly engaging their whole-hearted, collaborative & dedicated efforts for solidifying asset quality by way of ensuring hefty recovery from long-standing Classified, Overdue, Rescheduled and Written-off investments of the Bank.

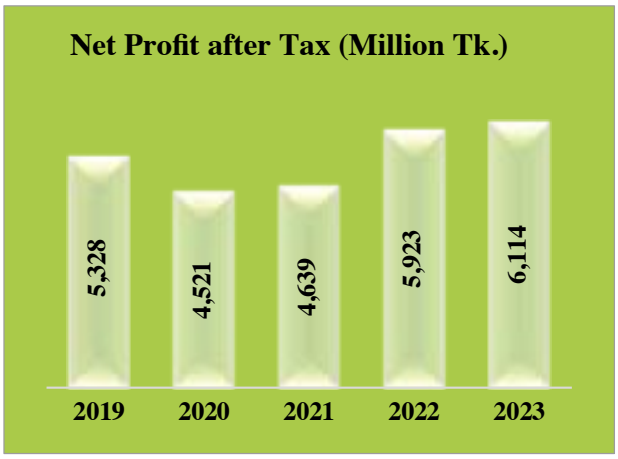
Graphical Presentation











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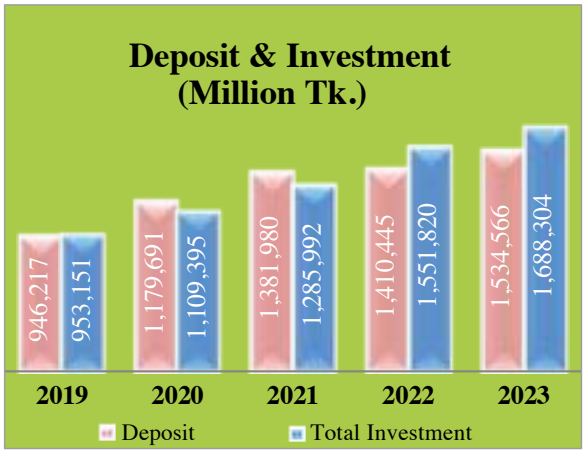
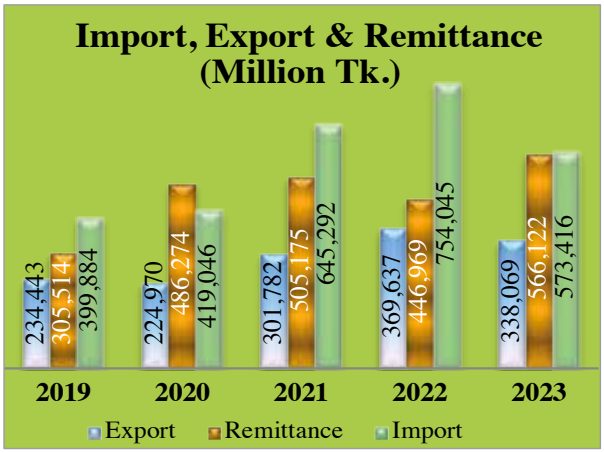
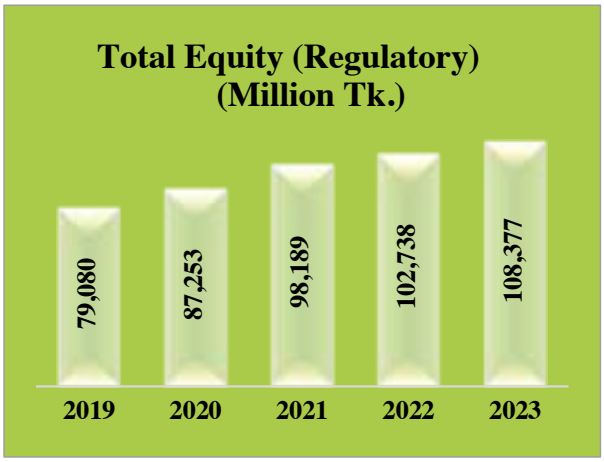
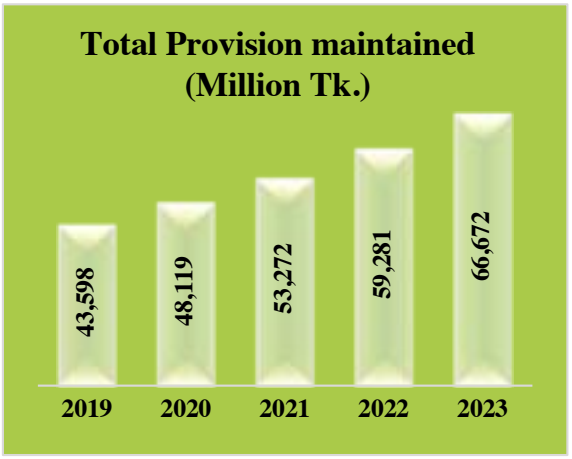
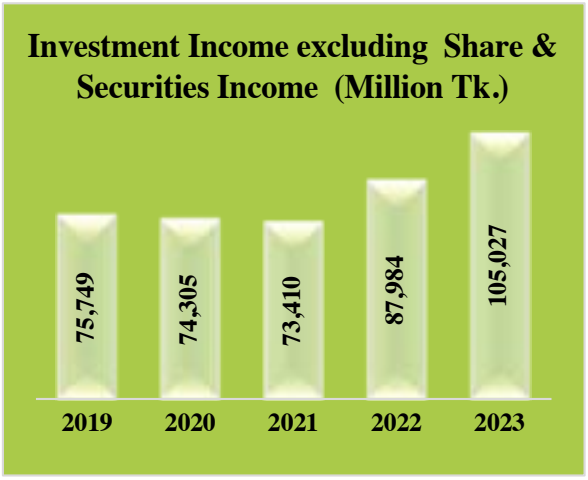


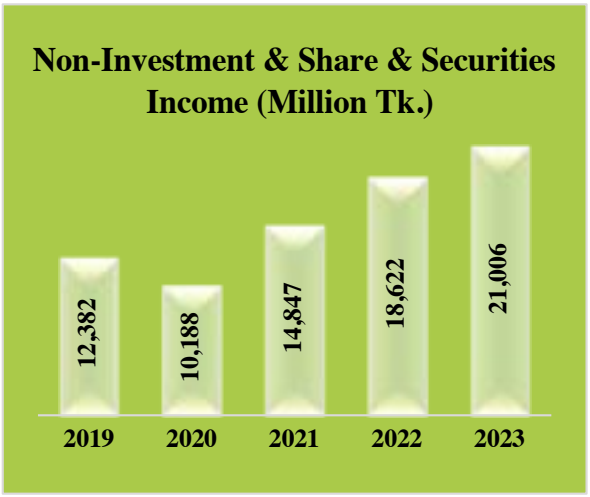


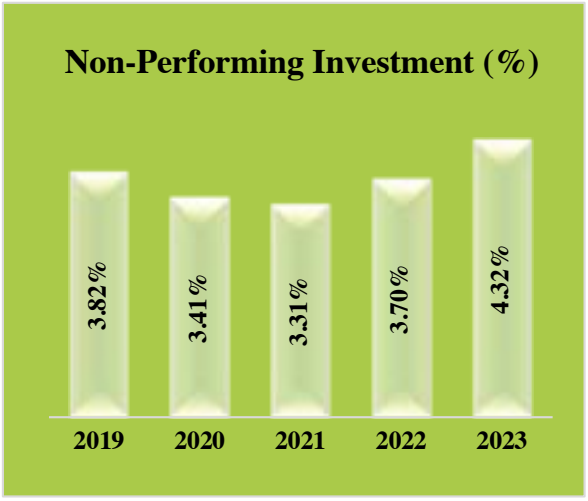


Graphical Presentation

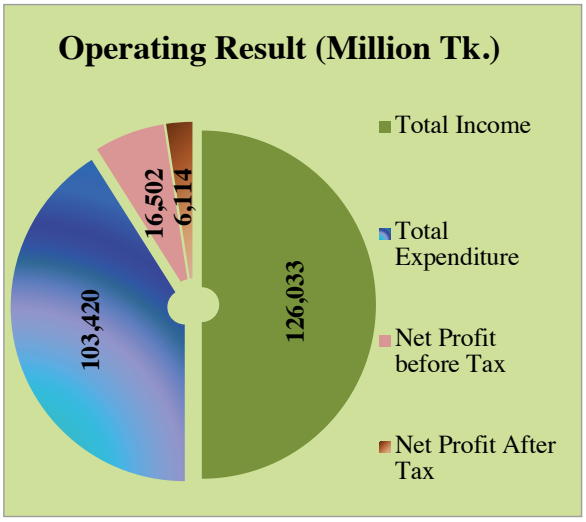


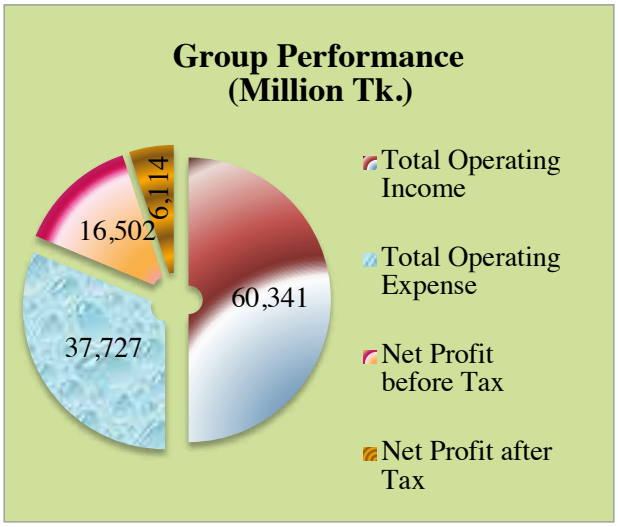


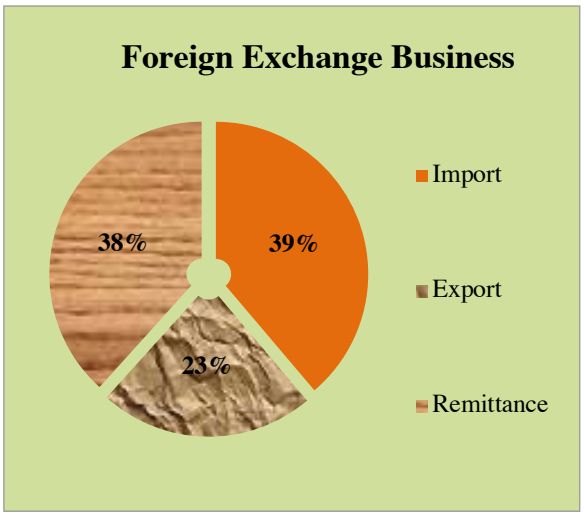


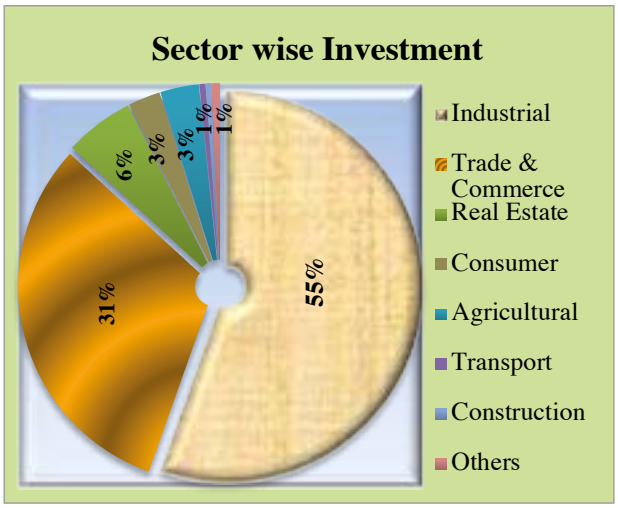


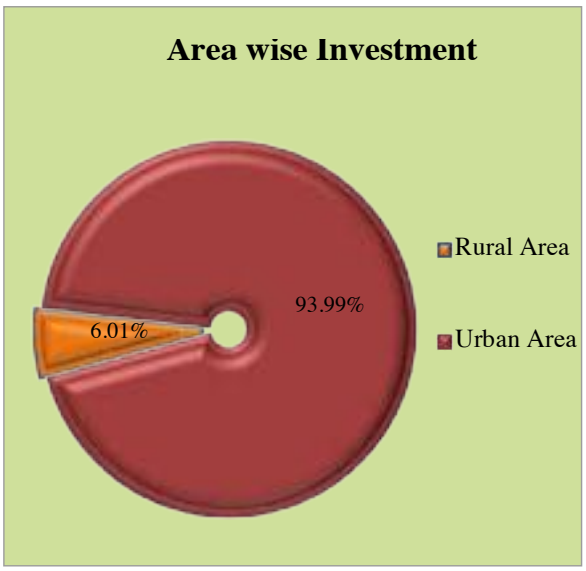
Segment Information

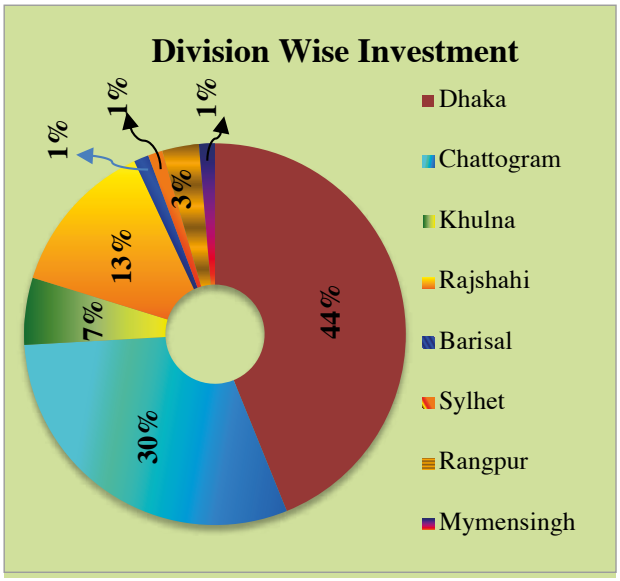






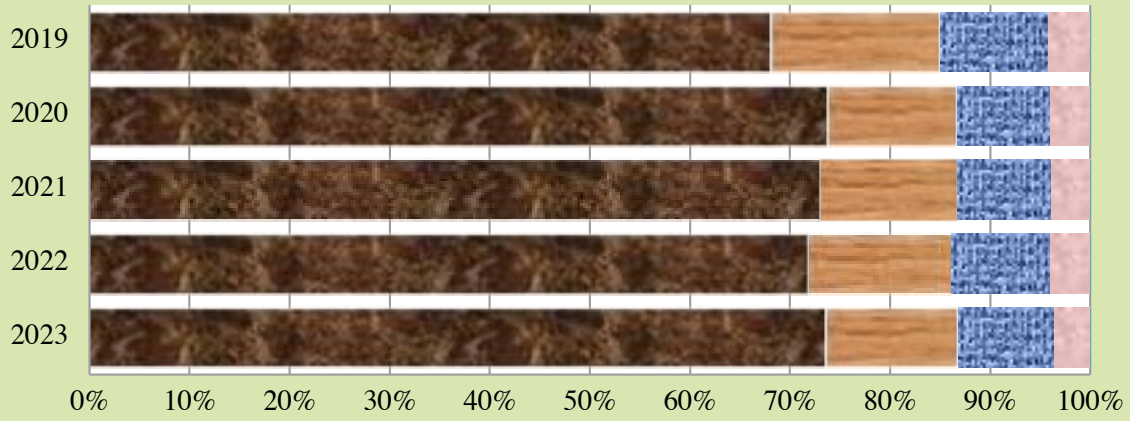






Horizontal & Vertical Analysis

Operating Performance (Horizontal) in Million Tk.



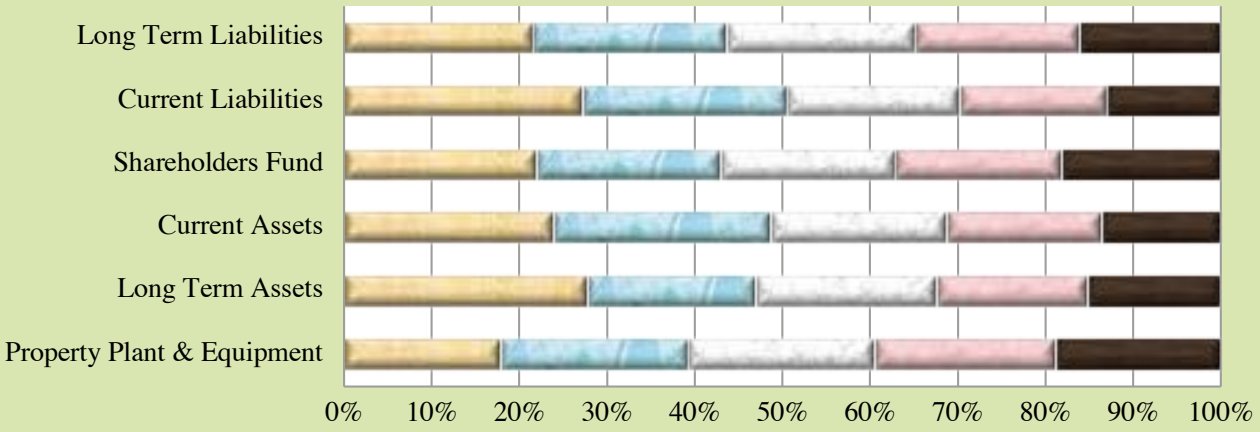
	2023	2022	2021	2020	2019
Total Revenue	126,033	106,606	88,257	84,493	88,131
Operating Profit	22,614	21,247	16,554	14,789	21,914
Profit Before Tax	16,502	14,593	11,441	10,689	14,100
Profit after Taxes	6,114	5,923	4,639	4,521	5,328
EPS	3.80	3.68	2.88	2.81	3.31

Operating Performance (Vertical)

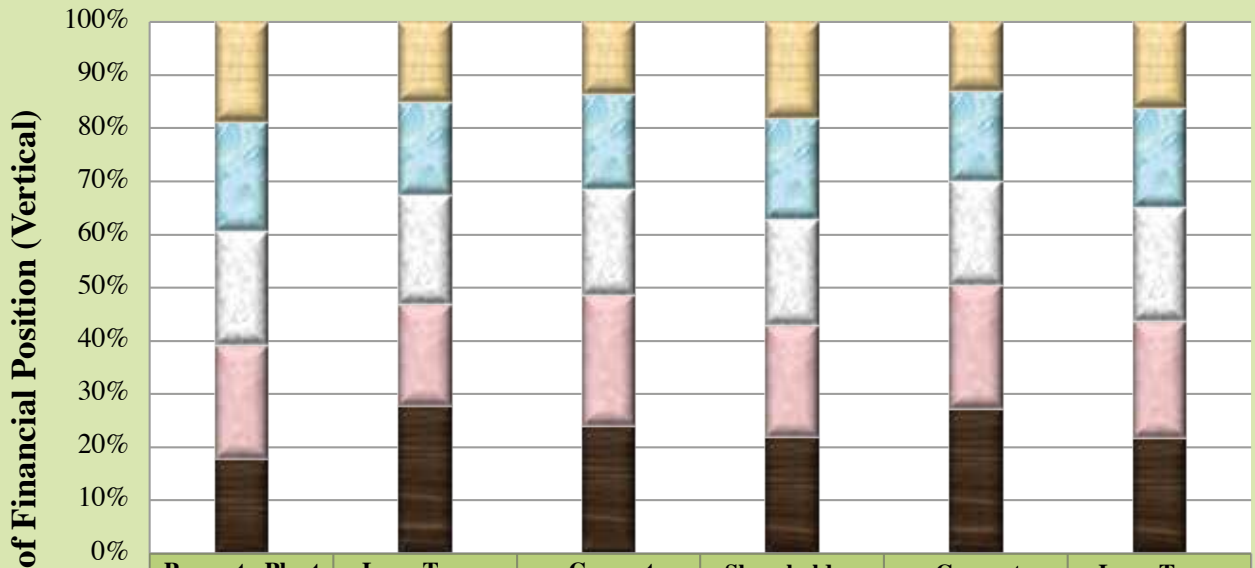
	2023	2022	2021	2020	2019
EPS	3.80	3.68	2.88	2.81	3.31
Profit after Taxes	6,114	5,923	4,639	4,521	5,328
Profit Before Tax	16,502	14,593	11,441	10,689	14,100
Operating Profit	22,614	21,247	16,554	14,789	21,914
Total Revenue	126,033	106,606	88,257	84,493	88,131

Horizontal & Vertical Analysis

Statement of Financial Position (Horizontal) in Million Tk.

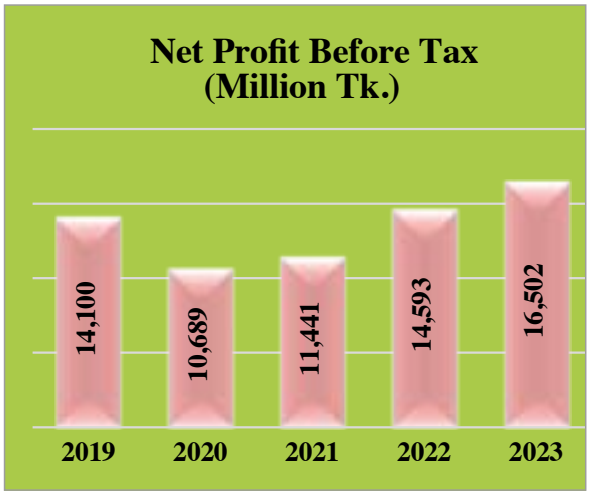


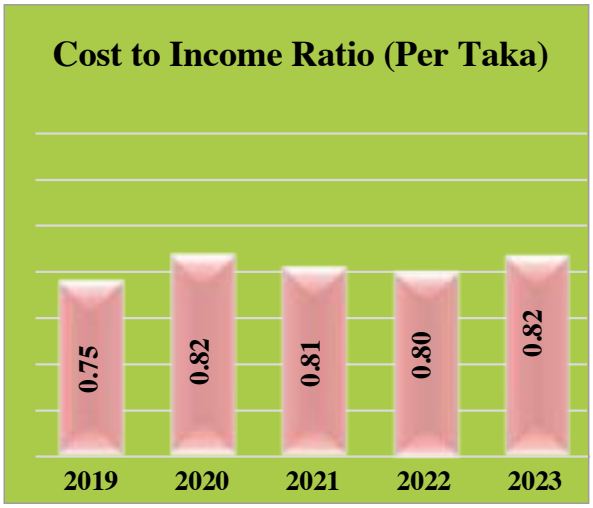
	Property Plant & Equipment	Long Term Assets	Current Assets	Shareholders Fund	Current Liabilities	Long Term Liabilities
2023	15,436	789,110	1,226,987	71,193	1,365,341	594,999
2022	18,437	523,722	1,295,921	68,162	1,181,750	588,168
2021	18,378	565,927	1,051,688	64,561	1,001,706	569,726
2020	17,810	472,126	926,893	61,613	855,671	499,545
2019	16,187	415,153	710,153	58,652	656,086	426,755

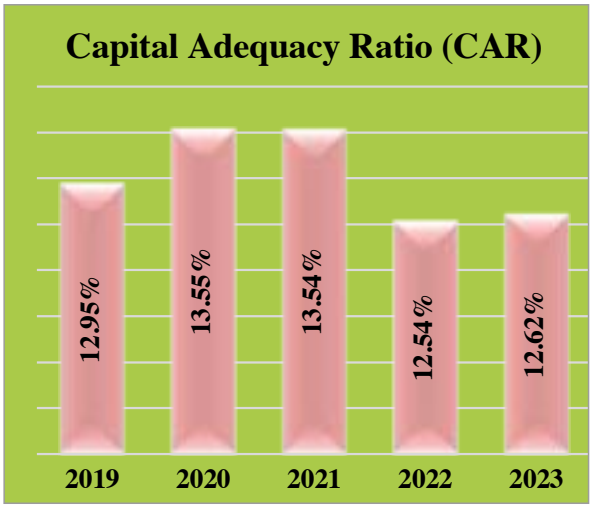


	Property Plant & Equipment	Long Term Assets	Current Assets	Shareholders Fund	Current Liabilities	Long Term Liabilities
2019	16,187	415,153	710,153	58,652	656,086	426,755
2020	17,810	472,126	926,893	61,613	855,671	499,545
2021	18,378	565,927	1,051,688	64,561	1,001,706	569,726
2022	18,437	523,722	1,295,921	68,162	1,181,750	588,168
2023	15,436	789,110	1,226,987	71,193	1,365,341	594,999

Profitability, Dividend, Performance and Liquidity Ratios



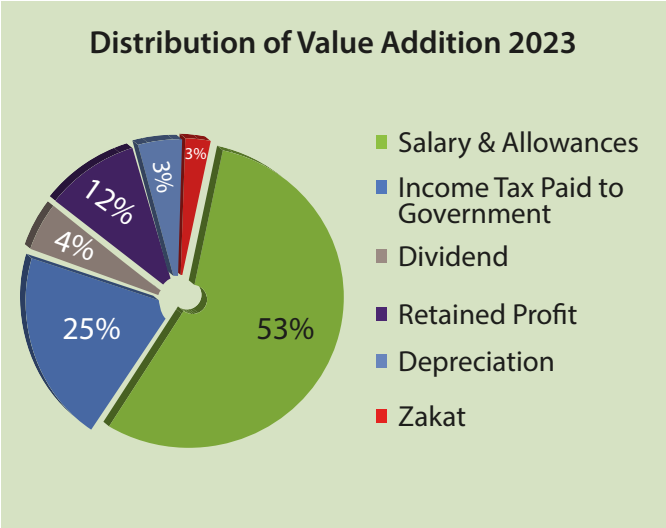


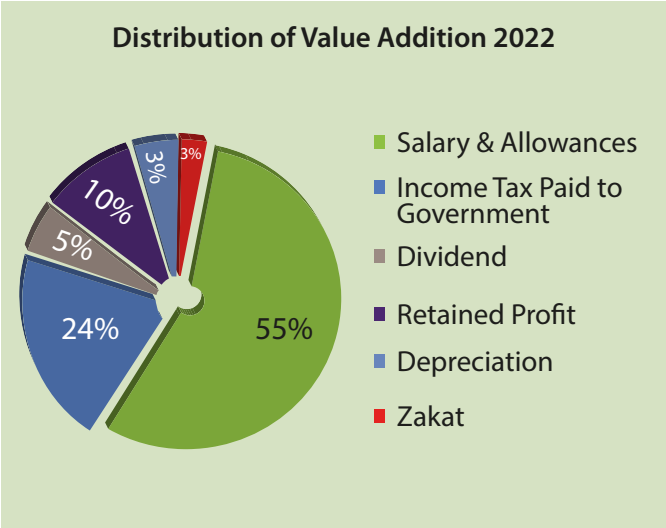


Statement of Value Added

(Amount in million Taka)

Particulars	2023		2022	
	Amount	%	Amount	%
Income from Banking Service	126,033		106,368	
Less: Cost of Services	78,473		63,338	
Value added by Banking Service	47,560		43,030	
Non-Banking Income	-		-	
Provision for Investment & Off-Balance Sheet exposures	5,716		6,365	
Total Value Added	**41,844**		**36,665**	
Distribution of Value Addition				
To government (income tax)	10,388	25%	8,669	24%
To providers of capital (dividend- cash/stock)	1,610	4%	1,610	5%
To employees (salaries, allowances and other benefits	22,042	53%	20,271	55%
Zakat	1,063	3%	971	3%
Retained Profit	5,181	12%	3,562	10%
Depreciation	1,744	3%	1,681	3%
Deferred taxation	(184)	-	(99)	-
Total	**41,844**	**100%**	**36,665**	**100%**





Economic Value Added Statement

(Amount in million Taka)

Particulars	2023	2022
Shareholders' equity	71,193	68,162
Add: Accumulated provision for investment (including Off B/S)	66,672	59,881
Total Invested Fund	137,865	128,043
Average Shareholders' Equity	69,677	66,362
Earnings		
Profit After Tax	6,114	5,923
Add: Provisions	5,716	6,365
Less: Written-off during the year	-	-
Earnings for the year	11,830	12,288
Economic Value Added (EVA)	11,830	12,288

Market Value Added Statement

Particulars	Number of Shares	Value per Share (Taka)	Amount (In million Taka)
Market Value	1,609,990,668	32.60	52,486
Book Value	1,609,990,668	44.22	71,194
Market Value Added			**(18,708)**

Market Share Information

Sl. No.	Particulars	Market Share of IBBPLC. in the Banking Sector (%)	
		2023	2022
1	2	3	4
1	Deposit	9.28%	9.90%
2	General Investment	8.21%	8.31%
3	Import	8.23%	10.00%
4	Export	5.61%	7.41%
5	Remittance	23.07%	22.92%

Integrated Reporting Highlights

Particulars	2023	2022
Financial Inclusion		
Number of Deposit Account	20,534,305	18,383,517
Deposit per Account (Million Taka)	0.07	0.08
Number of Investment Account	1,046,217	983,996
Investment per Account (Million Taka)	1.53	1.49
Rural Investment extended through Rural Development Scheme (RDS) (Million Taka)	64,737	55,881
Number of RDS members	1,700,919	1,600,056
Villages of the country covering through RDS	32,977	30,961
Farmers Account (Nos.)	658,928	558,852
Percentage of Rural Branch	30.20%	30.20%
SME exposure of IBBPLC to Total Investment Portfolio	23%	25%
Spread	2.62%	2.28%
Promoting Sustainable finance		(In million Taka)
Amount financed for installation of ETP to plants in operations	308.99	512.33
Amount financed in plants having ETP	494.80	661.47
Amount financed to solar panel/renewable energy plants	4,645.48	5,447.49
Amount financed to Bio-fertilizer plants	0	0
Amount financed to brick kilns adopted cleaner technology	247.82	166.65
Amount financed to other green projects	176,525.02	159,949.17
Total Sustainable Finance	182,222.11	166,737.11
Employer of Choice		
Total Employee	20,809	20,792
Percentage of voluntary attrition	1.85%	2.44%
Total number of training	534	538
Number of fresh employee recruited	397	2,112
Protecting Environment		
Number of customers eligible for Environmental Due Diligence	108,416	50,758
Number of customers appraised for Environmental Risk Rating	108,416	50,758
Low	46,373	38,569
Moderate	62,043	12,189
High	0	0
Cost of water consumed by the bank	30.51	28.93
Cost of Paper consumed by the bank	55.60	55.65
Cost of energy (electricity, fuel and gas) consumed by the bank	441.24	400.42
Percentage of bank branches connected online	100	100
No. of staff received training on Green Banking	1,275	3,440
Distribution of Tree Saplings (Number)	207,676	142,365
Corporate Social Responsibility		
Expenditure for CSR (Million Taka)	998	3,273.69
No. of Beneficiaries	299,397	632,674
Contribution to the National Exchequer	24,719.12	18,636.60

Financial Calendar-2023

Items	Date
Dividend for 2022 paid	July 06, 2023
Financial Statements for the year 2023 signed	April 24, 2024
41st Annual General Meeting to be held	June 25, 2024
Dividend for 2023 proposed to be paid	June 27, 2024
Interim Financial Statements	
1st quarter ended March 31, 2023 (unaudited) approved by the Board of Directors	April 26, 2023
2nd quarter/Half Yearly ended June 30, 2023 (unaudited) approved by the Board of Directors	July 26, 2023
3rd quarter ended September 30, 2023 (unaudited) approved by the Board of Directors	October 19, 2023
4th quarter/Year ended December 31, 2023 (audited) approved by the Board of Directors	April 24, 2024

Financial Calendar-2024 (Proposed)

Items	Date
Financial Statements for the year 2024 will be finalized and signed	February 20, 2025
42nd Annual General Meeting will be held	March 27, 2025
Dividend for 2023 proposed to be paid	June 30, 2024
Interim Financial Statements	
1st quarter ended March 31, 2024 (unaudited) will be approved by the Board of Directors	April 22, 2024
2nd quarter/Half Yearly ended June 30, 2024 (unaudited) will be approved by the Board of Directors	July 18, 2024
3rd quarter ended September 30, 2024 (unaudited) will be approved by the Board of Directors	October 17, 2024
4th quarter/Year ended December 31,2024 (audited) will be approved by the Board of Directors	February 20, 2025

Financial Highlights

Amount in million Tk.

Sl. No.	Particulars	2023	2022
1	Paid-up capital	16,099.91	16,099.91
2	Total capital (equity)	108,376.72	102,738.44
3	Capital surplus/ (deficit)	1072.17	318.84
4	Total assets (Excluding contra)	2,031,532.78	1,838,080.21
5	Total deposits	1,534,566,01	1,410,445.43
6	Total investments (excluding Investment in shares/ securities)	1,600,265.66	1,461,365.50
7	Total contingent liabilities and commitments	223,707.34	268,015.46
8	Investment deposit ratio	91.90%	91.64%
9	Percentage of classified investment against total general investments	4.32%	3.70%
10	Profit after tax & Provision	6,114.16	5,923.45
11	Amount of classified investment during current year	15,166.09	14,634.90
12	Provision kept against classified investments	48,662.86	42,073.98
13	Provision surplus/ (deficit)	0.50	0.50
14	Cost of fund	7.17%	6.55%
15	Profit earning assets	1,264,162.31	1,423,908.05
16	Non-profit earning assets	767,370.47	414,172.16
17	Return on investments (annual)	6.76%	6.39%
18	Return on assets	0.32%	0.34%
19	Income from investments	109,595.56	90,685.73
20	Earnings per share (Taka)	3.80	3.68
21	Net income per share (Taka)	3.80	3.68
22	Price earnings ratio (Times)	8.58	8.70
23	Net Asset Value (NAV)	71,192.79	68,162.15
24	Net Asset Value (NAV) per share (Taka)	44.22	42.34
25	Net Operating Cash Flow per share (NOCFPS) (Taka)	(10.78)	(55.69)
26	Dividend Yield per share	3.07%	3.03%
27	Dividend pay out ratio per share	26.33%	27.18%
28	Dividend cover Ratio (Times)	3.80	3.68

Five Years Performance

Sl. No.	Particulars	2023	2022	2021	2020	2019
Balance Sheet Matrix						
1	Authorized Capital	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
2	Paid up Capital	16,099.91	16,099.91	16,099.91	16,099.91	16,099.91
3	Share Premium	1.99	1.99	1.99	1.99	1.99
4	Reserve Fund	53,482.89	50,452.26	46,851.40	43,902.99	40,941.78
5	Retained Earnings	1,609.99	1,609.99	1,609.99	1,609.99	1,609.99
6	Shareholders' Equity	71,192.79	68,162.15	64,561.29	61,612.88	58,651.67
7	Total Deposit	1,534,566.01	1,410,445.43	1,381,979.53	1,179,476.48	946,291.53
8	Total Investment	1,688,304.04	1,551,820.16	1,285,992.40	1,109,395.31	953,150.85
9	General Investment	1,600,265.66	1,461,365.50	1,191,173.00	1,035,287.88	899,013.21
10	Investment Deposit Ratio	91.90%	91.64%	79.74%	80.42%	89.39%
11	Total Assets (including Contra)	2,255,240.12	2,106,095.67	1,900,838.42	1,624,916.66	1,316,169.23
12	Total Assets (excluding Contra)	2,031,532.78	1,838,080.21	1,635,992.80	1,416,828.50	1,141,492.97
13	Fixed Assets	15,435.66	18,437.32	18,378.45	17,809.90	16,186.68
Capital Measure Matrix						
14	Total Risk Weighted Assets (RWA)	858,436.39	819,356.86	725,369.92	644,139.50	610,712.38
15	Core Capital- Tier- I	74,967.29	69,731.86	65,304.82	55,181.93	52,221.30
16	Supplementary Capital (Tier- II)	33,409.43	33,006.58	32,884.25	32,070.80	26,858.40
17	Regulatory Capital (Tier I, II & III)	108,376.71	102,738.44	98,189.08	87,252.72	79,079.70
18	Statutory Capital (Paid up Capital & Statutory Reserve)	38,835.37	37,835.38	36,835.38	3,5835.37	34,835.38
19	Equity/Capital Surplus/(Deficit)	1,072.17	318.84	7,517.83	6,740.89	2,740.65
20	Capital Adequacy Ratio	12.62%	12.54%	13.54%	13.55%	12.95%
Assets Quality Matrix						
21	Classified Investment	69,188.11	54,022.01	39,387.11	35,259.10	34,384.54
22	Classified Investment to Total Investment	4.32%	3.70%	3.31%	3.41%	3.82%
23	Provision against Classified Investment (Objective Criteria)	27,041.97	24,235.89	24,902.75	23,572.03	23,994.33
24	Provision against Classified Investment	21,620.88	17,838.09	12,327.52	12,725.89	10,744.99
25	General Provision against Unclassified Investment (including OBU)	16,941.96	15,670.55	13,857.63	10,251.06	7,372.13
26	General Provision on Off Balance Sheet Items	1,066.97	2,136.03	2,184.05	1,567.09	1,486.28
Operating Performance Matrix						
27	Investment Income	105,027.45	87,984.26	73,410.09	74,305.33	75,748.84
28	Profit Paid on deposit	65,692.58	54,077.05	44,930.23	44,787.01	44,941.33
29	Net Investment Income	39,334.87	33,907.21	28,479.86	29,518.33	30,807.51
30	Non-Investment Income	21,006.04	18,621.91	14,846.92	10,180.05	12,382.28
31	Total Income	126,033.49	106,606.17	88,257.01	84,493.38	88,131.12
32	Administrative & other Exp.	37,727.34	31,281.71	26,772.37	24,908.16	21,276.17
33	Total Expenditure Excluding Provision	103,419.92	85,358.76	71,702.60	69,695.17	66,217.50
34	Provision for Investment, Off Balance Sheet Items & Other Assets	6,111.91	6,654.49	5,113.12	4,109.13	7,813.86
35	Total Expenditure Including Provision	109,531.83	93,013.25	76,815.72	73,804.30	74,031.36
36	Net Profit before Tax	16,501.66	14,592.92	11,441.28	10,689.09	14,099.75

Sl. No.	Particulars	2023	2022	2021	2020	2019
37	Net Profit after Tax	6,114.15	5,923.45	4,639.20	4,521.01	5,328.39
38	Provision for Income Tax	10,387.51	8,669.48	6,802.08	6,168.08	8,771.36
Foreign Business Matrix						
39	Import	573,416.00	754,045.00	645,295.00	41,9046.00	399,884.00
40	Export	338,069.00	369,637.00	301,782.00	22,4970.00	234,443.00
41	Remittance	566,122.00	446,969.00	505,175.00	48,6274.00	305,514.00
42	Total Foreign Exchange Business	1,477,607.00	1,570,651.00	1,452,252.00	1,130,290.00	939,841.00
Network Distribution						
43	Number of Nostro Accounts	53	53	51	50	45
44	Correspondent Banks	600+	594	633	610	595
45	Agency Arrangement	153	157	151	147	139
46	Shareholder	25,773	26,388	30,126	33,869	38,371
47	Employee	20,809	20,792	19,193	18,621	16,807
48	Branch	394	394	384	373	357
48	Sub Branch	237	228	219		
49	Sheba Ghar	47	47	47	47	47
50	Agent Banking Outlet	2,771	2,694	2,676	2,273	1,012
51	No. of ATM& CRM	2,989	2,856	2,318	1,752	661
52	No. of IDM	126	126	126	126	126
Shareholders' Information						
53	Cash Dividend	10%	10%	10%	10%	10%
54	Stock Dividend	-	-	-	-	-
55	Net Assets Value (NAV) per Share (Taka)	44.22	42.34	40.10	38.27	36.43
56	Net Operating Cash Flow per share (NOCFPS) (Tk.)	(10.78)	(55.69)	41.42	82.40	28.82
57	Earning per Share (Taka) (original)	3.80	3.68	2.88	2.81	3.31
59	Market Value per Share (Taka) (Highest)	32.60	33.10	34.00	28.90	28.40
Efficiency Ratio						
60	Gross Profit Ratio	47.88%	49.00%	49.09%	47%	49.01%
61	Cost of Fund	7.17%	6.55%	6.17%	7.03%	8.31%
62	Cost Income Ratio/Efficiency Ratio	0.82	0.80	0.81	0.82	0.75
63	Return on Equity (ROE)	8.77%	8.93%	7.19%	7.38%	9.39%
64	Return on Average Assets (ROA)	0.32%	0.34%	0.30%	0.35%	0.50%
65	Price Earnings Ratio (Times)	8.58	8.70	11.11	7.01	7.05
66	Spread	2.62%	2.28%	3.23%	2.63%	2.93%
67	Cash Reserve Requirement (CRR)	5.10%	5.77%	16.48%	17.05%	6.17%
68	Statutory Liquidity Ratio (SLR)	6.04%	6.62%	19.84%	19.86%	6.88%
69	Liquidity Coverage Ratio (LCR)	48.74%	82.90%	311.57%	253.79%	327.62%
70	Net Stable Funding Ratio (NSFR)	100.09%	105.02%	107.51%	105.75%	105.59%
71	Non Investment Income to Total Income	13.04%	14.93%	14.21%	9.70%	14.05%
Credit Rating Status						
72	Long Term	AAA	AAA	AAA	AAA	AAA
73	Short Term	ST-1	ST-1	ST-1	ST-1	ST-1

بسم الله الرحمن الرحيم

Report of the Shari'ah Supervisory Committee 2023

اَلْحَمْدُ لله رَبِّ الْعَالَمِيْنَ ـ وَالصَّلَاةُ وَالسَّلَامُ عَلَى رَسُوْلِهِ الْكَرِيْم سَيِّدنَا مُحَمَّد وَعَلَى آلِهِ وَأَصْحَابِهِ أَجْمَعِيْنَ ـ

During the year 2023, the Shari'ah Supervisory Committee of Islami Bank Bangladesh PLC met 11 meetings and reviewed operational activities of the Bank including those referred to it by the Board of Directors and the Management of the Bank and gave decisions and opinions related to Shari'ah. For increasing awareness among the employees of the Bank for Shari'ah compliance in banking operations, the Honorable members of the Shari'ah Supervisory Committee attended 16 Shari'ah Awareness Programs held at Head Office, different Zones and Corporate branches of the Bank as main discussant in presence of the Honorable members of the Board of Directors and top executives of the Bank. Apart from these, under the supervision of the Shari'ah Supervisory Committee, the muraqibs of Shari'ah Secretariat conducted Shari'ah inspection at all (394) branches of the Bank, 67 sub-branches, 188 agent outlets, all zonal offices and different divisions of Head Office during the period and submitted detailed report thereon.

The responsibility of the Shari'ah Supervisory Committee is to form independent opinion and to provide necessary guidelines upon observation and review of the activities of the Bank. On the other hand, the responsibility of the Management is to ensure that the Bank conducts its business in accordance with the rules and principles of Islamic Shari'ah and the opinions given by the Shari'ah Supervisory Committee.

After reviewing the Shari'ah inspection reports and audited financial statements like balance sheet, profit & loss account of the Bank for the year 2023, the Shari'ah Supervisory Committee confer the following opinions and advices:

Opinions:

1. The agreements, contracts and transactions executed by Islami Bank Bangladesh PLC during the year have been made in accordance with the principles of Islamic Shari'ah.
2. Profit distributed to Mudaraba deposit accounts has been made in accordance with the terms and conditions stipulated in the contracts as per principles of Islamic Shari'ah.
3. The income identified by the Shari'ah Supervisory Committee as impermissible and doubtful from the view point of Islamic Shari'ah has not been included in the distributable income of the Bank.
4. The calculation of Zakat on the zakatable assets of the Bank has been made in compliance with the rules and the principles of Islamic Shari'ah. It is pertinent to state that IBBPLC does not pay Zakat on behalf of the depositors and shareholders. It is the responsibility of the depositors and shareholders to pay Zakat on their deposits and shares respectively.

Advices:

1. To flourish the asset quality of the Bank and ensure the Shari'ah compliance, it is necessary to increase the sincere efforts of all levels of the employees of the bank.
2. It is imperative to continue Shari'ah Training and Awareness Programs with a view to increasing awareness on Shari'ah compliance among all levels of the employees and clients.
3. In order to make the poor people of the country prosperous and self-reliant, it is essential to expand the activities of micro finance (investment) scheme in the newly opened branches, sub-branches and agent outlets.
4. It is essential to increase supervision and arrange more Shari'ah training in order to increase awareness on Shari'ah compliance among the owners and the employees of agent outlets representing the Bank at the grassroots level.
5. More effective steps need to be taken to improve the quality of customer service at all levels of the Bank.

May Allah (SWT) bestow us with the best of Tawfique in gaining His satisfaction through implementing Shari'ah in every sphere of our life. Ameen.

Moulana Obaidullah Hamzah
Chairman

Professor Dr. Mohammad Abdus Samad
Member Secretary

Audit Committee Report

In compliance with the Bank Company Act 1991 (amended up to 2013), Bangladesh Bank Guidelines on Internal Control & Compliance in Banks (2016), BRPD Circular No. 11 dated 27 October 2013 and Bangladesh Securities & Exchange Commission Notification, the formal Audit Committee of IBBPLC. has been functioning duly appointed by the Bank's Board of Directors. The Audit Committee was formed to assist the Board for ensuring the achievement of the objectives of the Bank, strategies and overall business plans set by the Board complying Bank's ICC policies vis-a-vis guidelines of the Central Bank. In fulfilling the Board's oversight responsibilities approach to manage risks, the Audit process, findings of Central Bank comprehensive inspection, monitoring the efficiency of operations, compliance with laws and regulations and its own code of business conduct and compliance with the internal policies to make the Bank a compliant, strong and dependable organization for all stakeholders. In this context the Audit Committee comprising of 05 (five) members has been appointed by the Board of Directors of the Bank. Pursuant to the instructions of the Bangladesh Securities and Exchange Commission (BSEC) and the Bangladesh Bank, 01 (one) Independent Director has been included in the Committee. In compliance to Bangladesh Bank Circular, no member of the Executive Committee has been included in the Audit Committee.

Composition of the Audit Committee

Sl. No.	Name	Status in the Board of Directors	Status in the Audit Committee	No. of meetings held in 2023	No. of meetings eligible to attend in 2023	No. of meetings attended in 2023
1	Mohammad Solaiman, FCA	Independent Director	Chairman	09	09	09
2	Khurshid-Ul-Alam	Director	Member	09	09	09
3	Mohammed Nasir Uddin, FCMA	Director	Member	09	09	09
4	Borhan Uddin Ahmed	Independent Director	Member	09	06	06
5	Syed Abu Asad	Director	Member	09	05	05

Note: Janab J Q M Habibullah, FCS, Company Secretary of IBBPLC. acts as the Secretary of the Audit Committee.

Meeting of the Audit Committee

During the year 2023, the Audit Committee conducted 09 (nine) meetings and disposed 299 Memos on different issues. Proceedings of the meetings were reported timely & regularly to the Board of Directors as well as Bangladesh Bank complying the Bangladesh Bank DOS Circular Letter no.07 dated 24.04.2011.

Roles and Responsibilities of the Audit Committee

The roles & responsibilities of the Committee have been defined in line with the relevant provision of Corporate Governance guidelines/notifications issued by BB & BSEC, two paramount regulators for the Bank. Some important roles and responsibilities are highlighted as below:

Internal Control

- Evaluate whether management has set an appropriate compliance culture by communicating the importance of internal control and the management of risk ensuring that all employees have clear understanding of their roles and responsibilities;
- Review management actions in digitalization of the bank and its applications thereof and Management Information System (MIS) of the bank;
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
- Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the Board of Director's after reviewing whether necessary corrective measures have been taken by the management; &
- With governance & guidance from the Board of Directors, the Audit Committee is to put in place policies and procedures to identify, measure, monitor and control risks.

Financial Reporting

- Audit committee checks whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank;
- Discuss with management and the external auditors to review the financial statements before finalization; &
- Review the quarterly & half yearly financial statements with the Management before submission to the Board of Director's for approval.

Internal Audit

- Audit committee ensures whether internal audit is working independently beyond control of the management;
- Review the activities and the organizational structure of the internal audit and ensure that no unjustified restriction or limitation hinders the internal audit process;
- Examine the efficiency and effectiveness of internal audit function; &
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

External Audit

- Review the performance of the external auditors and their audit reports;
- Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not; &
- Make recommendations to the Board of Director's meeting regarding the appointment of the external auditors.
- Compliance with existing laws and Regulations
- Review whether the laws and regulations framed by the regulatory authorities (Central bank and other bodies) and internal regulations approved by the board are being complied with.

Other Responsibilities

Submit compliance report to the Board of Director's on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities; &

Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

Statement of the Audit Committee

The Audit Committee during its regular review meeting observed that the internal controls of the Bank are functioning satisfactorily. During its regular review of the external audit functions, the committee also observed that effective co-ordination of external audit function, independence of external auditors was ensured and the external auditors' findings were reviewed in order to satisfy that appropriate actions have been taken.

Key Activities of the year - 2023

During the year, 2023 the Committee performed, amongst others, the following key functions, where applicable, to the extent it was brought before the committee:

- Discussed the internal and external audit reports with advice to conduct quality & effective audit and advised the management to rectify all lapses/irregularities revealed in the reports. Additionally, the concerned Head of Wings/Divisions/Branches and other Officers of the Bank were invited from time to time to attend the meeting of the Audit Committee in order to augment the process of regularization of lapses and irregularities;
- Discussed the Bangladesh Bank inspection reports on the Branches and Head Office and advised the management to rectify all lapses/irregularities and to comply with Bangladesh Bank's circulars & instruction circulars meticulously;
- Assessed reports relating to fraud, forgery, deficiencies or other similar issues in internal control detected by internal and external auditors and inspectors of the regulatory authority and placed it before the Board of Director after reviewing whether necessary corrective measures have been taken by the management;
- Reviewed the Self-Assessment of Anti Fraud Internal Control on half yearly basis for onward submission to Bangladesh Bank in compliance with DOS Circular Letter No. 10 dated 09.05.2017;

- Approved the Audit (Risk Based, Internal, RDS/UPDS, IS, Concurrent, Foreign Exchange cell & Internal Review of Investment) Calendar for the year 2024 and advised the management to carry out the audit program meticulously;
- Reviewed the activities of the internal audit and the organizational structure and ensuring that no unjustified restriction or limitation hinders the internal audit process and examined the efficiency and effectiveness of internal audit functions;
- Examined whether the findings and recommendations made by the internal auditors & external auditors are duly considered by the management or not;
- Reviewed the financial statements to ensure that the same are in full compliance with the Acts, Rules and the Accounting Standards (IAS/IFRS);
- Analyzed the financial involvement against the objections/ observations raised in the internal, external audit & Bangladesh Bank Inspection reports.
- Advised the management to complete all the documentation formalities carefully and retain each and every document properly;
- Analyzed the deposit trend of the bank and advised the management to exert best effort for mobilizing the deposit in order to support the business growth of the bank;
- Reviewed the reports on overdue, classified, rescheduled & written off investment and other non-performing assets and advised the Management to increase the recovery there of & to take proper steps so that no new investment become classified;
- Advised the management to ensure full Shariah compliance in all areas of business;
- Reviewed whether the laws and regulations framed by the regulatory authorities (Central Bank and other regulatory bodies) and internal regulations approved by the Board of Directors are being complied with;
- Evaluated the status of large investment clients on regular basis;
- Evaluated the certificate on the effectiveness of Internal Control Policy, Practice & Procedures of the bank;
- Appraised the implementation status of Circulars/Circular Letters issued by Regulatory bodies (Bangladesh Bank & others);
- Reviewed the Annual Heath Report of the Bank for the year 2022;
- Assessed the Quarterly Operations Report (QOR) of all Branches on quarterly basis;
- Appraised the Nostro Account Reconciliation position.

Statutory Auditors' Appointment

The Audit Committee recommended to the Board of Directors for appointing Statutory Auditors in the Annual General Meeting for the year 2023.

Interim Financial Reports of 2023

The Audit Committee reviewed and recommended the quarterly & half yearly Financial Statements to the Board and ensured that authentic and reliable Financial Information have been incorporated in preparing those Financial Statements and in other interim reports.

Review of Financial Statements of 2023

The Audit Committee, reviewed and examined the Annual Financial Statements of the Bank to confirm whether all the required disclosures and information have been incorporated in the Financial Statements and whether the Bank followed International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), Bank Company Act 1991(as amended up to 2013), Bangladesh Bank Guidelines, Companies Act 1994, the Bangladesh Securities and Exchange Commission Rules 1987 and other laws and rules applicable in Bangladesh. The Committee also examined whether the Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), Bahrain have been followed in formulation of Financial Statements of Bank. The Committee recommended the Financial Statements of 2023 for consideration of the Board of Directors.

Meeting with the Statutory Auditors

The Committee met with the Statutory Auditors for finalization of financial statements. It properly addressed the issues mentioned in the Management Letter for taking appropriate action by the Management.

Acknowledgment

The Committee expressed its profound thanks and gratitude to the Members of the Board, Management, Auditors and the Regulatory Authorities, in particular, Bangladesh Bank, the observer of Bangladesh Bank and the Bangladesh Securities and Exchange Commission for their excellent support while performing its coveted duties and responsibilities.

Mohammad Solaiman
Chairman
Audit Committee

Brand & Communication Division (B&CD)

Brand & Communication Division (B&CD) has started activation process of bank's rebranding with a view to bring smart banking and materialize better tomorrow by increasing vibrant and visible presence of bank to the people. News coverage and advertisement in media, branding and participating different national and international events have been playing imperative role for increasing brand image. Social media platforms are playing significant role by connecting the people tothe bank as well.

Publicity:

We prepared a total of 163 Press releases, 18 interviews of Managing Director and CEO, 14 features on various products and services in 2023 which appeared in 305 TV reports, 3745 daily newspaper reports and 5673 online news-portals reports with an average of 83 appearances per item in the media. We also designed a total of 375 regulatory and promotional advertisements of the bank to publish in media. IBBPLC. displays multi-theme animated advertisements in 56 prominent online news-portals and multimedia platforms of newspapers which are displayed at a home-page prominent spot in their websites.

Advertisement:

IBBPLC. published 39,559 inches of advertisement in newspapers, telecasted 15,54,212 seconds Television Commercials. The bank maintains relations with 70+ newspapers, 100+ online news portals, 30+ TV Channels and 10+ radios.

PR Value:

PR value is the value of cost free publicity of the bank in the media. PR Value of IBBPLC. for 2023 was Tk.557 crore as reported by renowned PR and archiving agency Ryans Archives. Year wise PR Value:

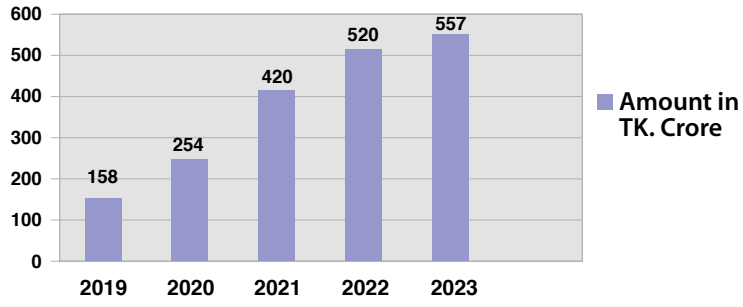
Adverse Media Report:

There were a few adverse media report in January, August, September and December 2023. We have provided rejoinders, advertisements and statements against all adverse reports accordingly which clarified all the issues to the people. To decrease the propaganda, we have been providing utmost effort by increasing and maintaining relations with reporters and media.

Digital Marketing:

Website: A dynamic and responsive website compatible to all devices was launched in 2023. The website was developed with unique features in cooperation with `a2i-Aspire to Innovate' of Bangladesh Government with a view to materialize the vision of Smart Bangladesh. IBBPLC. website is now accessible to disabled and visually impaired people.

Social Media: IBBPLC. has been maintaining official verified facebook page, Linkedin, Twitter, Instagram accounts and YouTube Channel for connecting people round the clock. In 2023, we have uploaded 2720 contents in social media. Followers of the facebook page are now increased to 18.30 lac from 11.10 lac in January 2023 by attracting more than 7.20 lac new followers in 2023. We have achieved first position in 3 major platforms of social media i.e. Facebook, YouTube and Twitter in banking sector. We have 20,700 subscribers, 4.37 lac view and 2 million impressionsin YouTube Channel. IBBPLC. position in Social Media Platforms of Banks in 2023:



Print Media:
95 thousand Column-Inches news, PR value is Tk.174.58 crore.
TV Media:
Telecasted 19785 seconds news duration, PR value is Tk. 5.02 crore.
Online Media:
967.52 crore news pixel, PR value is Tk. 377.40 crore.

Observance of the birthday of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman

Sponsorship

In 2023, the Bank sponsored in 60 organizations, associations, agencies and forums including Islami Bank PLC. East Zone, Special Convocation of Dhaka University, US Trade Fair 2023, 4th Sheikh Kamal Fencing Contest 2023' organized by Bangladesh Fencing Federation, Sheikh Rasel Under 16 Football Tournament 2023, Bangladesh Immigrant Day and Trade Fair 2023, New York, USA with a view to bridging relationship with the people of various segments in the society.

Publications:

We have developed the design of Annual Report-2022, Wall Calendar, Desk Calendar, Calendar for expatriates, Note Bookand Diary for 2024. Books titled "Strengthening correspondent banking relationship for sustainable trade finance and services", "Shorbojonin Kollane Islami Banking', 'Jiarate Baitullah' and 'Probashi Bangladeshider Jonno Islami Banker Sheba' were also designed and published. Different types of leaflets, brochures and posters on deposit products, investment products and ADC services of the bank were designed.

Branding and Content Development:

Rebranding of IBBPLC was one of the most priority jobs in 2023. Two corporate branches of Dhaka city have primarily been rebranded with new look. Rest of the rebranding activities will be completed soon. In 2023, we have developed design of 4 documentaries/TVCs, 68 motion/CGs, 24 magazine advertisements, 32 press advertisements, 24 brochures, 35 audio-visuals, 20 online video/OVCs, 8 bus branding, many backdrop banner/x-banner, 80 festoon and standee, ribbons, hand placard, e-card, sticker, dangler, photo frame, leaflet, news portals ad. etc on different occasion as well as adapted 2720 static contents for social media platforms.

Events:

B&CD played vital role in organizing major events in 2023 including Business Development Conference, Central Iftar Mahfil, AGM, Performance Review Meetings, Shariah Awareness Programs, Products Launching, Sub-Branch and Agent Banking Outlet Opening Programs.

Billboard and Roadside Publicity

Light box branding in domestic arrival of Shahjalal International Airport, Dhaka Mawa Highway near the Padma Bridge, branding of 500 trollies at Hazrat Shahjalal International Airport and eighteen (18) LED screen in 6 important Railway stations of the Country including Dhaka, Bimanbandar, Chattogram, Sylhet, Rajshahi & Khulna were implemented.

Plan for 2024:

Maintaining top position in PR value in print, electronic and online media as well as retaining superior performance in publicity in the banking sector.

Protecting bank's brand image from adverse news, mitigating negative propaganda against bank, continuing and improving relationship with media personalities by holding seminar, symposium, press meet, training, get-together, tour, retreat etc.

Obtaining first position in all platforms of social media by 2024.

Patronizing and branding national and international events i.e. BPL cricket tournament, international cricket tournaments etc.

Developing corporate TVCs, RDCs, Press Ad. on products and services of bank.

Branding 11 backlit static pillar and 4 digital pillars with digital screen at Shahjalal International Airport and digital LED board in Chattogram Airport is in process.

Bus Branding/billboards/digital publicity in the capital including Entrance and Exit Points of Dhaka City, Shahjalal International Airport and other important Cities of the country.

SUCCESS STORIES

Mohammad Alauddin

A Successful RDS Male member, Timber trader & furniture maker
Siddique Nagar, East Dashura, Manikganj

"***From a small grocery now I own a furniture factory thanks to the RDS investment of Islami Bank***"

The all-male-member RDS Center of Siddique Nagar under Islami Bank Manikganj Branch feels proud of the success of Mohammad Alauddin, a member of the RDS Canter No.3 under Area No, 20. with a small investment of Tk. 30 thousand, he now owns a furniture factory acquiring 3 hectares of leased land used as an open yard for timber logs and sized-wood. After 10 years of annual enhancement of RDS investment limit, his present investment limit stands at 3 lac, yet the volume of his business turnover is no less than Tk.1 crore altogether. He has built a well-constructed living house and is now dreaming of a wider and posh showroom at Manikganj Town.

While buying trees from villagers he ensures that for a single tree chopped its owner must plant at least three timbers or fruit trees at the same place. Mohammad Alauddin, beside his beautifully crafted furniture, looks indeed larger than life. He runs an RDS savings worth nearly Tk.1 lac. As many as 25 workers are employed at Alauddin's furniture factory and timber trade.

Blessed with two sons and a daughter, the soft-spoken Mohammad Alauddin is not only a good employer but also a caring father and a popular neighbor as well. If Islami Bank continues to trust him and provide financial support beyond RDS, Mohammad Alauddin's business will continue to grow, potentially leading to a larger factory with a wider showroom and more employees. "From a small grocery shop I own a factory of my own. And all are because of Islami Bank and divine mercy, the grateful RDS member Mohammad Alauddin often expresses his gratitude in profound admiration for Islami Bank.

His success has been spectacular indeed. Proper utilization of the investment, meticulous attention to business, keeping commitment and earning the trust of the bank have elevated him literally from ‘zero’ to ‘hero.’ While refereeing to anything, he always expresses gratitude with ‘Alhamdulillah.’ His popularity in the neighborhood, carrying small but meaningful charities and community welfare has contributed to his entrepreneurial success. While remembering his worst days he often says, “My journey from a small grocery store to this fortune today has been made possible by the RDS investment that not only provided the start-up financial support, but also instilled confidence in me and inspired me to dream of broader and bigger.”

Taslima Begum

A Successful cattle raiser North Sabdi,
Bandar Thana, Narayaganj

"What River Shitlakhya is to Naraynganj, Islami Bank's RDS investment is same to me"

Taslima Begum's achievement can fairly be termed a textbook success. Her husband suffered a fatal stroke and passed away in 2021 at the young age of 55. However, thanks to her ability and the financial support of Islami Bank, the stewardship of her maiden cattle-raising farm continues as smoothly as ever.

In the year 2000, she became an RDS member of the "Umme Hafsa (R.A.)" Center under Islami Bank's Narayanganj Branch. The same year, she made her first investment of Tk. 10,000.00 to purchase a cow. This marked the beginning of her "empire" and the end of her miserable poverty.

Today, her cattle farm proudly boasts 35 large cows, 12 calves, 40 goats, 20 rams, two horses, a coop of local chickens, and a pond full of cultured fish. However, until 2016-2017, she owned a herd of 80 cows of various breeds, including Australian, Fijian, and cross-bred varieties.

She has managed to purchase land that initially cost her one lakh taka and is now valued at more than one crore. Her well-built house, shops at Sabdi Bazar, two cow sheds, and two horse-driven carts all stand as testaments to her affluence.

From the launch terminal to enter Bandar Thana, every CNG or battery-powered rickshaw driver knows this farm, recognized by its owners, the late Sagir Ahmed and Taslima Begum. They named the farm "Irfan Dairy" after their only son. An average daily collection of 200 liters of fresh milk has made it widely known in and around Shabdi under Bandar Thana in Narayanganj District.

But, the scenario is completely different before she took the RDS investment which has stands at Tk.2, 00,000.00 as the limit has been enhanced annually for years. However, it is the rolling of this investment over the past 22 years that has truly built her home-based cattle farming business, enabling her to achieve all the above mentioned successes. She has even bred some rare breeds of Dumba and Garol cattle. During Eid-ul-Azha, she earns a significant sum of money by selling her well-raised oxen at a premium price. She gives each ox a unique name, often referencing the person or place she bought it from.

She prioritizes the health of her animals, ensuring regular visits from qualified veterinarians and providing them with nutritious feed despite rising costs. This includes wheat and rice husks, oil cakes, Napier grass, corn plants, and other leftover crops and vegetables collected from the market.

Her success extends beyond wealth and business turnover. She has raised two daughters, who are now happily married, and her son, Irfan, is currently pursuing his college education. Her second daughter married an engineer and now lives in their own home in Gulshan, Dhaka. She currently employs 15 workers, mostly women from her neighborhood. If Islami Bank increases the RDS investment ceiling, she dreams of expanding her farm to accommodate at least 100 cows.

"All that I have achieved is due to the mercy of Allah above and the support of Islami Bank on the ground," she expresses with gratitude. "Truly, Islami Bank's RDS investment is like the River Shitlakhya to Naraynganj – the lifeline of my entrepreneurial success."

Rozalin Farhana Ferdous

A Successful RDS Boutique entrepreneur,
Paikepara, Mirpur, Dhaka

"I challenged myself that making children doctor or engineer starting from Madrassah and becoming a successful entrepreneur under hijab is possible."

Rozalin's challenges have brought her victories, for which she expresses her deep gratitude to Almighty Allah and Islami Bank for their unwavering support throughout her entrepreneurial journey. Initially, she allowed her three sons to pursue their education in Madrassah, and today, one is a doctor while the other two are studying B.Sc. in engineering. For herself, she embarked on a challenge to excel in business, remaining steadfast to the Islamic way of life under the hijab. In this pursuit too, she has achieved remarkable success.

Starting with a team of three female assistants, her boutique now employs 300-400 women. She is a successful boutique entrepreneur having precision in embroidery, Jessore stitch and various needlework. Her market extends far beyond Paikepara, Mirpur, and Dhaka, with her products being exported to several Middle Eastern and Western countries. Her Farhana Boutique has become a reputable brand known for its exceptional designs, patterns, fabrics, needlework and uncommon quality.

As an Islami Bank RDS micro-investment recipient in 2012, she received a micro-investment of Tk.20,000.00. Today, her fortune is an impressive two hundred times that amount. She has proudly raised her two sons as engineers and one as a doctor, all of whom share their enterprising mother's ambition to be employers rather than employees. They have established a Japanese cuisine outlet at Mirpur and she has stepped up her business by exporting her embroidered burqas, women's dresses, and home linens like tablecloths, bed sheets, pillow covers, and shawls to many countries of the world. Recently, her husband has joined in her entrepreneurial journey alongside her three sons.

Farhana serves as the center head of Madhya Pakipara's RDS unit under the Islami Bank Mirpur Branch, leading 33 female micro-credit recipients. She takes great pride in the diverse entrepreneurial ventures pursued by her center's members, ranging from grocery stores and fashion shops to cottage industries and learning centers. Her dream is to establish a signature brand like "Farhana's Boutiques." With additional investment, she envisions a wider market reach, both domestically and internationally, empowering more women to stand on their own feet with dignity and grace. Supported by Islami Bank, she is optimistic about creating her own product branding and employing more women from her Mirpur neighborhood and beyond. She even contemplates opening a branch of her enterprise in her ancestral district town of Magura.

Sraboni Akhter

A successful rural entrepreneur of chopped woods
Jorar Deul, Rampal, Munshiganj

An RDS investment from Islami Bank transformed Munshiganj's Sraboni Akhter's life and livelihood, propelling her from poverty and uncertainty to a thriving chopped wood business.

The way Mukhtarpur Bridge has connected Munshirganj with Dhaka and Narayanganj, an Islami Bank RDS investment has similarly connected Munshirganj's Sraboni Akhter to self-reliance and women's empowerment. Her husband, Konok Ahmed, had a firewood business before his marriage. In 2009, Sraboni Akhter became a member of RDS under Islami Bank's Munshiganj Branch in the Area 8, Center No.37 and took an initial investment limit of Tk.5,000.00. She invested the money in her husband's wood log business. Since then they have not looked back.

Each year, the investment amount was ehanced and over the years, it rose to Tk.1,00,000.00. After regular paying back her monthly installment of Tk.2000.00, she maintains an RDS savings account at Tk.100 each week. This account has now grown to Tk. 16,500.00. Besides, she maintains a separate DPS worth Tk.18,000.00.

While managing the household, she takes charge of buying logs from timber traders. She then gets them sliced and dried by wood cutters.

People, especially restaurants, prefer to buy her dry, sliced firewood, making her small enterprise modestly thrive. Konok Ahmed travels across villages searching for timber, collects them, and transports the wood by battery-powered vans to their Chaltatola wood shop. Sraboni gets the logs chopped by wood cutters, arranges stacks beside the road, weighs them for the wood buyers, and manages the cash.

She is highly popular in the neighborhood for her integrity and kindness. In addition to donating to the poor, she chooses to live in a joint family with her father-in-law, mother-in-law, and their extended family.

As a member of the RDS cluster, she is equally popular for her courteous generosity and kindness towards all 50+ female members of her RDS center. She hasn't had a single defaulter since 2009, earning the confidence of the RDS Project officials at the Bank's Munshirganj Branch, especially the concerned Field Officers who interact directly with the RDS members.

Happiness abounds in Sraboni Akhter's family with their flourishing small enterprise. Their timber business employs ten wood choppers and two assistants for wood collection. Due to the scarcity and high price of cooking gas, their chopped wood is in high demand among residents, particularly in hotels and restaurants. She expresses her sincere gratitude to Islami Bank, which, in her words, has elevated their life and livelihood from poverty to well-being, from uncertainty to their current sound business.

Mahmooda Begum

Betel Plantation
Rampal, Munshiganj

"My betel plantations have restored my fortune. Success of my enterprise employs neighbors, making me self-reliant, thanks to Islami Bank's RDS."

"I had neither acute poverty, nor affluence; neither acute scarcity, nor so much abundance. But an investment from RDS has made my maiden dreams come true. My betel plantations have brought back my fortune, making me self-reliant and self-confident." This was how Mahmooda Begum, a shy middle-aged female entrepreneur in her 50s from Munshiganj, expressed her enterprising success and her journey with Islami Bank.

Married to a government official of a comparatively higher family background Mohammad Sabur Khan, Mahmooda's inception of home-making was just like other rural middle-class families; managing home, serving the in-laws, rearing the children and caring for her husband. But having met all these maiden obligations, she has proved her inner instinct of enterprise, thanks to a modest RDS investment of Tk.20,000.00 in 2002.

Planting flowers or fruit trees was her childhood passion. After her marriage, upon coming to the in-laws' house, that indomitable passion found an even better setting to grow, with plenty of barren lands around their homestead. She started cultivating seasonal vegetables. However, planting anything like a novice in the courtyard scarcely met the standards of those grown in bulk in the fields, with plenty of irrigated water, fertilizers, pesticides, and professional care.

As she was exploring ways to make their courtyard purposeful, she was offered a membership of Islami Bank's RDS in the Area No.3, Center No.35, under Islami Bank's Munshiganj Branch. She had been under impression that if cultivated properly, paan (Betel Leaves) would fare well in return through repeated leafing. So investing all that she received as her first investment worth Tk. 20,000.00 in 1995, which over 20 annual enhancements now mounts to Tk.1,60,000.00 plus weekly Tk.100.00 RDS savings, that now stands at Tk.16,825.00. Her personal care, supervision and maintenance of the row-fences fetches her an average monthly output of Tk.20,000.00 to 30,000.00. Meanwhile, she has expanded her plantation to 6 acres of betel plantation, creating employment for as many as 20 neighboring workers. In addition to betel, she runs several seasonal vegetable plantations of potato, maize, cabbage, and green leaves as well.

Mahmooda is not only a successful planter; she excels equally as a good mother of three children as well. She helped raise both daughters up to Higher Secondary and sent off both sons-in-law abroad, bought some additional lands alongside their homestead, and some blocks in the fields below, hired in long-term leases for plantation. Mahmooda's experience shines as a successful RDS micro-investment recipient who spent all output on her family's welfare, raising children, and providing employment to the unemployed locals. Out of her agro-initiative, she has helped build the well-constructed house, owning shallow pumps and all necessary inputs. Father-in-law, valiant freedom fighter, and retired Customs Officer Abdus Samad, feels proud of his successful daughter-in-law, faring in distinction in the country for the liberation of which he fought in 1971.

All 32 female members of Mahmooda's Center now pursue better livelihoods, thanks to collateral-free, interest-free RDS investments, excelling mostly in rural trades like plantation, grocery, seed & pesticides retailing, raising ducks and chicks, small-scale farming, and other income sources. One thing in common among them is the habit of timely repayment of their installments conveniently once a week. As the cluster-head of her Center No. 35, she takes care of each and every RDS member and holds the weekly installment meetings in her own courtyard, where members share their business experiences, receive good counsel from RDS officials, get tree plants (especially during the monsoon) distributed by the Bank free of cost, and enjoy this festive weekly gathering that fosters intense sisterhood among rural women. They have, for the first time, been brought together by Islami Bank's RDS scheme, teaching the first step of institutional banking at the remotest grassroots level, especially among rural women. RDS glares as the true demonstration of women's empowerment being so effectively carried out by Islami Bank across the country.

Sharmin Akhter

A cat & pet raiser

Mobark Kathi, Ram Nagar, Sadar Upazila, Jessore

"Our Prophet (SWS) loved cats. So I am a cat lover from my childhood and now raising cats and other permissible pets have become my passionate enterprise, thanks to the RDS of Islami Bank"

Moorali, the new inter-district bus stand of Jessore on the Chanchra-Rajarhat bypass, is often crowded by torrential vehicular traffic. But one kilometer east, in serene rural tranquility, flourishes a new township called Mobarak Kathi Camp, which, among other iconic exceptions, includes Sharmin Akhter's Cat & Pet Home (Farhan's Pet Gallery). Sharmin and her industrious husband, Mohammad Furkan Ahmed, have become widely known for their pet house in and around Jessore Town. But their clientele spreads all over the country online as one of the best sources of hygienically raised Persian cats belonging to species like the sub-breed variations of the Persian Cats, including replicates of the appearance of the original Persian Cats, the Peke-face Persian, or of Siamese origins. The Persian cat is quite an exquisite breed. They're also typically quiet and affectionate cats who enjoy being held, but they're content just lounging. They make a perfect, purring lap warmer. White, silver and gold are extremely popular and highly preferred by fancy onlookers for colors and sizes Persian cats.

Along with lovable Persian Cats, Sharmin Akhter's pet house also excels in raising permissible exotic birds like crimson rosellas, lovebirds, gray parrots, collared doves, java sparrows, finches, munias, Japanese quails, Malaccan parrots, macaws, mixed rosella and a few other exotic birds.

Sharmin became an RDS member in 2019 and received her first RDS investment worth Tk.30,000.00 which now amounts to Tk.60,000.00 and the weekly Tk.200.00 savings have risen to Tk.11,000.00. But the specter and glamorous exception of her hobby-shop regards much insignificant to its investment value, because fancy always overrides monetary denominations. In all comparable senses Sharmin Akhter's pet enterprise is so far an exception all across the RDS activities throughout the country.

They source out parent couples and breed the exotic cats and birds themselves. Through raising experience, they learned the common characteristics, their feeds, and treatment during diseases. They always keep in touch with veterinary doctors for their own raising and counseling services online for the species sold in their new cages and homes of their new owners. Another outstanding service is adapting street cats or wild and wounded exotic birds caught by bird-catchers (byadhs) and sold to them for raising and ultimately selling to new masters upon treatment or proper adaptation.

Upon continuously raising and selling pets throughout the year, their pet house now possesses 30 Persian cats of various breeds. These fetch from Tk.5,000 to even beyond Tk.1,00,000/- depending on the color, breeding, and fancy values. Their expenses are also terribly high. From hatching starts the expensive cereals and foreign feeds, pouches imported from abroad. Treatments are equally pretty expensive. This fanciful enterprise always keeps Sharmin Akhter and her husband worried about wildlife laws and statutory regulations. But according to them, Persian cats are comparatively easier for local adaptation and local fish-based feeds, and they respond well to common preventive therapeutics available in the country, prescribed by veterinary physicians

When asked why, out of so many home income generating enterprises, she chose pet raising, the smiling Sharmin Akhter replied: "Our Prophet (SWS) loved cats. So, I have been a cat lover since my childhood, and now raising cats and other permissible pets has become my passionate enterprise, thanks to the RDS of Islami Bank."

Taposh Dash

A plant nursery initiative
Jamjamy Hrishipara, Kuada Bazar, Monirampur, Jessore

"Plants at my nursery are like my children. In the same way, we, the RDS clients, are like a family to Islami Bank, regardless of our faith, caste, and creed"

Taposh Dash, a plant nursery raiser and planter, became a member of Islami Bank's RDS Area No. 9, Center No. 60 under the Bank's Kuada Bazar Agent Banking RDS in 2023. Upon enrollment at the Begum Rokeya (RA) Center, Taposh was sanctioned the first RDS investment limit of Tk.50,000.00. Although he was the member, his equally industrious wife, Aroti Dash, always attends the installment meetings and liaises with the Agent Bank Branch. Taposh had a knack for raising plant nurseries from much earlier. The Islami Bank's RDS investment helped him widen his nursery acreage and expand pot plantation of various kinds of timber, fruit, and medicinal plants, encompassing everything from vouching for quality seeds to tree cloning by branch and pot planting.

He bought high-quality local compost or organic manures and installed a shallow pump to meet the requirement of plenty of water for pot plants and initial bed-raising until the plants are grown healthy enough for replanting. Monsoon is the ideal season for nursery raisers, and so it is for Taposh Dash and Aroti Dash. Based on his spectacular observations and experience, Taposh Dash commends Islami Bank's equal treatment and care for RDS and all investment partners. 'We see no disparity, no under treatment, or inequality in carrying out transactions with Islami Bank,' observed the middle-aged Taposh Dash, belonging to the Hrishi or lower caste. 'We are amazed at the equal service and treatment of the officials at the Islami Bank"

For Taposh Dash, setting up an extended plant nursery business was an overwhelming venture. For him, in particular, it was extremely rewarding since he has a commitment and passion for greenery and a firm knowledge of how to grow, embed, and cultivate plants. In matters of plant nursery, farmers' or planters' confidence matters most. On top of that, he charges much less for his plants. He prefers to take anywhere from 1 week to 6 months to grow them in his own bedding or inside pots, waiting for the plants to grow well under his care. Thereafter, during May-July monsoon, he contacts potential buyers for his plants.

He monitors the soil closely by getting it tested regularly by the government's agricultural extension offices nearby and ensures ceaseless watering in the beds or pots to save the plants from dry spells of winter. Today, Taposh Dash's nursery is bedazzled with deep green plants such as Khoyer, Babla, Kanta Banla, Chandan Shirish, Siris, Kadamba, Arjun, Khoia Babla, etc. Among fruit plants are Malta, tal, watermelon, bel, strawberry, mango, lichi, peyara, and a variety of other fruit plants. Among medicinal plants are Hotitoki, bohera, kewa kata, passur, etc. Reaching properly raised tree plants is the core commitment of Taposh Dash because he believes that only a healthy plant ensures a good tree. If the birth of the plant is weak, so will be the tree.

Taposh Dash looks larger than life with his timber, fruit, and medicinal plant seedlings and potted plants, raised with such passion at his nursery in Manirampur's Kuada-Hrishipara village.

Meherunnessa Lucky

Boutique Business
Pulerhat, Chanchra, Sadar Upazila, Jessore

"My needlework has not only made me self-reliant, but it has also led to collective benefits for around 3,000 rural women through my initiative, thanks to Islami Bank's RDS investment"

Islami Bank's RDS investment might seem small in terms of the investment ceiling. However, in collective initiatives, these seemingly small investments can multiply significantly through a cooperative approach. Jessore's successful RDS investment partner, Meherunnessa's boutique (Azad Handicrafts) and needlework consortium, is a shining example of the inherent spirit of Islami Bank's Rural Development Scheme (RDS) – expanding the trickle-down benefits.

With only Tk.700.00, barely enough for two yards of fabric, Meherunnessa started her first venture in Pulerhat, Jessore Town's western tip, around 20 years ago. A small RDS investment from Islami Bank in 2015 worth Tk. 30,000.00, which now exceeds the RDS investment limit, has miraculously fueled her dream, setting a national standard for women's empowerment through a collective approach.

In 2015, this well-educated and innovative woman, a champion for women's empowerment, obtained membership in RDS Area No. 16's Center No. 99 (Ma Fatema RA). Her initial investment of Tk.20,000.00 was directed entirely towards her primary craft – creating women's and children's clothing of various styles. Today, her RDS investment stands at Tk.7,00,000.00, accumulated through nine annual increases. However, this represents only a quarter of her annual turnover of Tk.30-35 lac.

So, what sparked this remarkable growth? The answer lies in the empowered housewives of her neighborhood. Maintaining their home commitments and childcare, they meticulously fulfill Meherunnessa's orders as contract tailors or hand-stitching workers from their homes.

These hundreds of housewives and young girls collect Meherunnessa's orders, handle cutting, tailoring, and decorative embroidery, leaving their mark of feminine artistry through various techniques like loom and off-loom crochet, embroidery, knitting, lace-making, quilting, sewing, tapestry, karchupi works, or block printing. The finished garments are then delivered to Meherunnessa's boutique for direct retail, wholesale, and online sales across the country, and even abroad.

Jessore's Meherunnessa's journey of building such a holistic enterprise is blessed with two key strengths: her own organizational skills and her husband, Abul Kalam Azad. They deserve recognition for successfully engaging around 3,000 needlework artisans in and around Jessore Town. These women can now earn a decent and rewarding income while managing their families, thanks to Meherunnessa's initiative and Islami Bank's RDS vision of women's empowerment through decent livelihoods. This, in turn, contributes to eradicating rural poverty – a quiet revolution silently transforming our society from within through a socially responsible and women-focused rural development scheme like Islami Bank's RDS

Azufa Begum

A fish hatchery entrepreneur
Daulatpur, Khulna

"If the investment ceilings are increased, other investment recipients and I could further expand our businesses, allowing us to remain competitive in the current market"

From a modest homemaker and caring mother of three, Azufa Begum now thrives with her large fish hatchery, fishpond cultivation, and freshwater fish farming in the salinity-prone Khulna area. Her success stands as a textbook example of women's empowerment, employment generation, and self-reliance. Her success, thanks to the micro-investment scheme of Islami Bank's RDS program, sets an inspiring example.

The glistening silver flashes of shrimp, harina, rui, katla, mrigel, Chinese puti, local catfish, shol, shorputi, tengra, pangas, bacha, and a variety of exotic carps all shimmer together, a testament to Azufa's enterprising spirit and organizational skills. Along with her industrious husband, Mohammad Faruk Howlader, she began fish cultivation in their one-acre pond adjacent to their home. In 1995, she became member of RDS cluster of Center No.60 under Area No.2 in Dewania village under Islami Bank's Daultpur Branch, Khulna. That initial RDS investment, which has rolled over through 24 annual enhancements, now stands at Tk. 3 lakh.

Repaying the weekly installments of Tk.7,500 is no longer a challenge for Azufa. She has expanded her fishponds to over 7 acres, with 5.5 acres being their own land. This thriving business allowed her to send her elder son abroad for employment and convince her husband to leave his 1st class government contractor business to join her in the fish farm. Their hard work has enabled them to build a well-constructed, three-story house and purchase two vehicles for their fish business. Azufa now employs 20 workers year-round, both at the fishponds and in the market, with additional workers hired during the monsoon seasons.

Azufa's success story began with a small weekly savings of Tk.100. Her RDS savings now amount to Tk.1,21,000, along with a separate fixed deposit worth nearly Tk.2,00,000. Over the years, she has become the respected cluster head. During committee reconstitutions, nearly all 60 women members of her center insist on her continuing leadership.

Weekly installment meetings are held at her courtyard. Azufa acts as a liaison between the bank's RDS project officials, field officials, and all the members of her Center. She takes pride in the fact that there have been no defaulters on installments in her Center. Both her elder and younger daughters-in-law are now members of the same RDS Center. They actively assist Azufa at home, in the business, and in managing the RDS center to the satisfaction of the branch's RDS officials. Azufa believes that if investment ceilings are increased, she and other recipients could further expand their businesses and keep pace with rising market prices.

Azufa's seven acres of water bodies, nurtured by Islami Bank's RDS investment support, are a testament to her hard work and a shining example of dreams turning into reality.

Shumi Khatun

An oil and spice grinding entrepreneur
Pukurpar, Shahjadpur, Sirajganj

The mustard oil she grinds and the Kumra-Bodi she sun-dries on the roof speak of the success of her initial venture. This empowerment is attributable to the support she received through Islami Bank's RDS investment program.

Islami Bank's RDS program has truly revolutionized women's empowerment and entrepreneurship in remote villages, as evidenced by the successful enterprise of Shajadpur's Shumi Khatun.

Upon receiving a Tk.10,000.00 micro-investment through RDS, she began her business by setting up a mustard oil grinding machine. Through annual enhancement of the investment limit, she expanded her operation with a larger capacity machine. In addition to mustard oil, she now grinds spices like dried chilies, coriander, and cumin.

Today, Shumi has been enjoying RDS investment limit Tk.2,60,000.00 RDS with 18 installments. Throughout her transactions, she has maintained a perfect record, never missing a weekly installment payment. She has even earned a reputation as a skilled organizer and a source of encouragement for other rural women in her cluster. As the Center Head of Area 01, Center No. 37 at Pukurpar, Shahjadpur, she plays a vital role.

Her well-run oil mill and grinding business generate enough income for her to comfortably pay her weekly Tk.5,600.00 installment and contribute Tk.100.00 in weekly savings. She is now the proud owner of two DPSs: one worth Tk.42,570.00 and another worth Tk.11,640.00.

From those humble beginnings, Shumi Khatun now runs a moderately sized oil mill and grinding center. Her products are popular among local residents, particularly restaurants, who value the quality and price offered by her mill.

Shumi Khatun's success extends beyond alleviating her own poverty and creating a secure livelihood for her family. She has also empowered others by employing four or five oil mill workers and a manager to collect raw materials.

In short, the edible oils and ground spices produced at her mill represent the success of Shumi Khatun's initial entrepreneurial venture in Shahjadpur. This success is directly attributable to the investment support and ongoing guidance provided by Islami Bank's Rural Development Scheme (RDS).

Shumi Khatun at her home ,oil and spice grinding mill attached to, looks after the business round the clock.

Tahmina Akhter

Poultry farming entrepreneur
Daulatpur, Khulna

Islami Bank's RDS investment transformed her small courtyard poultry operation into a thriving farm raising thousands of layers, broilers, and even local poultry and pigeons.

She holds a Master's degree in chemistry from Rajshahi University. However, instead of seeking employment, she dedicated herself to caring for her husband, family elders, and raising their three children. Alongside these responsibilities, she began raising poultry on a small scale in her courtyard.

This well-educated recipient of an RDS micro-investment has transformed her way of life into that of a successful entrepreneur, empowered by her enterprising spirit. She became a member of RDS Area No. 38, Center No. 02 under Islami Bank's Daulatpur Branch, Khulna. Upon receiving her first investment of Tk.5,000, she embarked on a journey of progressively increasing investments, currently reaching the maximum RDS investment limit of Tk.3,00,000.

Her small weekly savings of Tk. 100 in RDS have now grown to Tk. 84,000. Additionally, she has invested Tk.8,00,000 in the RDS MSS program.

Her poultry operation raises layers, broilers, local chickens, Chinese ducks, and pigeons. Initially, she purchased one-day-chicks (ODCs) to raise on her farm and in open courtyards. Fortunately, her husband's wholesale poultry feed business ensured a timely supply of high-quality feed for her birds.

She has since invested in two sets of incubators, allowing her to hatch chicks from eggs laid on her own farm. Consistent access to proper feed, hygiene practices, and cleanliness have resulted in healthy poultry, making her farm a prime source for poultry wholesalers.

The success of her poultry business has enabled her to build a well-constructed three-story home. The rooftop houses her pigeons, while a fenced area shelters local poultry varieties. This accomplishment has brought her not only financial security but also a sense of fulfillment.

Their eldest son is studying engineering at Khulna Engineering University. Their elder daughter is preparing for college after successfully completing her secondary school education. Their youngest daughter is pursuing Islamic education at a nearby madrasah.

Tahmina's success extends beyond her own family's well-being. She has fostered a unique supply chain that connects poultry wholesalers, feed suppliers, veterinary physicians, and medicine centers. This network also supports over 15 employees, whom she treats with fairness in terms of wages and welfare, finding deep satisfaction in her entrepreneurial achievements.

"These accomplishments would not have been possible without the financial backing of Islami Bank and the unwavering support and companionship of my industrious husband," expresses this successful RDS entrepreneur, offering her gratitude to Allah and Islami Bank.

INDUSTRIES FINANCED BY ISLAMI BANK

MEDIA HIGHLIGHTS

MORE BANKS DONATE BLANKETS TO PM'S RELIEF FUND

ক্রেডিট কার্ড এখন জীবনযাত্রার অনুষঙ্গ

স্মার্ট ব্যাংকিংয়ের সব সুবিধাই মিলছে সেলফিনে

কালের কণ্ঠ

তৃণমূলেও ব্যাংকিং সেবার বিস্তার ঘটাবে ইসলামী ব্যাংক

তৃণমূলেও ব্যাংকিং সেবার বিস্তার

ইসলামী ব্যাংকের ডিজিটাল ব্যাংকিং বিশ্বব্যাপী স্বীকৃতি অর্জন করেছে

মোবাইল ব্যাংকিংয়ে আলোড়ন সৃষ্টি করেছে এমক্যাশ, খরচও কম

প্রথম আলো

দেশে ফিরে উদ্যোক্তা হলেন রেজোয়ান

সেলফিনের সেবা এমএফএস থেকে অনেক বেশি

সব সূচকেই ইসলামী ব্যাংক শীর্ষে

বণিক বার্তা

ইসলামী ব্যাংকের ইতিহাসে সর্বোচ্চসংখ্যক ব্যাংক হিসাব গত বছর খোলা হয়েছে

বণিক বার্তা

সম্পাদকীয়

ইসলামী ব্যাংকের গড়ে তোলা উদ্যোক্তারা এখন দেশের অর্থনীতির নেতৃত্ব দিচ্ছেন

সম্পাদকীয়

আমাদের জামানতবিহীন ঋণ প্রকল্পের ৯২% নারী

ইউনিস আবদুল্লাহ ইসলামী ব্যাংকের ভার্চুয়ি চেয়ারম্যান

THE BUSINESS STANDARD

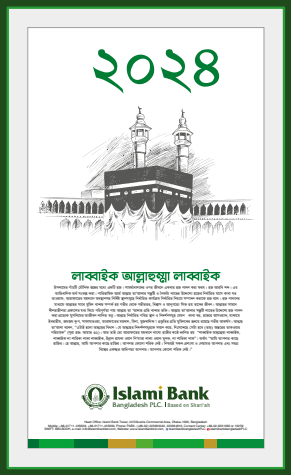
'Importance of SMEs in a developing country like Bangladesh is immense'

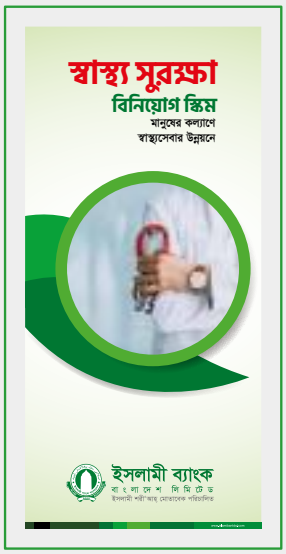
The Daily Star

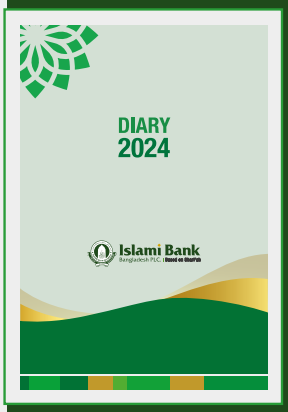
dailyobserver

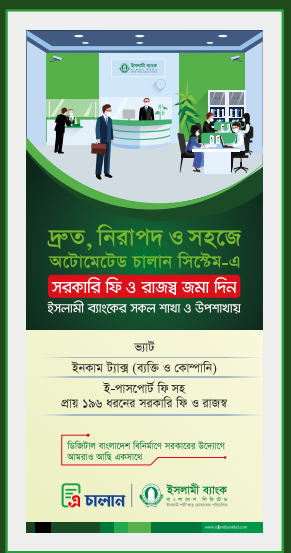
Taslima' cattle farm growing with Islami Bank RDS investment

PUBLICATION
Products & Services









INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Shareholders of Islami Bank Bangladesh PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response and result to key audit matters
Measurement of provision for investments	
The process for estimating the provision for investment portfolios associated with credit risk is significant, judgmental and complex. The process for estimating the provision for investment portfolio associated with credit risk is significant and complex. For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions. For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed that deal with voluminous databases, assumptions and estimates. Due to the high level of judgment involved and using the manual process in estimating the provision for investment, we considered this to be a key audit matter. At year end the Group and the Bank reported total net investments of BDT 1,595,265 million (2022: BDT 1,456,365 million) and BDT 1,600,265 million (2022: BDT 1,461,365 million) respectively and provision for investments of BDT 66,672 million (2022: BDT 59,881 million) and BDT 66,672 million (2022: BDT 59,881 million). We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:	We tested the design and operating effectiveness of key controls focusing on the following: ● Credit appraisal, investment disbursement procedures, monitoring and provisioning process; ● Completeness of appropriate documentation before disbursement of investments as well as recording of investment balance; ● Alternate procedures applied by management to assess new investment/renewal of existing investments where latest audited financial statements of the borrower is not available; ● Identification of loss events, including early warning and default warning indicators; ● Review of quarterly Classification of Investment/Loan (CL); Our substantive procedures in relation to the provision for investments portfolio comprised the following: ● Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; ● Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; ● Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. ● Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.

Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no. 14 dated 23 September 2012 and BRPD circular no. 03 dated 21 April 2019 and BRPD circular no. 11 dated 20 June 2023; and For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.	Due to long-term impact of COVID-19, the macro-economic global crisis caused by Russia-Ukraine War and many borrowers were adversely impacted during the year. Accordingly, Bangladesh Bank has given certain flexibility from classification requirement for investments vide issuing various circulars such as BRPD 14 dated 22 June 2022, BRPD 51 dated 18 December 2022 and BRPD 11 dated 20 June 2023 whereby Banks are allowed to keep an investment/ customer as unclassified subject to the payment of certain percent of quarterly instalment due by 31 December 2023. For the year ended 31 December 2023, the Bank has maintained required provision as per Bangladesh Bank letter No. DBI-6/51 (1)/ 2024-308 dated 24 April 2024 and also agreed to ensure recovery/ regularization of certain investments to avoid future classification. Our results: Based on our procedure, we have concluded that the provision for investments disclosed in the financial statements is adequate.
See notes no. 11 and 17.1 to the financial statements	

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

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

Description of key audit matters	Our response and result to key audit matters
Impairment assessment of unquoted investments	
In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.	We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process. We tested a sample of investments valuation as at 31 December 2023 and compared our results to the recorded value. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. Our results: Based on our procedure, we concluded that the Impairment assessment of unquoted investments disclosed in the financial statements is in line with Bangladesh Bank Circulars.
See note no. 10 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
IT systems and controls	
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. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management. Our results: Based on the procedure performed, we have considered the change management, segregation of duties, controls, and outputs in relation to financial accounting and reporting systems to be acceptable.

Description of key audit matters	Our response and result to key audit matters
Legal and regulatory matters	
We focused on legal and regulatory matters because the Group and the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.	We obtained an understanding of the Group and The Bank's key controls over the legal provision and contingencies process. 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. We assessed the methodologies on which the provision amounts are based, recalculated the provision, and tested the completeness and accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure. Our results: Based on the procedure performed, we have considered the bank's legal affairs and communicated with the legal advisors and panel lawyers to assess the bank's legal & regulatory positions.

Other Matters

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:

   a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be not materially adequate as mentioned in Other Matters of this report;

   b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities (other than matters disclosed in these financial statements);

iii) the financial statements for the year ended 31 December 2023 of 02 (two) subsidiaries namely Islami Bank Securities Limited and Islami Bank Capital Management Limited have been audited by K. M. Hasan & Co., Chartered Accountants and Aziz Halim Choudhury, Chartered Accountants respectively and have been properly reflected in the consolidated financial statements;

iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;

v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

vii) the expenditures incurred were for the purpose of the Bank's business for the year;

viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;

ix) adequate provisions have been made for advance and other assets as per Bangladesh Bank's DBI letter No.: DBI-6/51(1)/2024-308 dated 24 April 2024 which are in our opinion, doubtful of recovery;

x) the information and explanations required by us have been received and found satisfactory;

xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 15,840 person hours; and

xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dated: Dhaka
24 April 2024

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

FINANCIAL STATMENTS

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2023

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

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2023

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

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Profit & Loss Account

For the year ended 31 December 2023

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

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Cash Flow Statement

For the year ended 31 December 2023

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

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves (*)	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Non-controlling interest	Total
1	2	3	4	5	6	7	8	9	10(2+3+4+5+6+7+8+9)
Balance as at 01 January 2023	**16,099,906,680**	**1,989,633**	**21,735,466,258**	**19,563,027,192**	**9,018,051,329**	**189,540,000**	**2,962,834,552**	**298,115**	**69,571,113,758**
Sale of revalued assets and Deferred tax on revaluation surplus	-	-	-	-	(2,103,769,139)	1,660,000	-	-	**(2,102,109,139)**
Deferred tax impact on excess depreciation	-	-	-	-	69,617,359	-	-	-	**69,617,359**
Depreciation adjustment on revalued fixed assets	-	-	-	-	(80,516,221)	-	80,516,221	-	**-**
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	(16,600,000)	-	-	**(16,600,000)**
Currency translation differences	-	-	-	(20,341,230)	-	-	-	-	**(20,341,230)**
Net gain and losses not recognized in the income statement/ Revaluation reserve of fixed assets transferred to retained earnings	-	-	-	-	-	-	1,530,645,029	-	**1,530,645,029**
Net profit for the year	-	-	-	-	-	-	6,353,317,684	13,246	**6,353,330,930**
Transfer to (from) reserve	-	-	1,000,000,000	4,203,881,689	-	-	(5,203,881,689)	-	**-**
Dividend:		-		-	-	-	-	-	**-**
Bonus shares	-	-	-	-	-	-	-	-	**-**
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	-	**(1,609,990,668)**
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(61,141,523)	-	**(61,141,523)**
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(873,600,002)	-	**(873,600,002)**
Total shareholders' equity as on 31 December 2023	**16,099,906,680**	**1,989,633**	**22,735,466,258**	**23,746,567,651**	**6,903,383,328**	**174,600,000**	**3,178,699,604**	**311,361**	**72,840,924,514**
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-		**11,000,000,000**
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-	**20,200,000,000**
Add: General provision for unclassified investments and off- balance sheet items (Note-3.14.7)	-	-	-	18,009,428,293	-	-	-	-	**18,009,428,293**
Less: Yearwise redemption	-	-	-	-	-	-	-	-	**(4,800,000,000)**
Adjustment for intangible assets	-	-	-	(121,759,287)	-	-	-	-	**(121,759,287)**
Adjustment for currency translation differences	-	-	-	(26,112,120)		-	-	-	**(26,112,120)**
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	-	(6,903,383,328)	-	-	-	**(6,903,383,328)**
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-		(174,600,000)	-	-	**(174,600,000)**
Total equity as on 31 December 2023	**16,099,906,680**	**1,989,633**	**22,735,466,258**	**41,608,124,537**	**-**	**-**	**3,178,699,604**	**311,361**	**110,024,498,073**

(*)Note : General / other reserves

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

Islami Bank Bangladesh PLC. and its Subsidiaries

Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Non-controlling interest	Total
1	2	3	4	5	6	7	8	9	10(2+3+4+5+6+7+8+9)
Balance as at 01 January 2022	**16,099,906,680**	**1,989,633**	**20,735,466,258**	**16,941,188,982**	**9,071,295,675**	**126,950,400**	**2,749,579,142**	**284,579**	**65,726,661,349**
Deferred tax on revaluation surplus	-	-	-	-	-	(6,954,400)	-	-	**(6,954,400)**
Deferred tax impact on excess depreciation	-	-	-	-	31,946,607	-	-	-	**31,946,607**
Depreciation adjustment on revalued fixed assets	-	-	-	-	(85,190,953)	-	85,190,953	-	**-**
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	69,544,000	-	-	**69,544,000**
Currency translation differences	-	-	-	28,826,224	-	-	-	-	**28,826,224**
Net gain and losses not recognized in the income statement/Revaluation reserve of securities transferred to retained earnings	-	-	-	-	-	-	30,491,680	-	**30,491,680**
Net profit for the year	-	-	-	-	-	-	6,166,984,693	13,536	**6,166,998,229**
Transfer to (from) reserve	-	-	1,000,000,000	2,593,011,985	-	-	(3,593,011,985)	-	**-**
Dividend:									
Bonus shares	-	-	-	-	-	-	-	-	**-**
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	-	**(1,609,990,668)**
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(59,234,456)	-	**(59,234,456)**
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(807,174,807)	-	**(807,174,807)**
Total shareholders' equity as on 31 December 2022	**16,099,906,680**	**1,989,633**	**21,735,466,258**	**19,563,027,192**	**9,018,051,329**	**189,540,000**	**2,962,834,552**	**298,115**	**69,571,113,758**
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-		**11,000,000,000**
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-	**20,000,000,000**
Add: General provision for unclassified investments and off- balance sheet items (Note-3.14.7)	-	-	-	17,806,581,509	-	-	-	-	**17,806,581,509**
Less: Year wise redemption	-	-	-	-	-	-	-	-	**(4,800,000,000)**
Adjustment for intangible assets	-	-	-	(176,248,635)	-	-	-	-	**(176,248,635)**
Adjustment for currency translation differences	-	-	-	(46,453,350)		-	-	-	**(46,453,350)**
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	-	(9,018,051,329)	-	-	-	**(9,018,051,329)**
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-		(189,540,000)	-	-	**(189,540,000)**
Total equity as on 31 December 2022	**16,099,906,680**	**1,989,633**	**21,735,466,258**	**37,146,906,716**	**-**	**-**	**2,962,834,552**	**298,115**	**104,147,401,953**

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

Director **Director** **Director** **Managing Director & CEO**

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

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

Islami Bank Bangladesh PLC.

Balance Sheet

As at 31 December 2023

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

Islami Bank Bangladesh PLC.

Balance Sheet

As at 31 December 2023

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

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Profit & Loss Account

For the year ended 31 December 2023

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

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Cash Flow Statement

For the year ended 31 December 2023

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

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Statement of Changes in Equity

For the year ended 31 December 2023

(Amount in Taka)

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

(*)Note : General / other reserves

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

Islami Bank Bangladesh PLC.

Statement of Changes in Equity

For the year ended 31 December 2022

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves(*)	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Total
1	2	3	4	5	6	7	8	9 (2+3+4+5+6+7+8)
Balance as at 01 January 2022	**16,099,906,680**	**1,989,633**	**20,735,466,258**	**16,915,694,963**	**9,071,295,675**	**126,950,400**	**1,609,990,668**	**64,561,294,277**
Deferred tax on revaluation surplus	-	-	-	-	-	(6,954,400)	-	**(6,954,400)**
Deferred tax impact on excess depreciation	-	-	-	-	31,946,607	-	-	**31,946,607**
Depreciation adjustment on revalued fixed assets	-	-	-	-	(85,190,953)	-	85,190,953	**-**
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	69,544,000	-	**69,544,000**
Currency translation differences	-	-	-	28,826,224	-	-	-	**28,826,224**
Net gain and losses not recognized in the income statement/Re-valuation reserve of securities transferred to retained earnings	-	-	-	-	-	-	30,451,680	**30,451,680**
Net profit for the year	-	-	-	-	-	-	5,923,445,627	**5,923,445,627**
Transfer to (from) reserve	-	-	1,000,000,000	2,562,688,329	-	-	(3,562,688,329)	**-**
Dividend:								**-**
Bonus shares	-	-	-	-	-	-	-	**-**
Cash dividend		-	-	-	-	-	(1,609,990,668)	**(1,609,990,668)**
Start-up Fund transferred from retained earnings	-	-	-	-	-	-	(59,234,456)	**(59,234,456)**
Coupon/dividend on perpetual bond	-	-	-	-	-	-	(807,174,807)	**(807,174,807)**
Total shareholders' equity as on 31 December 2022	**16,099,906,680**	**1,989,633**	**21,735,466,258**	**19,507,209,516**	**9,018,051,329**	**189,540,000**	**1,609,990,668**	**68,162,154,084**
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	**11,000,000,000**
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	**20,000,000,000**
Add: General provision for unclassified investments and off-balance sheet items (Note-3.14.7)	-	-	-	17,806,581,509	-	-	-	**17,806,581,509**
Less: Year wise redemption	-	-	-	-	-	-	-	**(4,800,000,000)**
Adjustment for intangible assets	-	-	-	(176,248,635)	-	-	-	**(176,248,635)**
Adjustment for currency translation differences	-	-	-	(46,453,350)	-	-	-	**(46,453,350)**
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	-	(9,018,051,329)	-	-	**(9,018,051,329)**
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-	-	(189,540,000)	-	**(189,540,000)**
Total equity as on 31 December 2022	**16,099,906,680**	**1,989,633**	**21,735,466,258**	**37,091,089,040**	**-**	**-**	**1,609,990,668**	**102,738,442,279**

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

Director **Director** **Director** **Managing Director & CEO**

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

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

Islami Bank Bangladesh PLC.

Liquidity Statement

Assets & Liabilities Analysis

As at 31 December 2023

Amount in taka

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

Director **Director** **Director** **Managing Director & CEO**

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

Signed for & on behalf of
ACNABIN
Chartered Accountants

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

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

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

1.0 The Bank and its activities

1.1 Introduction

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

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

1.2 Nature of business/ Principal activities of the Bank

1.2.1 Commercial banking services

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

1.2.2 Islamic micro-finance

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

1.2.3 Mobile financial services -"mCash"

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

1.3 Off-shore banking unit (OBU)

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

1.4 Subsidiaries of the Bank

1.4.1 Islami Bank Securities Limited (IBSL)

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

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

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

1.4.2 Islami Bank Capital Management Limited (IBCML)

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

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

1.4.3 IBBL Exchange Singapore Pte. Ltd.

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

2.0 Basis of preparation of financial statements

2.1 Reporting framework and compliance thereof

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

I. Presentation of financial statements

IFRS

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

Bangladesh Bank

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

II. Name of the Components of Financial Statements

IFRS

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

Bangladesh Bank

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

III. Other Comprehensive Income

IFRS

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

Bangladesh Bank

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

IV. Disclosure of Appropriation of Profit

IFRS

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

Bangladesh Bank

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

V. Investments in shares and securities

IFRS

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

Bangladesh Bank

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

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

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

VI. Provision for investments

IFRS

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

Bangladesh Bank

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

VII. Provision for Off-balance sheet items

IFRS

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

Bangladesh Bank

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

VIII. Recognition of investment income in suspense

IFRS

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

Bangladesh Bank

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

IX. Financial instruments – presentation and disclosure

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

X. Financial guarantees

IFRS

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

Bangladesh Bank

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

XI. Cash and Cash Equivalents

IFRS

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

Bangladesh Bank

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

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

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

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

XIII. Cash flow statement

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

Bangladesh Bank
As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, cash flow statement is to be prepared following a mixture of direct and indirect methods.

XIV. Non-banking assets

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

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

XV. Presentation of intangible asset

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

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

XVI. Off-balance sheet items

IFRS
As per IFRS, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

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

XVII. Investments net off provision

IFRS
Investments should be presented net off provision.

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

XVIII. Revenue

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

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

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

2.2 Measurement of elements in the financial statements

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

2.3 Basis of consolidation

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

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

2.3.1 Consolidation procedures

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

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

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

2.3.2 Investment in subsidiaries in the Bank separate financial statements

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

2.4 Functional and presentation currency

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

2.5 Use of estimates and judgments

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

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

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

2.6 Comparative information and rearrangement thereof

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

2.7 Going concern

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

2.8 Accrual basis of accounting

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

2.9 Materiality and aggregation

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

2.10 Offsetting

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

2.11 Reporting period

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

2.12 Authorization of the financial statements for issue

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

2.13 Cash flow statement

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

2.14 Statement of changes in equity

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

2.15 Liquidity statement

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

i) Balance with other banks and financial institutions, etc. are on the basis of their respective maturity term;

ii) Investments in shares & securities are on the basis of their respective maturity;

iii) General investments are on the basis of their recovery/repayment schedule;

iv) Fixed assets [property, plant & equipment] are on the basis of their useful lives;

v) Other assets are on the basis of their realization/amortization;

vi) Deposits and other accounts are on the basis of their maturity and payments;

vii) Provisions and other liabilities are on the basis of their adjustment/settlement;

viii) Due to perpetual in nature/maturity, Mudaraba Perpetual Bond (MPB) is reported under maturity more than 5 (five) years.

ix) Mudaraba Redeemable Subordinated Bond is reported under maturity within 1 (one) year for Tk. 480 (Four hundred eighty) crore, 1 (one) to 5 (five) years for Tk. 1,220 (One thousand two hundred and twenty) crore and more than 5 (five) years for Tk. 320 (Three hundred and twenty) crore.

2.16 Changes in accounting policies

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

2.16.1 IFRS-16: Lease

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

Bank as lessee:

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

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

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

Right-of-use assets (ROU):

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

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

Lease Liabilities (Bank as a lessee):

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

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

Bank as a lessor:

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

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

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

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

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

2.17 Changes in accounting estimates

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

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

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

3.0 Summary of significant accounting policies

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

3.1 Cash and cash equivalents

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

3.2 Investment in shares and securities

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

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

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

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

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

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

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

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

3.2.1 Held to Maturity (HTM)

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

3.2.2 Held for Trading (HFT)

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

3.2.3 Investment- Initial recognition and subsequent measurement

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

3.3 Investments

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

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

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

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

3.4.1 Property, plant and equipment

3.4.1.1 Recognition

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

3.4.1.2 Measurement at recognition

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

3.4.1.3 Elements of costs and subsequent costs

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

3.4.1.4 Measurement of property, plant & equipment after recognition

Cost model

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

Revaluation model

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

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

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

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

3.4.1.5 Derecognition of property, plant and equipment

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

3.4.1.6 Asset retirement obligations (ARO)

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

3.4.1.7 Depreciation

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

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

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

3.4.2 Capital work in progress

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

3.4.3 Intangible assets

3.4.3.1 Recognition

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

3.4.3.2 Measurement

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

3.4.3.3 Amortization

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

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

Recognizing and measuring impairment loss

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

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

3.6 Other assets

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

3.7 Non-banking assets

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

3.8 Placement from banks and other financial institutions

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

3.9 Deposits and other accounts

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

3.10 Mudaraba Bond

3.10.1 Mudaraba Perpetual Bond

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

3.10.2 Mudaraba Perpetual Contingent Convertible Bond

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

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

Coupon/Profit Rate:

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

3.10.3 Mudaraba Redeemable Subordinated Bonds

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

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

3.10.4 Usage of IBBL 2nd Perpetual Mudaraba Bond

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

3.11 Provisions

3.11.1 Provision for investments

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

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

3.11.2 Provision for diminution of value of shares and securities

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

3.11.3 Provision for off-balance sheet exposures

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

3.11.4 Provision for other assets

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

3.11.5 Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per BRPD circular No. 04 dated 12 April 2022. On the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

3.11.6 Other provisions, accruals and contingencies

3.11.6.1 Recognition of provisions, accruals and contingencies

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

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

3.11.6.2 Measurement of provision

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

3.11.6.3 Changes and uses of provisions

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

3.12 Post employment benefits

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

3.12.1 Defined contribution plan

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

3.12.1.1 Provident fund

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

3.12.2 Defined benefit plans

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

3.12.2.1 Gratuity fund

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

3.12.2.2 Superannuation fund

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

3.12.3 Short-term employee benefits

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

3.12.4 Other employee benefits

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

3.12.4.1 Benevolent fund

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

3.12.5 Workers' Profit Participation Fund (WPPF)

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

3.13 Taxation

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

3.13.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years. Provision for current income tax has been made as per the prescribed rate in the Income Tax Act 2023 on the accounting profit made by the bank after considering some of the add-backs to income and disallowances of expenditure as per income tax laws with IAS-12, "Income Taxes". Provision for current income tax has been made on taxable income of the Bank as per following rates:

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

3.13.2 Deferred tax

Principle of recognition

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

Recognition of taxable temporary difference

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

Recognition of deductible temporary difference

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

Measurement

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

Deferred tax on revaluation

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

3.14 Share capital and reserves

3.14.1 Capital

Authorized Capital

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

Paid-up Capital

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

3.14.2 Share Premium

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

3.14.3 Statutory reserve

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

3.14.4 Assets revaluation reserve

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

3.14.5 Revaluation reserve of securities

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

3.14.6 Non-controlling interest

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

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

3.14.7 Regulatory capital in line with Basel-III

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

3.15 Foreign currency transactions

3.15.1 Initial recognition

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

3.15.2 Subsequent measurement

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

Monetary items

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

Non-monetary items

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

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

3.15.3 Translation of foreign currency financial statement

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

3.16 Income

3.16.1 Investment income

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

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

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

3.16.2 Sharing of investment income

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

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

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

3.16.4 Income from investment in subordinated bond

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

3.16.5 Fees, commission and exchange income

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

3.16.6 Dividend income

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

3.17 Expenses

3.17.1 Management and other expenses

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

3.17.2 Profit paid on deposits

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

3.17.3 Zakat

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

3.18 Dividend payments

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

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

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

3.19.1 Doubtful income

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

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

3.19.2 Compensation

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

3.19.3 Other earnings

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

3.20 Inter-branch transactions

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

3.21 Earnings per share (EPS)

Measurement

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

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

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

3.22 Segment reporting

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

Quantitative thresholds

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

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

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

3.23 Events after the reporting period

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

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

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

3.24 Risk management

The Bank Company Act, 1991 as amended and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

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

3.24.1 Internal Control and Compliance

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

I. Audit & Inspection Division

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

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

II. Compliance Division

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

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

III. Monitoring Division

This Division performs the following:

i) Assesses the risk of the functional areas of the Branches described in the Departmental Control Function Checklist (DCFCL) and determines the frequency of Audit/Inspection under risk based approach of the branches based on the gravity of risks involved.

ii) Monitors the Internal Control Functions through the Quarterly Operations Report (QOR) and other mechanisms.

iii) Checks the completion/execution of Investment Documentation.

3.24.2 Foreign Exchange Risk Management

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

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

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

3.24.3 Investment (Credit) Risk Management

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

3.24.4 Asset Liability Management

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

3.24.5 Money Laundering Risk

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

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

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

3.24.6 Information and Communication Technology Risk Management

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

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

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

3.24.7 Internal audit

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

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

3.24.8 Fraud and forgeries

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

3.25 Credit rating report

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

3.26 Impact on COVID-19

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

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

3.27 Regulatory and legal compliance

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

a) The Bank Company Act, 1991 as amended

b) The Company Act, 1994 as amended

c) BRPD Circular No. 14 dated 25.06.2003 and "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009

d) Other circulars, rules and regulations issued by Bangladesh Bank from time to time

e) The Securities and Exchange Rules, 2020

f) The Securities and Exchange Ordinance, 1969

g) The Securities and Exchange Commission Act, 1993

h) Income Tax Act, 2023

i) Value Added Tax and Supplementary Duty Act and Rules, 2012

j) The Financial Reporting Act, 2015

k) Standards issued by AAOIFI

l) The Stamp Act-1899

m) The Customs Act-1969

n) The Money Laundering Prevention Act, 2012

o) The Anti Terrorism (Amendment) Act, 2009 etc.

4.0 Compliance with Financial Reporting Standards as applicable in Bangladesh

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

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

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

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

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

5.0 Audit committee

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

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

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

6.0 Related party disclosures

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

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

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

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

i) Terms & conditions for financial transaction with bank related person/related parties will not be easier than other persons i.e. other investment clients.

ii) Prior approval from the majority of Board of Directors shall be required for all financial transactions with bank related person/ related parties.

iii) The Bank shall not allow funded facilities exceeding 10% of Tier-I capital to the Bank related persons/related parties; real investment facilities shall be considered deducting encashable securities from funded investment.

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

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

6.3 Related party balances and transactions

6.3.1 Related party balances

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

Amount in Taka

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

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

Amount in Taka

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

6.3.2 Related party transactions

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

Amount in Taka

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

6.4 Other related party disclosures

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

		31.12.2023 Taka	31.12.2022 Taka
7.0	**Cash in hand**		
	Cash in hand (including foreign currency) (Note. 7.1)	35,241,123,870	30,645,815,136
	Balance with Bangladesh Bank & its agent bank(s) (including foreign currency) (Note. 7.2)	82,663,599,136	92,858,977,487
	Total	**117,904,723,005**	**123,504,792,624**
7.1	**Cash in hand (including foreign currency)**		
	In local currency	35,168,504,840	30,624,295,167
	In foreign currency	72,619,030	21,519,969
	Total	**35,241,123,870**	**30,645,815,136**
7.2	**Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)**		
	(a) Balance with Bangladesh Bank		
	In local currency	76,156,227,392	87,540,125,982
	In foreign currency	4,566,239,477	1,723,689,006
	Sub-total	**80,722,466,869**	**89,263,814,987**
	(b) Balance with Sonali Bank PLC. (as agent of Bangladesh Bank)		
	In local currency	1,941,132,267	3,595,162,500
	In foreign currency	-	-
	Sub-total	**1,941,132,267**	**3,595,162,500**
	Total (a+b)	**82,663,599,136**	**92,858,977,487**

7.3 Cash Reserve Requirement (CRR) & Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 25 & 33 of the Bank Company Act, 1991 as amended and the Instruction of Bangladesh Bank Order 1972, Article 36, clause (1).

7.3.1 Cash Reserve Requirement (CRR)

The Cash Reserve Requirement (CRR) of the Bank was 4.00% of average total demand and time liabilities on bi-weekly basis with a provision of minimum 3.50% on daily basis as per Bangladesh Bank MPD Circular No. 03 dated 09 April 2020.

Position of Cash Reserve Requirement (CRR)

Required CRR (4.00% of average total time and demand liabilities including 2.00% of OBU)	59,748,451,000	60,625,786,000
Actual reserve held with Bangladesh Bank in local currency (Note 7.2) *	76,128,227,392	87,512,125,982
Excess/(shortfall)	**16,379,776,392**	**26,886,339,982**

* Lien against TT discounting facilities of Tk. 28,000,000 has not been considered as CRR.

7.3.2 Statutory Liquidity Ratio (SLR)

The requirement of Statutory Liquidity Ratio (SLR) of the Bank was 5.50% on daily basis excluding CRR wherein the excess CRR amount shall be included while calculating SLR from 01.02.2014 as per DOS Circular No. 01 dated 19 January 2014.

Position of Statutory Liquidity Ratio (SLR)

Required Reserve (5.50% of average total time and demand liabilities including OBU)	82,847,707,000	84,380,664,000
Actual reserve maintained (Note- 7.3.2.1)	90,990,535,160	101,572,420,250
Excess/(shortfall)	**8,142,828,160**	**17,191,756,250**

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

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

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

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

10.0 Investments in shares & securities

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

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

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

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

10.0 Investments in shares & securities

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

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

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

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

10.3 Revaluation of shares & securities

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

		31.12.2023 Taka	31.12.2022 Taka
10.4	**Maturity grouping of investments in shares & securities**		
	Repayable on demand	-	-
	With a residual maturity of		
	Up to 1 Month	791,524,837	2,304,263,436
	Over 1 month but not more than 3 months	800,000,000	1,254,000,000
	Over 3 months but not more than 1 year	7,906,150,000	5,784,700,000
	Over 1 year but not more than 5 years	3,941,600,000	4,230,000,000
	More than 5 years	74,599,098,584	76,881,700,000
	Total	**88,038,373,421**	**90,454,663,436**
10(a)	**Consolidated investments in shares & securities**		
10(a)(i)	**Government**		
	Islami Bank Bangladesh PLC.	69,158,974,837	72,173,862,507
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company balances	-	-
	Sub total (i)	**69,158,974,837**	**72,173,862,507**
10(a)(ii)	**Others**		
	Islami Bank Bangladesh PLC.	18,879,398,584	18,280,800,929
	Islami Bank Securities Limited	3,462,295,819	3,571,016,282
	Islami Bank Capital Management Limited	383,001,298	364,516,597
	Inter-company balances	(2,999,839,000)	(2,999,839,000)
	Sub total (ii)	**19,724,856,701**	**19,216,494,808**
	Total (i+ii)	**88,883,831,538**	**91,390,357,315**

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

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

		31.12.2023 Taka	31.12.2022 Taka
11.5.1	**Classification of industrial investments**		
	Textile- spinning, weaving & dyeing	198,833,720,850	159,189,380,449
	Garments & garments accessories	99,056,506,896	75,519,332,497
	Steel, re-rolling & engineering	113,997,565,336	109,167,810,930
	Agro-based industry	235,800,641,373	229,259,205,649
	Food & beverage	19,889,905,537	16,122,251,652
	Cements industry	18,896,554,662	16,837,020,948
	Pharmaceuticals	4,965,651,604	4,517,198,001
	Poultry, poultry feed & hatchery	3,431,744,931	3,431,744,931
	Sanitary wares	88,861,821	60,036,128
	Chemicals, toiletries & petroleum	18,292,559,226	16,164,625,021
	Printing & packaging	18,150,781,116	15,150,781,116
	Power (electricity)	14,966,944,129	12,379,742,126
	Ceramic & bricks	18,916,960,945	13,926,208,986
	Health care (hospital & others)	8,987,632,874	7,853,903,445
	Plastic industries	9,946,274,595	6,846,274,595
	Petrol pump & CNG filling station	2,953,938,439	2,771,844,805
	Information technology	291,264,584	211,264,584
	Hotel & restaurant	1,928,869,687	1,624,862,942
	Other industries	97,662,136,809	81,114,182,839
	Total	**887,058,515,414**	**772,147,671,644**

11.6 Details of investment to customers (10.00% of bank's regulatory capital and above)

Number of clients with amount of gross investments exceeding 10.00% of total regulatory equity of the Bank & classified amount thereon are given below:

Number of clients	32	36
Amount of investments (Taka)	494,503,500,000	554,448,200,000
Classified amount thereon	Nil	Nil
Measures taken for recovery	Not Applicable	Not Applicable

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

(Taka in million)

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

(*) Gross investments includes profit receivables amount.

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

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

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

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

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

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

12.0 Fixed assets including premises (Annexure-A)

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

12.4 Revaluation of land & building

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

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

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

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

Fund obtained from OBU for investment in MDB in FC by AD branches is shown under "Cover fund MDB investment" under other liabilities at AD branches whereas Fund provided to AD branches for MDB in FC is shown under "Placement with banks & other financial institutions" in the assets side at OBU's balance sheet. As the items are intra-units balance, the amount was fully eliminated while preparing the financial statement of the Bank as a whole.

14.1	**Borrowing from Abroad-OBU**		
	Ajman Bank, UAE	12,100,000,000	9,813,215,000
	Commercial Bank Of Dubai	1,650,000,000	2,065,940,000
	First Gulf UAE	-	1,756,049,000
	Dubai Islamic Bank	-	1,549,455,000

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

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

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

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

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

		31.12.2023 Taka	31.12.2022 Taka
17.1	**Provision for classified & unclassified investments and off- balance sheet items**		
	General provision		
	Unclassified investments excluding OBU	12,622,188,293	11,848,641,509
	Special General Provision COVID-19	2,369,840,000	2,369,840,000
	Unclassified investments- OBU	1,875,330,000	1,376,970,000
	Special mention account	75,100,000	75,100,000
	Sub-total (Note-17.1.1)	**16,942,458,293**	**15,670,551,509**
	Off-balance sheet items (Note-17.1.2)	**1,066,970,000**	**2,136,030,000**
	Sub-total (General provision)	**18,009,428,293**	**17,806,581,509**
	Specific provision (Note-17.1.3)		
	Sub-standard	1,177,870,000	505,600,000
	Doubtful	722,360,000	450,300,000
	Bad and loss (*)	46,762,628,491	41,118,078,491
	Sub-total (Specific provision)	**48,662,858,491**	**42,073,978,491**
	Total provision held at the end of the year	**66,672,286,784**	**59,880,560,000**

(*) As on 31 December 2023 provision of Tk. 27,041.97 million against Ananda Shipyard & Slipways Ltd., writ clients, rescheduled clients & restructured clients (considering qualitative judgment) is included in the specific provision (Bad & Loss) of Tk. 46,562.63 million against Tk. 23,635.88 million as on 31 December 2022.

Adequate provision for the investments, off-balance sheet items and other assets have been made as per the relevant circulars issued by Bangladesh Bank as well as decision taken in tripartite meeting amongst Bangladesh Bank Inspection Team, External Auditors and the Management of Islami Bank Bangladesh PLC. and subsequent Bangladesh Bank Letter No. DBI-6/51(1)/2024-308 dated 24 April 2024.

17.1.1	**General provision on unclassified investment including OBU**		
	Provision held at the beginning of the year	15,670,551,509	13,857,628,293
	Provision made/(no longer required) during the year	1,271,906,784	1,812,923,216
	Total provision held at the end of the year	**16,942,458,293**	**15,670,551,509**
17.1.2	**General provision on off-balance sheet items**		
	Provision held at the beginning of the year	2,136,030,000	2,184,050,000
	Provision made/(no longer required) during the year	(1,069,060,000)	(48,020,000)
	Total provision held at the end of the year	**1,066,970,000**	**2,136,030,000**
	Sub-total (17.1.1+17.1.2)	**18,009,428,293**	**17,806,581,509**
17.1.3	**Provision for classified investments**		
	Provision held at the beginning of the year	42,073,978,491	37,230,278,491
	Fully provided investment written off/waived/transferred (Note-17.1.3.1)	(6,639,356)	(1,100,227)
	Recoveries of amounts previously written off	287,689,592	244,773,412
	Provision made/ (no longer required) during the year	6,307,829,764	4,600,026,815
	Total provision held at the end of the year	**48,662,858,491**	**42,073,978,491**
	Total provision for investments 17.1.1+17.1.3)	**65,605,316,784**	**57,744,530,000**
	Total provision (17.1.1+17.1.2+17.1.3)	**66,672,286,784**	**59,880,560,000**
17.1.3.1	**Fully provided investment written off/waived/transferred**		
	Written-off during the year	-	-
	Compensation waived upto 2013 which was included in provision	6,639,356	1,100,227
	Total	**6,639,356**	**1,100,227**
17.1.4	**Provision made for investments & off- balance sheet items for the year**		
	Provision for classified investments	6,307,829,764	4,600,026,815
	General provision on unclassified investment including OBU	1,271,906,784	2,243,083,216
	Special General Provision Covid-19	-	(430,160,000)
	General provision on off-balance sheet items	(1,069,060,000)	(48,020,000)

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

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

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

17.2	**Provision for diminution in value of investments in shares**		
	Opening balance	326,413,888	157,000
	Add: Provision made/(adjustment) during the year	114,330,599	326,256,888
	Closing balance (Note-17.2.1)	**440,744,487**	**326,413,888**
17.2.1	**Provision for diminution in value of investments in shares(*)**		
	i) Dealing		
	Quoted	371,568,719	261,975,310
	Un-quoted	69,018,768	64,281,578
	Sub-total	**440,587,487**	**326,256,888**
	Required provision (i)	**440,587,487**	**326,256,888**
	ii) Investment securities		
	Quoted	-	-
	Un-quoted	157,000	157,000
	Sub-total (ii)	**157,000**	**157,000**
	Total (i+ii)	**440,744,487**	**326,413,888**

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

17.2(a)	**Consolidated provision for diminution in value of investments in shares made during the year**		
	Islami Bank Bangladesh PLC	114,330,599	326,256,888
	Islami Bank Securities Limited	97,807,266	140,456,245
	Islami Bank Capital Management Limited	7,450,000	16,432,200
	Total	**219,587,865**	**483,145,333**
17.3	**Other provisions**		
	Provision for other assets (Note-17.3.1)	276,854,332	93,811,693
	Provision for doubtful income account (Note-17.3.2)	104,247,690	91,419,061
	Total	**381,102,022**	**185,230,754**
17.3.1	**Provision for other assets**		
	Opening balance	93,811,693	212,734,438
	Less: Settlement	-	-
	Add: Provision made/(adjustment) during the year	183,042,639	(118,922,745)
	Closing balance	**276,854,332**	**93,811,693**

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

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

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

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

17.7.2 Reconciliation of effective tax rate

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

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

		31.12.2023 Taka	31.12.2022 Taka
17.10	**Start-Up Fund for investment**		
	Opening balance	150,836,566	91,602,110
	Amount transferred to retained earnings for excess provision in previous year	61,141,523	59,234,456
	Disbursment made during the year	-	-
	Closing balance	**211,978,089**	**150,836,566**

The Bank has created Start-Up Fund for investment since 2020 as per SMESPD Circular no. 04, dated 29 March 2021 and SMESPD Circular Letter no. 05, dated 26 April 2021 as 1% of Net Profit of the Bank.

17.11	**Maturity-wise classification of other liabilities**		
	Repayable on demand	-	-
	With a residual maturity of		
	Up to 1 Month	8,986,999,179	3,140,500,000
	Over 1 month but not more than 3 months	9,077,776,948	5,055,700,000
	Over 3 months but not more than 1 year	27,233,330,843	5,836,500,000
	Over 1 year but not more than 5 years	18,155,553,895	5,397,700,000
	More than 5 years	118,537,867,490	120,145,339,102
	Total	**181,991,528,355**	**139,575,739,102**
17(a)	**Consolidated other liabilities**		
	Islami Bank Bangladesh PLC	181,991,528,355	139,575,739,102
	Islami Bank Securities Limited	4,943,903,541	4,989,518,719
	Islami Bank Capital Management Limited	431,691,588	405,974,694
	Inter-company balances	(5,010,332,431)	(5,046,533,236)
	Total	**182,356,791,053**	**139,924,699,279**
18.0	**Deferred tax (assets)/liabilities**		

Deferred tax assets and liabilities have been recognised and measured in accordance with the provision of International Accounting Standard (IAS)-12 "Income Taxes" and BRPD circular No. 11 dated 12 December 2011. Calculation of deferred tax has been made on all temporary differences between the tax base and carrying amounts for financial reporting purpose. Deferred tax assets and liabilities are attributable to the following:

(i) Deferred tax on fixed assets excluding revaluation surplus		
Carrying amount	5,897,234,847	6,344,997,627
Tax Base	5,876,335,931	5,834,236,255
Temporary timing difference	20,898,916	510,761,372
Deferred tax (asset)/liability @ 37.50%	7,837,094	191,535,515
Opening balance	191,535,515	291,020,236
Deferred tax (income)/expenses	(183,698,421)	(99,484,721)
(ii) Deferred tax on revaluation reserve of Building		
Carrying amount	3,136,800,872	3,322,447,163
Tax Base	-	-
Temporary timing difference	3,136,800,872	3,322,447,163
Deferred tax (asset)/liability @ 37.50%	1,176,300,327	1,245,917,686
Opening balance	1,245,917,686	1,277,864,293
Transfer to /from reserve	(69,617,359)	(31,946,607)
(iii) Deferred tax on revaluation reserve of securities (HTM)		
Carrying amount	214,000,000	230,600,000
Tax Base	20,000,000	20,000,000
Temporary timing difference	194,000,000	210,600,000
Deferred tax (asset)/liability @ 10.00%	19,400,000	21,060,000
Opening balance	21,060,000	14,105,600
Transfer to /from reserve	(1,660,000)	6,954,400
iv) Deferred tax on provision for Rebate for good borrowers		
Carrying amount	-	-
Tax Base	-	-
Temporary timing difference	-	-
Deferred tax (asset)/liability @ 37.50%	-	-
Opening balance	-	-
Deferred tax (income)/expenses	-	-
(v) Net deferred tax (income)/expenses (i+iv)	**(183,698,421)**	**(99,484,721)**
(vi) Net deferred tax (assets)/liabilities (i+ii+iii+iv)	**1,203,537,421**	**1,458,513,201**
(vii) Net deferred tax transferred to reserve (ii)	**(69,617,359)**	**(31,946,607)**
(viii) Net deferred tax transferred from reserve (iii)	**(1,660,000)**	**6,954,400**

		31.12.2023 Taka	31.12.2022 Taka
18(a)	**Consolidated Deferred tax (assets)/liabilities**		
	Islami Bank Bangladesh PLC.	1,203,537,421	1,458,513,201
	Islami Bank Securities Limited	(2,224,699)	(2,447,928)
	Islami Bank Capital Management Limited	148,320	318,730
	Total	**1,201,461,042**	**1,456,384,003**

		2023 (Taka)	2022 (Taka)
18(b)	**Consolidated Deferred tax (income)/expenses for the year**		
	Islami Bank Bangladesh PLC.	(183,698,421)	(99,484,721)
	Islami Bank Securities Limited	223,228	220,151
	Islami Bank Capital Management Limited	(170,411)	(47,123)
	Total	**(183,645,604)**	**(99,311,693)**

19.0 Share capital

19.1 Authorized capital

The authorized capital of the Bank is Tk. 20,000,000,000 divided into 2,000,000,000 ordinary shares of Tk. 10 each.

19.2 Brief history of raising of Paid up capital

Paid-up Capital of the Bank at the end of the year 2023 is Tk. 16,099,906,680 divided into 1,609,990,668 ordinary shares of Tk. 10 each.

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

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

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

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

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

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

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

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

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

(Amount in million Taka)

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

(Amount in million Taka)

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

Notes

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

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

		31.12.2023 Taka	31.12.2022 Taka
21.0	**Statutory reserve**		
	Opening balance	21,735,466,258	20,735,466,258
	Add: Addition made this year	1,000,000,000	1,000,000,000
	Closing balance	**22,735,466,258**	**21,735,466,258**

At least 20% of net profit before tax is to be transferred to statutory reserve account each year until the cumulative balance equal to the amount of paid up capital account as per Section 24 of the Bank Company Act 1991 as amended. Though the cumulative balance of statutory reserve exceeded the amount of paid up capital, the Board of Directors has decided to transfer an amount of Tk. 1,000,000,000/- to statutory reserve account.

22.0	**Other reserves**		
	General reserve (Note-22.1)	23,609,337,478	19,428,756,166
	Assets revaluation reserve (Note-22.2)	6,903,383,328	9,018,051,329
	Revaluation reserve of securities (Note-22.3)	174,600,000	189,540,000
	Translation reserve (Note-22.4)	26,112,120	46,453,350
	Share premium	1,989,633	1,989,633
	Dividend equalization account	32,000,000	32,000,000
	Total	**30,747,422,558**	**28,716,790,478**
22.1	**General reserve**		
	Opening balance	19,428,756,166	16,866,067,837
	Add: Addition/(adjustment) made this year	4,180,581,312	2,562,688,329
	Closing balance	**23,609,337,478**	**19,428,756,166**
22.2	**Assets revaluation reserve**		
	Opening balance	9,018,051,329	9,071,295,675
	Add: Addition made this year	-	-
	Add: Deferred tax impact on excess depreciation	69,617,359	31,946,607
	Less: Adjustment made/sale this year(*)	2,103,769,139	-
	Less: Depreciation adjustment on revalued amount of building	80,516,221	85,190,953
	Closing balance	**6,903,383,328**	**9,018,051,329**

* A portion of revalued Land & Building has been sold out during the year 2023.

22.3	**Revaluation reserve of securities**		
	Opening balance	189,540,000	126,950,400
	Add: Addition made this year	(16,600,000)	69,544,000
	Add: Deferred tax impact on revaluation reserve of securities	1,660,000	(6,954,400)
	Less: Adjustment made this year	-	-
	Closing balance	**174,600,000**	**189,540,000**
22.4	**Translation reserve**		
	Opening balance	46,453,350	17,627,126
	Add: Addition/(adjustment) made this year	(20,341,230)	28,826,224
	Closing balance	**26,112,120**	**46,453,350**
22(a)	**Consolidated other reserves**		
	Islami Bank Bangladesh PLC.	30,747,422,558	28,716,790,478
	Islami Bank Securities Limited	79,118,053	55,817,675
	Islami Bank Capital Management Limited	-	-
	Total	**30,826,540,611**	**28,772,608,153**

		31.12.2023 Taka	31.12.2022 Taka
23.0	**Letters of guarantee**		
	(a) Claim against the bank which is not acknowledged as debt	-	-
	(b) Money for which the bank is contingently liable in respect	-	-
	of guarantees issued favouring:	-	-
	i) Directors	-	-
	ii) Government	7,384,216,203	8,041,236,549
	iii) Bank and other financial institutions	185,410,410	235,146,254
	iv) Others	19,147,335,297	22,785,883,360
	Total	**26,716,961,910**	**31,062,266,163**

		2023 Taka	2022 Taka
24.0	**Investment income**		
	Income from general investment (Note-24.1)	98,062,333,861	81,644,170,911
	Profit on deposits with other banks & financial institutions (Note-24.2)	6,965,118,773	6,340,086,342
	Total	**105,027,452,635**	**87,984,257,253**
24.1	**Income from general investment (*)**		
	Bai Murabaha	59,572,569,746	51,604,063,081
	Musharaka /Musharaka Documentary Bills	620,339,430	379,098,358
	Bai Muajjal	7,417,688,251	7,037,011,641
	Hire Purchase under Shirkatul Melk	18,394,233,089	15,306,802,752
	Bai Salam	1,076,985,376	1,431,902,372
	Bai -As- Sarf (FDB /FCD), IBP, MFCI and UPAS	1,216,969,857	870,685,213
	Investment income: Off-shore Banking Unit (OBU)	9,645,982,189	4,909,057,151
	Income on overseas Investment	-	-
	Income on Mudaraba Investment	117,565,924	105,550,342
	Sub total	**98,062,333,861**	**81,644,170,911**

(*) This amount includes any amount transferred from profit/rent suspense due to recovery or regularization of investment (i.e. due to declassification of investment) during the year. Amount transferred from profit/rent suspense is included in the "Investment income under respective mode of investment" and amount transferred from compensation suspense is included under "Compensation income".

24.2	**Profit on deposits with other banks & financial institutions**		
	In Bangladesh	6,965,118,773	6,340,086,342
	Outside Bangladesh	-	-
	Sub total	**6,965,118,773**	**6,340,086,342**
	Grand total (24.1+24.2)	**105,027,452,635**	**87,984,257,253**
24.3	**Investment income derived from the fund deployed by**		
	Mudaraba deposits	91,576,429,354	82,529,233,303
	Other deposits/fund	13,451,023,281	5,455,023,950
	Total	**105,027,452,635**	**87,984,257,253**
24(a)	**Consolidated investment income**		
	Islami Bank Bangladesh PLC.	105,027,452,635	87,984,257,253
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company transactions	(122,634,924)	(105,908,901)
	Total	**104,904,817,711**	**87,878,348,352**
25.0	**Profit paid on mudaraba deposits**		
	Profit paid on Mudaraba Savings Deposit	10,004,553,696	8,432,349,976
	Profit paid on Mudaraba Term Deposit Account	32,999,123,433	27,150,454,732
	Profit paid on other Mudaraba Deposits	13,423,752,287	13,753,100,226
	Profit paid on Placement	5,730,093,889	3,312,973,190
	Profit paid on Mudaraba Subordinate Bond	1,324,337,441	1,160,653,424
	Profit Paid on MPSA	-	95,349,161
	Profit Paid on Agri-Refinance & Pre-Finance	107,893,300	28,245,549
	Profit Paid on borrowing from BGIS & other banks	2,102,823,669	143,924,011
	Total	**65,692,577,714**	**54,077,050,268**

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

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

(*) Rent expense reverse Tk. 332,423,025 for implementing IFRS-16: Lease.

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

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

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

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

39.1 Motor car running and maintenance

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

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

39.3 VAT related to expenditures

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

39(a)	**Consolidated other expenses**		
	Islami Bank Bangladesh PLC.	10,229,510,546	5,777,435,198
	Islami Bank Securities Limited	129,061,728	112,025,268
	Islami Bank Capital Management Limited	6,795,775	5,933,952
	Inter Company transactions	(122,634,924)	(105,908,901)
	Total	**10,242,733,125**	**5,789,485,517**
40.0	**Retained earnings: movement of surplus in profit & loss account**		
	Retained earnings as on 1 January	1,609,990,668	1,609,990,668
	Revaluation reserve of assets/securities transferred to retained earnings (*)	1,530,645,029	30,451,680
	Add: Net profit after tax for the year	6,114,152,254	5,923,445,627
	Add: Depreciation adjustment on revalued assets	80,516,221	85,190,953
	Sub-total	**9,335,304,172**	**7,649,078,928**
	Less:		
	Transfer to statutory reserve	1,000,000,000	1,000,000,000
	Transfer to/(from) general reserve	4,180,581,312	2,562,688,292
	Dividend paid (Previous Year)	1,609,990,668	1,609,990,668
	Transfer to start-up Fund	61,141,523	59,234,456
	Coupon/profit on perpetual bond (**)	873,600,002	807,174,807
	Sub-total	**7,725,313,504**	**6,039,088,260**
	Balance of retained earnings as at 31 December	**1,609,990,668**	**1,609,990,668**

(*) The amount has been arised due to sale of a revalued Land & Building during the year 2023.
(**) As per Bangladesh Bank's Letter BRPD (BS)661/14BP/2022-3317 payment of Coupon/Profit against perpetual bond should be presented as Distributable items of the Bank.

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

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

40(b) Non-controlling interest

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

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

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

41.0 Events after reporting period

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

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

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

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

	31.12.2023 Taka	31.12.2022 Taka
43.0 Net asset value per share (NAV) of the Bank		
a) Capital/shareholders' equity for the year	71,192,786,164	68,162,154,084
b) Weighted average number of ordinary share during the year	1,609,990,668	1,609,990,668
Net asset value per share (NAV) (a ÷ b)	**44.22**	**42.34**

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

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

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

		31.12.2023 Taka	31.12.2022 Taka
45.0	**Reconciliation of cash and cash equivalent at the end of the year**		
	Cash in hand	35,241,123,870	30,645,815,136
	Balance with Bangladesh Bank and its agent banks (Sonali Bank PLC.)	82,663,599,136	92,858,977,487
	Balance with other banks and financial institutions	101,578,824,230	110,787,004,358
	Total	**219,483,547,236**	**234,291,796,982**
45(a)	**Reconciliation of consolidated cash and cash equivalent at the end of the year**		
	Cash in hand	35,241,166,165	30,645,839,722
	Balance with Bangladesh Bank and its agent banks (Sonali Bank PLC.)	82,663,599,136	92,858,977,487
	Balance with other banks and financial institutions	106,258,372,039	115,248,794,287
	Total	**224,163,137,340**	**238,753,611,497**

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

46.0 Currency wise exposures

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

Director **Director** **Director** **Managing Director & CEO**

Dated: Dhaka, 24 April 2024

Islami Bank Bangladesh PLC.

Fixed Assets Schedule

As at 31 December 2023

Annexure - A

(Amount in Taka)

Group of Fixed Assets	Cost				Depreciation/Amortization				Written Down Value	
	Balance as at 01.01.2023	Addition during the year	Sale / adjust-ment during the year	Total as at 31.12.2023	Charged up to 01.01.2023	Charged during the year	Adjustment during the year	Total as at 31.12.2023	as at 31.12.2023	as at 31.12.2022
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9 (6+7-8)	10 (5-9)	11
A. Tangible Assets										
i) Premises										
Cost										
Land	682,129,033	-	127,173,090	554,955,943	-	-	-	-	554,955,943	682,129,033
Building	1,981,662,887	10,023,979	51,253,705	1,940,433,161	626,868,352	32,832,106	-	659,700,458	1,280,732,703	1,354,794,535
Construction/ capital work in process	-	-	-	-	-	-	-	-	-	-
Sub total	**2,663,791,920**	**10,023,979**	**178,426,795**	**2,495,389,104**	**626,868,352**	**32,832,106**	**-**	**659,700,458**	**1,835,688,646**	**2,036,923,568**
Revaluation										
Land	6,941,521,852	-	1,965,826,910	4,975,694,942	-	-	-	-	4,975,694,942	6,941,521,852
Building	4,557,449,467	-	137,942,230	4,419,507,237	1,235,002,305	80,516,223	44,569,126	1,270,949,402	3,148,557,835	3,322,447,162
Sub total	**11,498,971,319**	**-**	**2,103,769,140**	**9,395,202,179**	**1,235,002,305**	**80,516,223**	**44,569,126**	**1,270,949,402**	**8,124,152,777**	**10,263,969,014**
Sub total (i)	**14,162,763,239**	**10,023,979**	**2,282,195,935**	**11,890,591,283**	**1,861,870,657**	**113,348,329**	**44,569,126**	**1,930,649,860**	**9,959,941,423**	**12,300,892,582**
ii) Other fixed assets										
Furniture and fixtures	1,728,582,193	67,946,373	2,302,900	1,794,225,666	858,850,653	81,203,221	1,705,753	938,348,121	855,877,545	869,731,540
Mechanical appliances	3,078,275,343	88,355,544	10,575,800	3,156,055,087	2,373,594,880	149,829,461	9,184,943	2,514,239,398	641,815,689	704,680,463
Computer	2,307,615,731	290,965,881	18,519,830	2,580,061,782	1,884,638,848	211,006,645	18,097,085	2,077,548,408	502,513,374	422,976,883
Motor vehicles	1,631,823,019	62,871,942	60,664,179	1,634,030,782	1,219,933,596	163,979,230	57,705,964	1,326,206,862	307,823,920	411,889,423
Books	11,547,478	55,444	-	11,602,922	10,031,625	389,055	-	10,420,680	1,182,241	1,515,853
ATM	3,896,801,136	304,800,227	27,109,000	4,174,492,363	1,493,640,840	529,608,014	22,884,258	2,000,364,596	2,174,127,767	2,403,160,296
ROU-Assets for lease rent	2,380,392,163	-	-	2,380,392,163	1,234,167,749	275,247,816	-	1,509,415,565	870,976,598	1,146,224,414
Sub Total (ii)	**15,035,037,063**	**814,995,411**	**119,171,709**	**15,730,860,765**	**9,074,858,192**	**1,411,263,441**	**109,578,003**	**10,376,543,630**	**5,354,317,135**	**5,960,178,871**
Total (i+ii)	**29,197,800,302**	**825,019,390**	**2,401,367,644**	**27,621,452,048**	**10,936,728,849**	**1,524,611,770**	**154,147,129**	**12,307,193,490**	**15,314,258,558**	**18,261,071,453**
B. Intangible assets	**822,847,696**	**15,272,971**	**-**	**838,120,667**	**646,599,061**	**70,116,964**	**-**	**716,716,025**	**121,404,642**	**176,248,635**
Total (A+B)	**30,020,647,998**	**840,292,361**	**2,401,367,644**	**28,459,572,715**	**11,583,327,910**	**1,594,728,734**	**154,147,129**	**13,023,909,515**	**15,435,663,200**	**18,437,320,088**

Islami Bank Bangladesh PLC.

Consolidated Fixed Assets Schedule

As at 31 December 2023

Annexure - B

(Amount in Taka)

Group of Fixed Assets	Cost				Depreciation/Amortization				Written Down Value	
	Balance as at 01.01.2023	Addition during the year	Sale /adjust-ment during the year	Total as at 31.12.2023	Charged up to 01.01.2023	Charged during the year	Adjustment during the year	Total as at 31.12.2023	as at 31.12.2023	as at 31.12.2022
1	2	3	4	5 (2 + 3 - 4)	6	7	8	9 (6+ 7 - 8)	10 (5 - 9)	11
A. Tangible Assets										
i) Premises										
Cost										
Land	682,129,033	-	127,173,090	554,955,943	-	-	-	-	554,955,943	682,129,033
Building	1,981,662,887	10,023,979	51,253,705	1,940,433,161	626,868,352	32,832,106	-	659,700,458	1,280,732,703	1,354,794,535
Construction/capital work in process	-	-	-	-	-	-	-	-	-	-
Sub total (i)	**2,663,791,920**	**10,023,979**	**178,426,795**	**2,495,389,104**	**626,868,352**	**32,832,106**	**-**	**659,700,458**	**1,835,688,646**	**2,036,923,568**
Revaluation										
Land	6,941,521,852	-	1,965,826,910	4,975,694,942	-	-	-	-	4,975,694,942	6,941,521,852
Building	4,557,449,467	-	137,942,230	4,419,507,237	1,235,002,305	80,516,223	44,569,126	1,270,949,402	3,148,557,835	3,322,447,162
Sub total	**11,498,971,319**	**-**	**2,103,769,140**	**9,395,202,179**	**1,235,002,305**	**80,516,223**	**44,569,126**	**1,270,949,402**	**8,124,252,777**	**10,263,969,014**
Sub total (i)	**14,162,763,239**	**10,023,979**	**2,282,195,935**	**11,890,591,283**	**1,861,870,657**	**113,348,329**	**44,569,126**	**1,930,649,860**	**9,959,941,423**	**12,300,892,582**
ii) Other fixed assets										
Furniture and fixtures	1,740,059,301	67,954,436	2,302,900	1,805,710,837	861,764,276	82,059,745	1,705,753	942,118,269	863,592,568	878,295,025
Mechanical appliances	3,083,245,559	88,517,289	10,669,400	3,161,093,448	2,375,417,021	150,353,378	9,184,943	2,516,585,456	644,507,992	707,828,538
Computer	2,314,613,059	291,154,481	18,519,830	2,587,247,710	1,888,591,919	212,732,576	18,190,685	2,083,133,810	504,113,900	426,021,140
Motor vehicles	1,639,180,519	62,871,942	60,664,179	1,641,388,282	1,225,602,611	165,450,730	57,705,964	1,333,347,377	308,040,905	413,577,908
Books	11,547,478	55,444	-	11,602,922	10,031,625	389,055	-	10,420,681	1,182,241	1,515,853
ATM	3,896,801,136	304,800,227	27,109,000	4,174,492,363	1,493,640,840	529,608,014	22,884,258	2,000,364,596	2,174,127,767	2,403,160,296
ROU-Assets for lease rent	2,382,852,126	2,676,082	2,459,963	2,383,068,245	1,236,627,712	276,320,910	2,459,963	1,510,488,659	872,579,586	1,146,224,414
Sub Total (ii)	**15,068,299,178**	**818,029,901**	**121,725,272**	**15,764,603,807**	**9,091,676,005**	**1,416,914,408**	**112,131,566**	**10,396,458,847**	**5,368,144,960**	**5,976,623,173**
Total (i+ii)	**29,231,062,417**	**828,053,880**	**2,403,921,207**	**27,655,195,090**	**10,953,546,662**	**1,530,262,737**	**156,700,692**	**12,327,108,707**	**15,328,086,383**	**18,277,515,755**
B. Intangible Assets	**825,242,886**	**15,272,971**	**30,000**	**840,485,857**	**647,388,201**	**70,708,262**	**-**	**718,096,463**	**122,389,394**	**177,854,685**
Total (A+B)	**30,056,305,303**	**843,326,851**	**2,403,951,207**	**28,495,680,947**	**11,600,934,863**	**1,600,970,999**	**156,700,692**	**13,045,205,170**	**15,450,475,777**	**18,455,370,440**

Islami Bank Bangladesh PLC.

Currency wise Exposures

As at 31 December 2023

Annexure - C

(Amount in Taka)

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

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

Islami Bank Bangladesh PLC.

Consolidated Segment Reporting

For the year ended 31 December 2023

A. Segmental operating profit and loss

Annexure-D

Amount in Taka

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

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

Consolidated Segment Reporting

For the year ended 31 December 2022

Amount in Taka

Particulars	Head Office Controlled Branches	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Cumilla Zone	Rajshahi Zone	Chattogram South Zone	Noakhali Zone	Common	Consolidated
Investment income	31,625,640,000	10,446,790,000	1,348,290,000	2,654,110,000	2,954,810,000	1,383,490,000	5,402,790,000	2,973,820,000	1,286,330,000	30,791,016,427	90,867,086,427
Profit paid on mudaraba deposits	(4,617,016,952)	(4,360,159,424)	(2,155,671,976)	(3,487,252,804)	(2,065,145,738)	(3,779,108,376)	(2,229,894,339)	(2,952,114,449)	(3,513,383,410)	(24,858,737,013)	(54,018,484,481)
Profit received/(paid) on IB General Account	(13,990,000,000)	(1,057,400,000)	2,267,200,000	3,120,100,000	1,370,680,000	5,341,920,000	168,050,000	3,223,020,000	4,504,680,000	4,948,250,000	-
Net investment income	**13,018,623,048**	**5,029,230,576**	**1,459,818,024**	**2,286,957,196**	**2,260,344,262**	**2,946,301,624**	**3,340,945,661**	**3,244,725,551**	**2,277,626,590**	**10,880,529,414**	**36,848,601,946**
Commission, exchange & other income	3,464,850,000	1,708,080,000	301,880,000	456,650,000	357,160,000	227,660,000	376,730,000	218,780,000	234,530,000	8,921,184,749	16,267,504,749
Total operating income	**16,483,473,048**	**6,737,310,576**	**1,761,698,024**	**2,743,607,196**	**2,617,504,262**	**3,173,961,624**	**3,717,675,661**	**3,463,505,551**	**2,512,156,590**	**19,801,714,163**	**53,116,106,695**
Total operating expenses	(1,284,424,831)	(1,382,205,069)	(951,185,326)	(1,291,912,858)	(1,076,339,484)	(1,022,964,556)	(1,062,730,234)	(992,840,927)	(1,009,958,859)	(21,291,812,514)	(31,366,374,658)
Operating Profit	**15,199,048,217**	**5,355,105,507**	**810,512,698**	**1,451,694,338**	**1,541,164,778**	**2,150,997,068**	**2,654,945,427**	**2,470,664,624**	**1,502,197,731**	**(1,490,098,352)**	**21,749,732,036**

B. Segmental assets and liabilities

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

Islami Bank Bangladesh PLC.

Reconciliation of Net Profit with Cash Flows from Operating Activities

For the year ended 31 December 2023

Annexure-E

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

Islami Bank Bangladesh PLC.

Financial Highlights

As at and for the year ended 31 December 2023

Amount in Million Taka

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

Annexure-F

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

Balance Sheet

As at and for the year ended 31 December 2023

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

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

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

Profit & Loss Account

For the year ended 31 December 2023

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

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

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

Cash Flow Statement

For the year ended 31 December 2023

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

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

Notes to the Financial Statements

As at and for the year ended 31 December 2023

1.0 Status of the Units

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

1.1 Principal activities

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

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

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

1.2.2 Use of estimates and judgments

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

1.2.3 Foreign currency transactions

a. Foreign currency transactions

Foreign currency transactions are converted in to equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of changes in Foreign Exchange Rates". Foreign currency balances held in US Dollars (USD) are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

b. Transaction gains and losses

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

1.2.4 Translation reserve

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

1.2.5 Retained earnings/Net profit transferred to main operation

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

1.2.6 Cash flow statement

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

1.2.7 Comparative information and rearrangement thereof

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

1.2.8 Reporting period

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

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

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

1.3.2 Investments

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

1.4 Allocation of common expenses

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

1.5 Profit paid on mudaraba deposits/placement

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

1.6 Placement from banks & other financial institutions

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

2.0 Balance with other banks & financial institutions

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

3.0 Placement with banks & other financial institutions

Fund provided to AD Branches for MDB in FC (*)	-	-	**2,587,480.50**	**267,278,973**

(*) This amount has been provided to AD branches to finance investment in MDB in FC as per the requirement of the AD branches as per Bangladesh Bank FE Circular No. 03 dated 04 February 2013.

4.0 Investments

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

4.1 Bills purchased & discounted

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

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

5.0 Other assets

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

6.0 Placement from banks & other financial institutions

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

7.0 Other liabilities

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

		31.12.2023		31.12.2022	
		USD	BDT	USD	BDT
8.0	**Translation reserve**				
	Balance as on 01 January	-	46,453,350	-	17,627,126
	Addition/(adjustment) during the year	-	(20,341,230)	-	28,826,224
	Balance as at 31 December	**-**	**26,112,120**	**-**	**46,453,350**

		2023		2022	
		USD	BDT	USD	BDT
9.0	**Investment income**				
	Mudaraba documentary import bills (MDIB-UPAS)	76,471,215.57	8,377,421,666	39,903,767.03	4,032,275,658
	Hire-Purchase under Shirkatul Meelk (HPSM in FC)	8,568,504.53	938,679,671	6,973,883.18	704,710,895
	Placement to AD branches (MDB-FC)	90,816.54	9,948,952	1,701,083.78	171,894,516
	Mudaraba investment income	18,291.67	2,003,852	-	-
	Total	**85,148,828.31**	**9,328,054,141**	**48,578,733.99**	**4,908,881,070**
10.0	**Profit paid on mudaraba deposits/placement**				
	Profit paid on mudaraba deposits	8,968.01	982,445	59,455.34	6,007,962
	Profit paid on Placement from Banks/FIs in Abroad	18,420,282.16	2,017,941,911	13,887,882.77	1,403,370,554
	Profit paid on Placement from Banks/FIs in BD (OBU)	11,062,502.13	1,211,897,108	14,655,669.35	1,480,955,388
	Total	**29,491,752.30**	**3,230,821,464**	**28,603,007.46**	**2,890,333,904**
11.0	**Other Income**				
	Service charge realized (MDIB-UPAS)	96,597.82	10,582,291	416,327.57	42,069,901
	Management fees (Mura UPAS, MDB & HPSM in FC)	2,802,654.66	307,030,818	1,979,731.64	200,051,882
	Total	**2,899,252.48**	**317,613,109**	**2,396,059.21**	**242,121,783**
12.0	**Salary & allowances**				
	Basic pay	-	-	1,193.47	120,600
	Allowances	-	-	1,403.15	141,788
	Bonus	-	-	537.00	54,264
	Contribution to Provident Fund	-	-	119.35	12,060
	Total	**-**	**-**	**3,252.97**	**328,713**
13.0	**Postage, stamps and telecommunication etc.**				
	Telephone Bill	-	-	-	-
14.0	**Other expenses**				
	Profit Share of ADs	529,396.72	57,995,411	1,695,034.54	171,283,240
	Printing & Stationery	-	-	-	-
	Entertainment	-	-	-	-
	Total	**529,396.72**	**57,995,411**	**1,695,034.54**	**171,283,240**

15.0 Provision for investment

Provision for investment have not been separately accounted for in the financial statements of OBU. These are accounted for directly in the main financial statements of the Bank.

16.0 Provision for tax

Provision for current and deferred tax have not been separately accounted for in the financial statements of OBU. These are accounted for directly in the main financial statements of the Bank.

17.0	**Retained earnings**				
	Balance as on 01 January	-	(46,453,350)	-	(17,627,125)
	Addition during the year	58,026,931.77	6,356,850,375	20,673,498.23	2,089,056,996
	Effect of translation reserve	-	46,453,350	-	17,627,125
	Transferred to main operation	58,026,931.77	6,382,962,495	20,673,498.23	2,135,510,346
	Balance as on 31 December	**-**	**(26,112,120)**	**-**	**(46,453,350)**

ISLAMI BANK SECURITIES LIMITED

Independent Auditor's Report

TO THE SHAREHOLDERS OF

Islami Bank Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ISLAMI BANK SECURITIES LIMITED, which comprise the statement of financial position as at December 31, 2023 and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020, BSEC's Risk Based Capital Adequacy Rules 2019 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 auditor's 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 and, in doing so, consider whether the other information is materially in consistent with the financial statements of our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020, BSEC's Risk Based Capital Adequacy Rules 2019 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company' financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020 and the BSEC's Risk Based Capital Adequacy Rules 2019 we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;

c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;

d) Capital to total risk requirement ratio as required by BSEC has been maintained by the Company adequately; and

e) the expenditure incurred was for the purposes of the Company's business.

Hedayet Ullah FCA
Senior Partner
Enrollment No-281
K. M. HASAN & CO.
Chartered Accountants
DVC: 2402080281AS180748

Place, Dhaka, Bangladesh
Dated: 29 January 2024

Islami Bank Securities Limited

STATEMENT OF FINANCIAL POSITION

As on 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
ASSETS			
Current assets			
Cash and cash equivalents	3	162,358,915	202,556,715
Investment in MTDR	4	5,310,000,000	5,000,000,000
Receivable from Securities Trading	5	7,117,407	6,394,981
Receivable from margin clients	6	41,190,207	40,156,320
Receivable from other Clients	7	783,263	341,645
Investment in securities	8	3,133,955,770	3,242,676,233
Other assets	9	159,457,986	133,212,080
Advance, deposit and prepayments	10	7,700,250	11,524,830
		8,822,563,798	**8,636,862,803**
Non-current assets			
Property, plant and equipment	11	8,419,970	11,779,093
Intangible assets	12	354,645	652,942
Investment in TREC (Membership)	13	298,340,049	298,340,049
Investment in Xpert Fintech Ltd.	14	30,000,000	30,000,000
Deferred tax assets	15	2,224,699	2,447,928
		339,339,363	**343,220,012**
Total Assets		**9,161,903,161**	**8,980,082,815**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Current liabilities			
Payable to clients	16	103,189,351	150,549,169
Payable to Exchanges	17	11,130,737	4,288,745
Dividend payable	18	-	-
Accrued expenses	19	10,992,996	5,881,768
Provision for income tax	20	115,326,685	122,091,129
Other current liabilities	21	4,371,726	7,815,862
		245,011,495	**290,626,673**
Non-current liabilities			
Investment from IBBL	22	4,700,000,000	4,700,000,000
		4,700,000,000	**4,700,000,000**
Shareholders' Equity			
Paid up capital	23	2,700,000,000	2,700,000,000
Capital Reserve	24	79,118,053	55,817,675
Retained earnings	25	1,437,773,613	1,233,638,466
		4,216,891,666	**3,989,456,142**
Total Equity and Liabilities		**9,161,903,161**	**8,980,082,815**

The financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors in its 162nd meeting held on 29 January 2024
and were signed on its behalf by :
For and on behalf of Board of Directors of Islami Bank Securities Limited

Mohammed Nasir Uddin, FCMA
Chairman

Taher Ahmed Chowdhury
Director

Md Refat Hossen
Managing Director & CEO (CC)

Signed in terms of our separate report of even date annexed

Hedayet Ullah FCA
Senior Partner
Enrollment No-281
K. M. HASAN & CO.
Chartered Accountants
DVC: 2402080281AS180748

Place, Dhaka, Bangladesh
Dated: 29 January 2024

Islami Bank Securities Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
Operating income	26	622,560,102	635,883,192
Less: Operating expenses	27	125,387,667	112,490,305
Gross Profit		**497,172,435**	**523,392,887**
Less: Administrative and general expenses	28	65,280,924	53,681,984
Operating profit		**431,891,511**	**469,710,903**
Add: Other income		-	-
Profit before provision and income tax		**431,891,511**	**469,710,903**
Less: Provision for own portfolio	29.1	(97,346,628)	(138,638,964)
Provision for strategic investment	29.2	(346,417)	(1,621,119)
Provision for musharaka portfolio	29.3	324,874	235,843
		(97,368,171)	(140,024,241)
General provision (Specific Provision)	30	(439,095)	(432,005)
Profit before income tax		**334,084,245**	**329,254,658**
Less: Provision for income tax			
Current tax		(106,425,492)	(96,030,731)
Deferred tax	15.1	(223,229)	(220,151)
Net profit after income tax		**227,435,525**	**233,003,776**
Add: Other comprehensive income		-	-
Total comprehensive income		**227,435,525**	**233,003,776**

The financial statements should be read in conjunction with the annexed notes
and were approved by the Board of Directors in its 162nd meeting held on 29 January 2024
and were signed on its behalf by :

For and on behalf of Board of Directors of Islami Bank Securities Limited

Mohammed Nasir Uddin, FCMA
Chairman

Taher Ahmed Chowdhury
Director

Md Refat Hossen
Managing Director & CEO (CC)

Signed in terms of our separate report of even date annexed

Place, Dhaka, Bangladesh
Dated: 29 January 2024

Hedayet Ullah FCA
Senior Partner
Enrollment No-281
K. M. HASAN & CO.
Chartered Accountants
DVC: 2402080281AS180748

Islami Bank Securities Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

Amount in Taka

Particulars	Paid-up Capital	Capital Reserve	Retained Earnings	Total Equity
Opening balance as at 01 January 2023	2,700,000,000	55,817,675	1,233,638,466	3,989,456,142
Transferred to Capital Reserve	-	23,300,378	(23,300,378)	-
Net profit after Tax	-		227,435,525	227,435,525
Balance as on 31 December 2023	**2,700,000,000**	**79,118,053**	**1,437,773,613**	**4,216,891,666**

For the year ended 31 December 2022

Amount in Taka

Particulars	Paid-up Capital	Capital Reserve	Retained Earnings	Total Equity
Opening balance as at 01 January 2022	2,700,000,000	25,494,019	1,030,958,346	3,756,452,365
Transferred to Capital Reserve	-	30,323,656	(30,323,656)	-
Net profit after Tax	-	-	233,003,776	233,003,776
Balance as on 31 December 2022	**2,700,000,000**	**55,817,675**	**1,233,638,466**	**3,989,456,142**

For and on behalf of Board of Directors of Islami Bank Securities Limited

Mohammed Nasir Uddin, FCMA
Chairman

Taher Ahmed Chowdhury
Director

Md Refat Hossen
Managing Director & CEO (CC)

Signed in terms of our separate report of even date annexed

Place, Dhaka, Bangladesh
Dated: 29 January 2024

Hedayet Ullah FCA
Senior Partner
Enrollment No-281
K. M. HASAN & CO.
Chartered Accountants
DVC: 2402080281AS180748

Islami Bank Securities Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Particulars	2023 Taka	2022 Taka
A. Cash flows from operating activities:		
Net profit after tax	**227,435,525**	**233,003,776**
Adjustment for non-cash items:		
Depreciation	3,789,165	3,619,679
Gain on sale of non-current asset	-	(597)
Provision for unrealized (gain)/loss	97,368,171	140,024,241
	101,157,336	**143,643,322**
Cash flow before working capital changes	**328,592,860**	**376,647,098**
Changes in working capital:		
Increase/(decrease) in accounts payable	(40,517,826)	(240,955,146)
Increase/ (decrease) in provision for income tax	(6,764,444)	(5,836,014)
Increase /(decrease) in accrued expenses	5,111,228	734,018
Increase/ (decrease) in other current liabilities	(3,444,135)	(352,327)
Decrease/ (increase) in other assets	(26,215,906)	(8,868,871)
Decrease /(increase) in deferred tax assets	223,229	220,151
Decrease/ (increase) in advance, deposit & prepayments	3,824,580	(7,072,350)
Decrease/ (increase) in accounts receivable	(1,164,044)	4,461,135
	(68,947,318)	**(257,669,405)**
Net cash flows from operating activities	**259,645,542**	**118,977,694**
B. Cash flows from investing activities:		
Acquisition of Non-Current assets	(161,745)	(34,240,064)
Sale of non-current asset	-	22,000
Investments in securities	(2,683,196,954)	(8,951,658,248)
Sale of investment in securities	2,693,515,358	8,690,861,435
Investments in MTDRs	(310,000,000)	(186,624,999)
Net cash flows in investment activities	**(299,843,342)**	**(481,639,877)**
C. Cash flows from financing activities:		
Interim dividend	-	(135,000,000)
Net cash flows from financing activities	**-**	**(135,000,000)**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**(40,197,800)**	**(497,662,184)**
Add: Cash & cash equivalents at the beginning of the year	202,556,715	700,218,899
Cash and cash equivalents at the end of the year	**162,358,915**	**202,556,715**

For and on behalf of Board of Directors of Islami Bank Securities Limited

Mohammed Nasir Uddin, FCMA
Chairman

Taher Ahmed Chowdhury
Director

Md Refat Hossen
Managing Director & CEO (CC)

Place, Dhaka, Bangladesh
Dated: 29 January 2024

Islami Bank Securities Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1.0 Company and its activities:

1.1 Status of the company

The Company was incorporated on the 22 March 2010 (reg. no. C-83375) under the Companies Act, 1994 as a public limited company. It is a subsidiary company of Islami Bank Bangladesh PLC (IBB PLC) that holds all the shares of the company except 154 (one hundred fifty four) shares being held by sixteen (16) individual shareholders. The registered office of the company is situated at 20, Dilkusha C/A, Motijheel in Dhaka, Bangladesh.

1.2 Nature of business

The main objective of the company is to carry on the business of a stock broker and stock dealer that is to buy, sell and deal in shares, stocks, debenture, bonds and other securities, as well as to carry on any business as permissible for a broker and dealer duly licensed by the Bangladesh Securities and Exchange Commission (BSEC).

2.0 Significant accounting policies and basis of preparation of financial statements

2.1 Statement of compliance

The financial statements have been prepared and presented in accordance with

a) International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

b) The Companies Act, 1994.

c) The Securities & Exchange Rules, 2020 (As amended),

d) Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015

e) Securities and Exchange Commission (Stock-Dealer, Stock Broker and Authorized Representative) Rules, 2000

f) Other relevant laws and regulations applicable in Bangladesh

2.2 Basis of measurement

The financial statements have been prepared based on historical cost convention basis. The accounting policies, unless otherwise stated, have been constantly applied by the Company and are consistent with those of the previous year.

2.3 Going concern

The Company has adequate resources to continue in operation for foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.4 Components of financial statements

The financial statements referred to here comprise:

a. Statement of Financial Position As at 31 December 2023

b. Statement of Profit or Loss for the year ended 31 December 2023

c. Statement of Changes in Equity For the year ended 31 December 2023

d. Statement of Cash Flows and for the year ended 31 December 2023

e. Notes to the Financial Statements for the year ended 31 December 2023

2.5 Statement of cash flows

Statement of cash flows is prepared in accordance with the International Accounting Standard-7 “Statement of Cash Flows” under indirect method.

2.6 Reporting period

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

2.7 Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation as per IAS-16 “Property, Plant and Equipment”. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The company recognizes the cost of purchasing new assets or cost of replacing new assets in the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

2.7.1 Depreciation policy

Depreciation is charged at the following rates on a straight line method on motor vehicles and computers and other assets are depreciated on reducing balance method according to their respective percentage given below. Depreciation is charged from the date of acquisition of particular assets and up to the date of disposal.

Items	Rate	Method
Mechanical appliances	20-25%	Reducing balance
Furniture and fixtures	10-20%	Reducing balance
Computers	25%	Straight line
Motor vehicles	20%	Straight line
Software	25%	Straight line

2.8 Investment in TREC (Membership)

Investment in Stock Exchanges for TREC (Membership) are stated at cost. The acquisition cost of TREC (Membership) comprises its purchase price and any directly attributable cost of completing compliance requirements relevant to it inclusive of stamp duty and non-refundable taxes, etc.

As per the Demutualization Act, 2013 Membership renamed as Trading Right Entitlement Certificate (TREC), DSE has allotted total 7,215,106 Ordinary Share at a face value of Taka 10.00 each against acquisition cost of Tk. 2,44,53,399 while CSE has allotted total 4,287,330 Ordinary Shares at face value of Taka 10.00 each against acquisition cost of Taka 28, 00,00,000. DSE and CSE have transferred 28,86,042 Shares & 17,14,932 Shares (i.e. 40% of total allotment shares) to the BO account controlled by the IBSL. The remaining 60% of allotment shares of both Stock Exchange have been kept under blocked account control by them. During the year 2018, DSE sold out 25% of total allotment shares i.e. 18,03,777 to Shenzhen Stock Exchange and Shanghail Stock Exchange of Chaina @ Tk. 21/- per share. At present balance of DSE allotted share 54,11,329 against acquisition cost of Tk.1,83,40,049/- after 25% sold out. Since there is no active market for shares of DSE and CSE and the fair value of the said investment could not be reliably measured.

2.9 Preliminary and deferred revenue expenses

All the preliminary and deferred revenue expenses have been recognized as assets and as per Board's decision all these assets will be amortized over the period of 5 (five) years or at a rate of 20% commencing from the year 2011. All these assets are stated in financial position at cost less accumulated amortization.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank, which are held and available for use by the company without any restriction and are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

2.11 Investment in securities

Investment in securities means purchase of shares of quoted/listed companies in DSE and CSE through stock dealer account. Investment is made in shariah complied securities. Investment in securities is categorized as held for trading as per IAS 39 and valued at market value on the last date of reporting period and relevant unrealized gain/(loss) is recognized in Statement of Profit or Loss As per directive # SEC/CMRRCD/2009-193/203 dated 28 December 2017 of Bangladesh Securities and Exchange Commission and further directive # BSEC/Surveillance/Spokesman (5th part)/2019/196 dated 16 July 2020, IBSL kept provision against such unrealized loss for the period ended 31 December 2023.

2.12 Accounts receivables

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

2.13 Advance, deposit and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to income statement.

2.14 Advance income tax

The amount of advance income tax are (a) Payment made through payment order under section 64 and (b) Tax deduction at source (TDS). TDS mainly deduction of tax at sources (i) By bank on profits arisen from bank deposits (SND and MTDR) (ii) By Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on trading turnover and (iii) Against dividend income received from securities owned by the company under portfolio investment.

2.15 Provision for income tax

Provision for current tax is made in accordance with the provision of the Income Tax Act, 2023 and subsequent amendments made thereto from time to time.

2.16 Deferred taxation

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the reporting date. The impact on the account of changes in the deferred tax assets and liabilities have also been recognized in the statement of Profit or Loss as per IAS-12 "Income Taxes".

2.17 Share Capital

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

2.18 Investment from IBBPLC.

Investment has taken from its parent company, Islami Bank Bangladesh PLC. under mudaraba mode for investment in stocks, investment in placement share and investment in margin account etc.

2.19 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the company in accordance with the International Financial Reporting Standard (IFRS) 15 "Revenue form contracts will customers":

2.20 Dividend income

All dividends received or receivable against the investment in securities held both under dealer account, strategic investment account and Musharaka Investment have been considered as dividend income in statement of comprehensive income. Dividend income is recognized on accrual basis.

2.21 Capital gains from direct investment

The difference between cost price and net sales price of the securities is considered as capital gain from direct investment.

2.21.1 Musharaka investment and income

Musharaka investment means the margins (Investment facilities) provided to eligible clients under brokerage operation in Musharaka principle/mode of finance. As per Musharaka principle, profits arisen through capital gain and dividend from this investment are shared between company and client as per agreed ratio and loss is shared as per equity participation ratio.

Investment is valued at market value on the last date of reporting period and relevant unrealized gain (Loss) is recognized in income statements As per directive # SEC/CMRRCD/2009-193/203 dated 28 December 2017 of Bangladesh Securities and Exchange Commission and further directive # BSEC/Surveillance/Spokesman (5th part)/2019/196 dated 16 July 2020, IBSL kept provision against such unrealized loss for the period ended 31 December 2023.

2.22 Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

2.23 Provisions

As per IAS 37, all provision is recognized on the financial statement date if, as a result of past events, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.24 Earnings per share

Basic diluted earnings per share has been calculated in accordance with IAS 33 "Earnings per Share" which has been shown on the face of the profit or loss account. This has been calculated by dividing the profit attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

2.25 Events after the reporting period

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

i) those that provide evidence of conditions that existed at the end of the reporting period (Adjusting events after the reporting period) and

ii) those that are indicative of conditions that arose after the reporting period (Non- adjusting events after the reporting period).

iii) The Board of Directors of the company in its 162nd meeting held on 29 January 2024 recommended 5% cash Dividend for the year 2023 subject to approval of the shareholders in the ensuing 14th Annual General Meeting.

2.26 Related party transaction

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

Related Parties include the Company's Directors, key management personnel, associates, companies under common directorship etc. as per IAS 24 "Related Party Disclosures".

All transactions involving related parties arising in the normal course of business are conducted as arm's length transactions. Details are given in Note 31

2.27 Authorization of the financial statements for issue

The financial statements of the company have been authorized for issue by the Board of Directors in its 162nd meeting held on 29 January 2024.

2.28 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT) currency, which is the company's functional currency.

2.29 Money Laundering Risk Management

In order to ensure the AML / CFT compliance, IBSL is committed to complying with all the applicable Rules of the Money Laundering Prevention Act, 2012, Anti-Terrorism Act, 2009 and BFIU Circulars, FATF Recommendations. The company has formed an independent Central Compliance Unit (CCU) under the leadership of the Chief Anti Money Laundering Compliance Officer (CAMLCO) and established a separate division namely Money Laundering and Terrorist Financing Prevention Division (MLTFPD). IBSL has introduced uniform Account Opening Forms, Customer On-boarding, KYC (know Your Customer) profile, TP (Transaction Profile) and STR (Suspicious Transaction Report), CTR (Cash Transaction Report), sanction screening, transaction monitoring in the company as per instruction of Bangladesh Financial Intelligence Unit (BFIU) and Bangladesh Securities and Exchange Commission (BSEC). To establish effective Anti-Money Laundering drive at Head office extension, Branch and Digital Booth level, IBSL appoints BAMLCO and ensures AML rating systems through Self-Assessment Report & Independent Testing procedure as per instruction of Bangladesh Securities and Exchange Commission (BSEC).

2.30 Director's responsibility on financial statements

The Board of Directors of the Company is responsible for the preparation and presentation of these financial statements.

2.31 General

a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka unless otherwise stated.
b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

		2023 Taka	2022 Taka
3	**Cash and Bank Balance**		
	IBSL account (note-3.1)	11,256,206	33,706,661
	Customer account (note-3.2)	151,102,709	168,850,054
		162,358,915	**202,556,715**
3.1	**IBSL account**		
	Cash in hand (IBSL account)	-	15,000
	Islami Bank Securities Limited with IBBPLC (MSA 20502130201438818)	2,611,947	14,345,477
	IBSL Stock Dealer A/C with AIBPLC (MSND 0421220000826)	5,159,424	16,777,959
	Islami Bank Securities Limited Strategic Investment A/C with SIBL (MSND 0021360003398)	3,484,835	2,568,225
		11,256,206	**33,706,661**
3.2	**Customer account:**		
	Cash in hand (Customer account)	-	4,000
	IBSL Customer A/C with IBBPLC (AWCA 20502130100099516)	25,115,056	16,891,844
	IBSL Customer A/C with AIBPLC (AWCA 0421020005238)	66,899,097	98,462,479
	IBSL Customer A/C with SIBPLC (MSND 0021360003275)	59,088,556	53,491,731
		151,102,709	**168,850,054**
4	**Investment in MTDR:**		
	Opening balance	5,000,000,000	4,813,375,001
	Add: New/reinvestment during the year	1,912,105,000	1,936,653,906
		6,912,105,000	6,750,028,906
	Less: Encashment during the year	(1,602,105,000)	(1,750,028,907)
		5,310,000,000	**5,000,000,000**
5	**Receivable from Securities Trading:**		
	Receivable from DSE activities (note-5.1)	7,117,407	6,348,948
	Receivable from CSE activities (note-5.2)	-	46,033
		7,117,407	**6,394,981**
5.1	**Receivable from DSE:**		
	Receivable from DSE (against A, B, G & N category):(note-5.1.1)	7,089,390	6,348,948
	Receivable from DSE (against Z category):(note-5.1.2)	28,017	-
		7,117,407	**6,348,948**
5.1.1	**Receivable from DSE (against A, B, G & N category) :**		
	Receivable from Broker	7,088,329	2,571,768
	Receivable from Dealer	1,061	3,777,180
		7,089,390	**6,348,948**
5.1.2	**Receivable from DSE (against Z category):**		
	Receivable from Broker	28,017	-
	Receivable from Dealer	-	-
		28,017	**-**
5.2	**Receivable from CSE:**		
	Receivable from CSE (against A, B, G & N category) (note-5.2.1)	-	46,033
		-	**46,033**
5.2.1	**Receivable from CSE (against A, B, G & N category) :**		
	Receivable from Broker	-	46,033
		-	**46,033**

		2023 Taka	2022 Taka
6	**Receivable from margin clients:**		
	Musharaka portfolio (note-6.1)	11,369,988	9,582,371
	Bai-muajjal investment (note-6.2)	29,820,219	30,573,949
		41,190,207	**40,156,320**
6.1	**Musharaka portfolio**		
	Opening balance at cost	12,626,502	13,825,524
	Add: Shares purchased/(sold) during the year	1,462,744	(1,199,022)
	Closing balance of investment at cost	14,089,246	12,626,502
	Less: Provision against un-realized gain/(loss) (note-6.1.1)	(2,719,258)	(3,044,132)
		11,369,988	**9,582,371**
6.1.1	**Provision against unrealized gain/(loss)**		
	Opening balance	(3,044,132)	(3,279,974)
	Add: Addition during the year (Note: 29.3)	324,874	235,843
	Closing balance	**(2,719,258)**	**(3,044,132)**
6.2	**Bai-muajjal investment**		
	Opening balance at cost	30,573,949	6,241,245
	Add: Shares purchased/(sold) during the year	(753,730)	24,332,703
	Closing balance of investment at cost	29,820,219	30,573,949
	Less: Provision against un-realized gain/(loss)	-	-
		29,820,219	**30,573,949**
7	**Receivable from others**		
	Receivable arises from fee, commission & charges	783,263	341,645
		783,263	**341,645**
8	**Investment in securities**		
	Own portfolio (note-8.1)	3,102,173,490	3,209,508,942
	Strategic portfolio (note-8.2)	31,782,280	33,167,290
	Own subscription in IPOs but not yet allotted	-	-
		3,133,955,770	**3,242,676,233**

As per directive # SEC/CMRRCD/2009-193/203 dated 28 December 2017 of Bangladesh Securities and Exchange Commission and further directive # BSEC/Survillance/Spokesman (5th part)/ 2019/196 dated 16 July 2020, IBSL kept 100% provision against such unrealized loss for the period ended 31 December 2023.

8.1	**Own portfolio**		
	Opening balance at cost	4,227,985,347	3,991,534,934
	Add: Shares purchased during the year	2,681,734,210	8,926,112,826
	Less: Cost of shares sold during the year	(2,691,723,035)	(8,689,662,413)
	Closing balance of investment at cost	4,217,996,522	4,227,985,347
	Less: Provision against un-realized gain/(loss) (note-8.1.1)	(1,115,823,032)	(1,018,476,404)
		3,102,173,490	**3,209,508,942**
8.1.1	**Provision against unrealized gain/(loss)**		
	Opening balance	(1,018,476,404)	(879,837,440)
	Add: Addition during the year (Note: 29.1)	(97,346,628)	(138,638,964)
	Closing balance	**(1,115,823,032)**	**(1,018,476,404)**
8.2	**IBSL Strategic Investment**		
	Opening balance at cost	42,678,941	41,466,222
	Add: Shares purchased during the year	(1,038,593)	1,212,719
	Closing balance of investment at cost	41,640,348	42,678,941
	Less: Provision against un-realized gain/(loss) (note 8.2.1)	(9,858,068)	(9,511,651)
		31,782,280	**33,167,290**

		2023 Taka	2022 Taka
8.2.1	**Provision against un-realized gain/(loss)**		
	Opening balance	(9,511,651)	(7,890,532)
	Add: Addition during the year (Note: 29.2)	(346,417)	(1,621,119)
	Closing balance	**(9,858,068)**	**(9,511,651)**
9	**Other asset**		
	Stock in hand	60,324	84,450
	Balance of Strategic BO account	1,294,475	111,314
	Receivable from dividend	64,625,641	60,399,035
	Receivable profit from bank on MTDR	93,477,546	72,617,282
		159,457,986	**133,212,080**
10	**Advance, deposit and prepayments**		
	Advance office rent for Head Office (note-10.1)	6,638,500	10,259,500
	Advance office rent for Khulna Br. (note-10.2)	848,250	1,051,830
	Advance income tax (note-10.3)	-	-
	Advance for security deposit of 161 Motijheel Office	213,500	213,500
		7,700,250	**11,524,830**
10.1	**Advance office rent for Head Office**		
	Opening balance	10,259,500	3,017,500
	Add: Paid during the year	-	10,863,000
	Less: Charged during the year	(3,621,000)	(3,621,000)
		6,638,500	**10,259,500**
10.2	**Advance office rent for Khulna Branch**		
	Opening balance	1,051,830	1,221,480
	Add: Paid during the year	-	-
	Less: Charged during the year	(203,580)	(169,650)
		848,250	**1,051,830**
10.3	**Advance income tax**		
	Opening balance	-	-
	Add: Income tax paid during the year (note-10.3.1)	113,189,936	101,866,745
	Less: Adjustment made during the year	(113,189,936)	(101,866,745)
		-	**-**
10.3.1	**Income tax paid during the year**		
	Advance income tax (Under sec 64)	10,806,806	30,453,700
	Tax deduction at source (TDS) (note-10.3.1.1)	102,383,130	71,413,045
		113,189,936	**101,866,745**
10.3.1.1	**Tax deduction at source (TDS)**		
	TDS against dividend income	19,046,086	22,468,922
	TDS from profit of bank deposit	73,086,135	43,103,163
	TDS on brokerage commission by CSE	7,254,123	107,376
	TDS on brokerage commission by DSE	2,996,786	5,733,584
		102,383,130	**71,413,045**

		2023 Taka	2022 Taka
11	**Property, plant and equipment**		
	Written Down Value:		
	Mechanical appliances	2,088,074	2,275,789
	Furniture & fixture	5,798,620	6,442,911
	Motor vehicles	216,985	1,688,485
	Computer	316,291	1,371,908
	Details are given in Annexure -A	**8,419,970**	**11,779,093**
12	**Intangible Asset**		
	Opening balance	652,942	891,568
	Add: During the year	(30,000)	30,000
	Less: Depreciation during the year	(268,298)	(268,626)
		354,645	**652,942**
13	**Investment in TREC (Membership)**		
	DSE	18,340,049	18,340,049
	CSE	280,000,000	280,000,000
		298,340,049	**298,340,049**

This represents the acquisition cost of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) memberships paid by Islami Bank Securities Limited. According to Exchanges Demutualization Act 2013 and Bangladesh Securities and Exchange Commission (BSEC) approved Demutualization Scheme, DSE has allotted total 7,215,106 Ordinary Shares at a face value of Taka 10.00 each against acquisition cost of Taka 24,453,399 while CSE has allotted total 4,287,330 Ordinary Shares at face value of Taka 10.00 each against acquisition cost of Taka 280,000,000. DSE and CSE have transferred 2,886,042 shares & 1,714,932 shares (i.e. 40% of total allotment shares) to the BO account controlled by the IBSL. The remaining 60% of allotment shares of both Stock Exchange have been kept under blocked account control by them. During this year DSE sold out 25% of total allotment shares i.e. 18,03,777 to Shenzhen Stock Exchange and Shanghail Stock Exchange of Chaina @ Tk. 21/- per share. At present balance of DSE allotted share 54,11,329 against acquisition cost of Tk. 1,83,40,049/- after 25% sold out. Since there is no active market for shares of DSE and CSE and the fair value of the said investments could not be reliably measured.

14	**Investment in Xpert Fintech Limited:**	**30,000,000**	**30,000,000**

Islami Bank Securities Limited hold 3,00,000 fully paid ordinary share (out of 30,00,000 shares) of Tk. 100 each of Xpert Fintech Limited. Xpert Fintech Limited was incorporated on the 20 December 2021 (reg. no. C-177183/2021) under the Companies Act, 1994 as a limited company to carry on the business for establish the all type of Information Technology

	Share capital of Xpert Fintech Limited:		
	Authorized capital		
	5,000,000 ordinary shares of Taka 100 each.	**500,000,000**	**500,000,000**
	Paid- up capital		
	3,000,000 ordinary shares of Taka 100 only each:	**300,000,000**	**300,000,000**
15	**Deferred tax assets/(liabilities)**		
	Deferred tax on fixed assets (Opening)	2,447,928	2,668,079
	Deferred tax on fixed assets (note-15.1)	(223,229)	(220,151)
		2,224,699	**2,447,928**
15.1	**Deferred tax on fixed assets**		
	Carrying amount	8,774,615	12,432,035
	Tax base	7,962,874	11,631,486
	Deductable temporary difference (DTD)	(811,741)	(800,549)
	Deferred tax assets (27.5% of DTD)	**(223,229)**	**(220,151)**

		2023 Taka	2022 Taka
16	**Payable to clients**		
	Payable to clients	103,089,351	150,549,169
	Payable to clients (IPO)	100,000	-
		103,189,351	**150,549,169**
17	**Payable to Exchanges**		
	Payable to CSE (Broker)	248,912	-
	Payable to CSE (Dealer)	2,427,629	261,191
	Payable to DSE (Broker)	8,447,265	4,025,411
	Payable to DSE (Dealer)	6,931	2,144
		11,130,737	**4,288,745**
18	**Dividend payable**		
	Opening balance	-	135,000,000
	Add: Addition during the year	-	-
	Less: Payment during the year	**-**	**135,000,000**
		-	-
19	**Accrued expenses**		
	Auditor's fees	92,000	92,000
	CDS charges	315,457	316,321
	Electricity bills	33,832	26,585
	Annual incentive bonus	2,502,650	2,257,836
	Internet connectivity expenses	-	5,000
	Network support	-	23,000
	Office rent	809,305	702,095
	Overtime	42,491	36,270
	Professional and consultancy fees	57,500	316,250
	Profit on investment of mudaraba fund	6,958,432	1,876,361
	Daily Allowance	9,000	30,000
	Service charges	150,900	116,400
	Telephone bills	9,046	11,678
	Wages	-	57,972
	Water bills	10,000	10,000
	Holiday Allowance	2,383	4,000
		10,992,996	**5,881,768**
20	**Provision for income tax**		
	Opening balance	122,091,129	127,927,144
	Add: Provision for income tax during the year	106,425,492	96,030,731
		228,516,621	223,957,875
	Less: Adjustment made during the year		
	Tax deduction at source (TDS)	(102,383,130)	(71,413,045)
	Advance income tax (Under sec. 64 of ITO)	(10,806,806)	(30,453,700)
	Payment during the year for 2022	-	-
		115,326,685	**122,091,129**

		2023 Taka	2022 Taka
	Year wise payment for advance income tax are as follows:		
	Year 2017	24,852,772	24,852,772
	Year 2018	28,788,881	28,788,881
	Year 2019	75,172,071	75,172,071
	Year 2020	72,802,469	72,802,469
	Year 2021	37,840,070	37,840,070
	Year 2022	30,453,700	30,453,700
	Year 2023	10,806,806	-
		280,716,769	**269,909,963**
21	**Other current liabilities**		
	Security deposit from clients	1,107,954	1,107,954
	Sundry account	143,851	141,580
	BO A/C Opening Fee (CDBL)	83,599	22,750
	Reimbursement for DSE Mobile Apps	30,750	
	TDS payable	461,782	637,268
	VAT payable	110,246	76,045
	Accounts Payable	-	316,000
	Payable to clients on bank deposits	1,081,777	4,683,515
	Bank charge payable	280,000	198,076
	General provision (Specific Provision Note-30)	1,071,768	632,673
		4,371,726	**7,815,862**
22	**Investment from IBBPLC**		
	Opening balance	4,700,000,000	4,700,000,000
	Add: Investment received during the year	-	-
		4,700,000,000	**4,700,000,000**

Investment has taken from Islami Bank Bangladesh PLC under mudaraba mode. These amount has been invested in MTDR & Securities. The profit sharing ratio between IBBPLC and IBSL is to be at 50:50 basis.

23	**Share capital**		
	Authorized capital		
	5,000,000 ordinary shares of Taka 1,000 each.	**5,000,000,000**	**5,000,000,000**

			2023 Taka	2022 Taka
Paid- up capital				
27,00,000 ordinary shares of Taka 1,000 only each:				
Name of shareholder	**No. of shares**	**%**		
1) Islami Bank Bangladesh PLC	2,699,846	99.994	2,699,846,000	2,699,846,000
2) 16 individual share holders	154	0.006	154,000	154,000
	2,700,000	**100.00**	**2,700,000,000**	**2,700,000,000**

Break up of 16 individual shareholders:

Name of shareholder	No. of shares	%	2023 Taka	2022 Taka
01) Jb. Mohd. Shamsul Haque	9	5.844	9,000	9,000
02) Jb. Md. Nurul Islam	9	5.844	9,000	9,000
03) Jb. Md. Abdul Jabbar	9	5.844	9,000	9,000
04) Jb. Mohammad Abdul Mannan	10	6.494	10,000	10,000
05) Jb. Md. Mahbub-ul-Alam	10	6.494	10,000	10,000
06) Jb. Md. Shamsuzzaman	10	6.494	10,000	10,000
07) Jb. Mohammad Monirul Moula	10	6.494	10,000	10,000
08) Jb. A.A.M Habibur Rahman	10	6.494	10,000	10,000
09) Jb. Mohammad Ali	10	6.494	10,000	10,000
10) Jb. Abu Reza Mohd. Yeahia	10	6.494	10,000	10,000
11) Jb. A.K.M. Payer Ahammed	10	6.494	10,000	10,000
12) Jb. Md. Abdul Hamid Miah	9	5.844	9,000	9,000
13) Jb. J Q M Habibullah, FCS	9	5.844	9,000	9,000
14) Jb. Taher Ahmed Chowdhury	10	6.494	10,000	10,000
15) Jb.Md. Habibur Rahman Bhuiyan	10	6.494	10,000	10,000
16) Jb. Md.Mostafizur Rahman Siddiquee	9	5.844	9,000	9,000
	154	**100.00**	**154,000**	**154,000**

24	**Capital Reserve**		
	Opening balance	55,817,675	25,494,019
	Add: During the Period	23,300,378	30,323,656
		79,118,053	**55,817,675**
25	**Retained earnings**		
	Opening balance	1,233,638,466	1,030,958,346
	Add: Net profit/ (loss) after tax	227,435,525	233,003,776
	Less: Capital Reserve	(23,300,378)	(30,323,656)
		1,437,773,613	**1,233,638,466**

		2023 Taka	2022 Taka
26	**Operating income**		
	Investment income (note-26.1)	548,417,996	589,357,213
	Brokerage commissions (note-26.3)	64,050,608	38,610,150
	BO account opening fees	172,250	124,200
	BO account maintenance fees	664,800	644,100
	Commission from IPO	6,290	38,475
	Miscellaneous income	335,635	27,051
	CDBL charge	2,249,746	1,282,840
	Profit from sale of Fixed Assets	-	597
	Profit from bank on SND	3,423,219	3,525,145
	Profit from Bai-muajjal investment	3,235,558	2,257,422
	Margin Documentation Fees	4,000	16,000
		622,560,102	**635,883,192**
26.1	**Investment income**		
	Own fund (Note-26.1.1)	278,341,176	327,790,490
	Mudaraba fund (Note-26.2)	270,076,820	261,566,723
		548,417,996	**589,357,213**
26.1.1	**Own fund**		
	Cash dividend from own investment	69,144,377	78,630,851
	Cash dividend from musharaka investment	336,803	188,715
	Profit from bank on SND	-	2,825,713
	Profit from MTDR	178,764,557	130,232,472
	Capital gains from direct investment (Note-26.1.2)	30,095,439	115,912,739
		278,341,176	**327,790,490**
26.1.2	**Capital gains/loss from direct investment**		
	Capital gains /Loss from sale of securities under stock dealer (Note-26.1.2.1)	29,876,569	114,596,676
	Capital gain/Loss from musharaka investment (Note-26.1.2.2)	74,302	528,118
	Capital gain from strategic investment (Note-26.1.2.3)	144,568	787,944
		30,095,439	**115,912,739**
26.1.2.1	**Capital gains /Loss from sale of securities under stock dealer**		
	Capital gain	29,876,569	114,596,676
	Less: Capital loss	-	-
		29,876,569	**114,596,676**
26.1.2.2	**Capital gain/Loss from musharaka investment**		
	Capital gain	74,302	528,118
	Less: Capital loss	-	-
		74,302	**528,118**
26.1.2.3	**Capital gain from strategic investment**		
	Capital gain	144,568	787,944
	Less: Capital loss	-	-
		144568	**787,944**
26.2	**Mudaraba fund**		
	Cash dividend	37,802,411	37,322,949
	Capital gains from sale of securities (Note-26.2.1)	3,148,767	24,530,234
	Profit from MTDR	229,125,642	199,713,540
		270,076,820	**261,566,723**

		2023 Taka	2022 Taka
26.2.1	**Capital gain from sale of securities**		
	Capital gain	3,148,767	24,530,234
	Less: Capital loss	-	-
		3,148,767	**24,530,234**
26.3	**Brokerage commissions**		
	Commission on CSE turnover	43,500,312	501,047
	Commission on DSE turnover	20,550,296	38,109,103
		64,050,608	**38,610,150**
27	**Operating expenses**		
	Profit paid on investment of mudaraba fund (note-27.1)	117,582,071	101,843,962
	Brokerage expenses (note-27.2)	2,725,654	3,817,192
	License expenses & others expenses (note-27.3)	472,970	2,905,279
	CDS charges & BO account maintenance Expenses (note-27.4)	4,606,972	3,923,872
		125,387,667	**112,490,305**
27.1	**Profit paid on investment of mudaraba fund**	**117,582,071**	**101,843,962**
27.2	**Brokerage expenses**		
	CSE commission charges	591,864	337,060
	DSE transaction fees	1,497,084	2,880,091
	Investors' protection fund charges	14,696	33,918
	Internet connectivity expenses	622,010	566,123
		2,725,654	**3,817,192**
27.3	**License expenses & others expenses**		
	Renewal fees for TREC & DSE, CSE (Stock Broker and Stock Dealer)	318,890	551,000
	Authorized representative expense and renewal fees	2,500	119,400
	Annual subscription fees	45,550	69,115
	Regulatory fees & expenses	37,884	393,098
	Excise duty (Govt fee)	-	1,693,000
	Renewal fees for trade license	68,146	79,666
		472,970	**2,905,279**
27.4	**CDS charges**	**4,606,972**	**3,923,872**
28	**Administrative and general expenses**		
	Salary and allowances (note-28.1)	45,498,665	35,926,451
	Rent, taxes, insurances, Service charge and electricity etc. (note-28.2)	7,866,842	7,349,140
	Postage, stamps and communication etc. (note-28.3)	325,328	460,662
	Stationery, printing and advertisement etc. (note-28.4)	389,283	557,475
	Repair and maintenances (note-28.5)	2,001,735	1,895,381
	Directors' fees and expenses (note-28.6)	1,170,875	1,340,954
	Depreciation (note-28.7)	3,789,165	3,619,679
	Other expenses (note-28.8)	4,147,031	2,440,243
	Auditor's fees (note-28.9)	92,000	92,000
		65,280,924	**53,681,984**

		2023 Taka	2022 Taka
28.1	**Salary and allowances**		
	Salary	31,053,540	27,170,583
	Company's contribution to P.F	1,357,667	1,136,566
	Company's contribution to Gratuity	5,774,332	1,391,563
	Annual Incentive Bonus	2,467,910	2,223,096
	Eid bonus/festival bonus	2,856,778	2,301,103
	Holiday allowance	52,333	98,800
	Leave encashment allowance/cash award	524,243	135,000
	Overtime	484,198	497,250
	Wages	695,664	582,990
	Daily allowance	232,000	389,500
		45,498,665	**35,926,451**
28.2	**Rent, taxes, insurances, Service charge and electricity etc.**		
	Office rents (Note-28.2.1)	6,667,789	6,279,811
	Insurance premiums	37,410	86,223
	Electricity bills	394,043	275,226
	Service charges	767,600	707,880
		7,866,842	**7,349,140**
28.2.1	**Office rents**		
	Head Office, 20 Dilkusha	4,164,150	4,164,150
	Head Office Extension, 63 Dilkusha	392,251	392,251
	Head Office Extension, 161 Motijheel	414,000	426,075
	Head Office Extension, DSE Tower Nikunja-2	687,654	625,140
	Chattogram Branch	192,000	192,000
	Khulna Digital Booth, Akankha Center, Khulna	468,234	390,195
	Sylhet Digital Booth, Zinda Bazar, Sylhet	349,500	90,000
		6,667,789	**6,279,811**
28.3	**Postage, stamps and communication etc.**		
	Conveyances	154,874	275,516
	Postage	18,599	21,520
	Stamps	6,545	16,650
	Telephone bills	145,310	146,976
		325,328	**460,662**
28.4	**Stationery, printing and advertisement etc.**		
	Advetisement expenses	125,035	391,044
	Printing expense	162,234	84,760
	Stationery expenses	102,014	81,671
		389,283	**557,475**
28.5	**Repair and maintenances**		
	Motor car running and maintenances	963,851	945,250
	Network connectivity support	555,776	276,000
	Office expenses	295,228	449,819
	Repair and Maintenance	27,700	137,450
	Computer accessories	16,180	86,862
	Software expensese	143,000	-
		2,001,735	**1,895,381**

		2023 Taka	2022 Taka
28.6	**Directors' fees and expenses**		
	Directors' fees for attending board/execurive committee meeting	640,000	696,000
	Add: Value added tax (VAT)	64,000	69,600
	Meeting expenses	466,875	575,354
		1,170,875	**1,340,954**
28.7	**Depreciation**		
	Mechanical Appliances	349,460	326,037
	Computer	1,055,617	971,446
	Furniture & fixture	644,291	582,070
	Software	268,298	268,626
	Motor vehicles	1,471,500	1,471,500
		3,789,165	**3,619,679**
28.8	**Other expenses**		
	Bank charges	16,788	18,148
	Bidding charge	3,000	21,000
	Branch opening expenses	18,000	61,672
	Business development expenses	15,000	565,000
	Commission of Bank Guarantee	575,000	575,000
	Entertainments	658,229	659,888
	Excise duty	2,033,000	-
	Newspaper, magazine and periodicals	30,960	38,982
	Professional and consultancy fees/Legal fee	392,500	145,000
	Rating expenses	53,750	53,750
	Honorarium/Remuneration for Meeting/Training	20,000	-
	Training programme expenses	19,400	39,800
	Uniforms expenses	28,412	17,740
	Security Service	128,900	105,600
	Water bills	154,092	138,663
		4,147,031	**2,440,243**
28.9	**Auditor's fees**		
	Auditor's fees	80,000	80,000
	Value Added Tax (VAT)	12,000	12,000
		92,000	**92,000**
29	**Provision against unrealized gain/(loss)**		
	Own portfolio during the year (Note-29.1)	(97,346,628)	(138,638,964)
	Strategic portfolio during the year (Note-29.2)	(346,417)	(1,621,119)
	Musharaka portfolio during the year (Note-29.3)	324,874	235,843
		(97,368,171)	**(140,024,241)**
29.1	**Own portfolio during the year**		
	a) Investment in securities at market price as on 31 December	3,102,173,490	3,070,869,978
	b) Investment in securities at cost price as on 31 December	4,217,996,522	4,227,985,347
	c) Total unrealized gain/(loss) as on 31 December (a-b) (Note-29.1.1)	(1,115,823,032)	(1,157,115,369)
	d) Opening balance of provision	(1,018,476,404)	(879,837,440)
	e) Provision required to be provided (c-d)	(97,346,628)	(277,277,929)
	f) Less: Provision yet to be provided carry forward in next year**	-	(138,638,964)
	g) Provision for the year (e-f)	**(97,346,628)**	**(138,638,964)**

As per directive # BSEC/CMRRCD/2009-193/203 dated 28 December 2017 of Bangladesh Securities and Exchange Commission and further directive # BSEC/Survillance/Spokesman (5th part)/ 2019/196 dated 16 July 2020, IBSL kept 100% provision against such unrealized loss for the period ended 31 December 2023.

		2023 Taka	2022 Taka
29.1.1	**Unrealized gain/(loss)**		
	Opening balance	(1,157,115,369)	(879,837,440)
	Add: Addition during the year	41,292,337	(277,277,929)
	Closing balance	**(1,115,823,032)**	**(1,157,115,369)**
29.2	**Strategic Portfolio**		
	a) Investment in securities at market price as on 31 December	31,782,280	31,546,171
	b) Investment in securities at cost price as on 31 December	41,640,348	42,678,941
	c) Total unrealized gain/(loss) as on 31 December (a-b) (Note-29.2.1)	(9,858,068)	(11,132,770)
	d) Opening balance of provision	(9,511,651)	(7,890,532)
	e) Provision required to be provided (c-d)	(346,417)	(3,242,238)
	f) Less: Provision yet to be provided carry forward in next year	-	(1,621,119)
	g) Provision for the year (e-f)	**(346,417)**	**(1,621,119)**

As per directive # SEC/CMRRCD/2009-193/203 dated 28 December 2017 of Bangladesh Securities and Exchange Commission and further directive # BSEC/Survillance/Spokesman (5th part)/ 2019/196 dated 16 July 2020, IBSL kept 100% provision against such unrealized loss for the period ended 31 December 2023.

29.2.1	**Unrealized gain/(loss)**		
	Opening balance	(11,132,770)	(7,890,532)
	Add: Addition during the year	1,274,702	(3,242,238)
	Closing balance	**(9,858,068)**	**(11,132,770)**
29.3	**Musharaka portfolio during the year**		
	a) Investment in securities at market price as on 31 December	11,369,988	9,582,371
	b) Investment in securities at cost price as on 31 December	14,089,246	12,626,502
	c) Total unrealized gain/(loss) as on December 31 (a-b) (Note-29.3.1)	(2,719,258)	(3,044,132)
	d) Opening balance of provision	(3,044,132)	(3,279,974)
	e) Provision required to be provided (c-d)	324,874	235,843
	f) Less: Provision yet to be provided carry forward in next year	-	-
	g) Provision for the year (e-f)	**324,874**	**235,843**

As per directive#SEC/CMRRCD/2009-193/203 dated 28 December 2017 of Bangladesh Securities and Exchange Commission and further directive#BSEC/Survillance/ Spokesman (5th part)/2019/196 dated 16 July 2020, IBSL kept 100% provision against such unrealized loss for the period ended 31 December 2023.

29.3.1	**Unrealized gain/(loss)**		
	Opening balance	(3,044,132)	(3,279,974)
	Add: Addition during the year	324,874	235,843
	Closing balance	**(2,719,258)**	**(3,044,132)**
30	**General provision (Specific Provision)**		
	Opening balance	632,673	200,668
	Add during the period	439,095	432,005
		1,071,768	**632,673**

General provision made in the books of account stood at Tk. 1,071,768/- as on 31 December 2023 against 1% of out standing margin exposures mandatory provision as prescribed by part B of schedule C rule 5(2) of BSEC notification no. BSEC/CMR-RCD/2017-357/221/admin/89 dated 22 May 2019.

31 Nature and type of related party transaction of the company

31.1 Nature and type of related party transaction disclosure of the company

Amount in Taka

Name of related party	Relationship	Nature of transaction	Amount
Islami Bank Bangladesh PLC. (IBBPLC)	Parent- subsidiary	Deposit to MSA	1,577,906,791
		Withdraw from MSA	1,589,640,320
		Bank Charge paid	10,524
		Payment against office rent	933,751
		Tax deduction at source against MTDR	6,152,607
		Profit withdraw against MTDR	41,707,628

31.2 Nature and type of balance of related party transaction of the company

Name of related party	Relationship	Nature of transaction	Amount
Islami Bank Bangladesh PLC. (IBBPLC)	Parent- subsidiary	Bank balance	2,611,947
		MTDR balance	750,000,000
		Receivable profit on MTDR	9,820,699
		Investment from IBBPLC under Mudaraba Mode	4,700,000,000
		Profit against MTDR	50,056,858
		Accounts payable	10,332,792
Directors	Board Member	Board Meeting participation fees	704,000
Managing Director & CEO	Key Management Personnel	Short-term employee benefits (Salary and allowance)	2,976,186

31.3 Managing Director & CEO (Key Management Personnel)

The Managing Director & CEO (key management personnel) shall be avail short term benefits (salary allowance, festival bonus and annual incentive bonus) from Islami Bank Securities Limited as he is deputed from parents company (i.e. Islami Bank Bangladesh PLC.) so the long-term benefit (post employment benefit, other long-term benefit, termination benefit, and share based payment) shall be entitlement from parents company.

31.4 Events after the reporting period

i)The Board of Directors of the company in its 162nd meeting held on Dated 29 January 2024 approved the financial statements of the company for the year ended 31 December 2023 and authorized the same for issue.

ii) The Board of Directors of the company in its 162nd meeting held on 29 January 2024 recommended 5% cash Dividend for the year 2023 subject to approval of the shareholders in the ensuing 14th Annual General Meeting.

Mohammed Nasir Uddin, FCMA
Chairman

Taher Ahmed Chowdhury
Director

Md Refat Hossen
Managing Director & CEO (CC)

Place, Dhaka, Bangladesh
Dated: 29 January 2024

Islami Bank Securities Limited

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 December 2023

Annexure -A

Amount in Taka

Particulars	Cost				Depreciation				W.D.V. as at 31.12.2023
	Balance as at 01.01.2023	Addition	Adjust-ment	Balance as at 31.12.2023	Balance as at 01.01.2023	Charged dur-ing the year	Adjust-ment	Balance as at 31.12.2023	
Mechanical Appliances	3,545,709	161,745	-	3,707,454	1,269,920	349,460	-	1,619,380	2,088,074
Furniture & fixture	8,720,685	-	-	8,720,685	2,277,774	644,291	-	2,922,065	5,798,620
Motor vehicles	7,357,500	-	-	7,357,500	5,669,015	1,471,500	-	7,140,515	216,985
Computer	4,316,068	-	93,600	4,222,468	2,944,160	1,055,617	93,600	3,906,177	316,291
Total as on 31 December 2023	**23,939,962**	**161,745**	**93,600**	**24,008,107**	**12,160,869**	**3,520,868**	**93,600**	**15,588,137**	**8,419,970**

As at 31 December 2022

Amount in Taka

Particulars	Cost				Depreciation				W.D.V. as at 31.12.2022
	Balance as at 01.01.2022	Addition	Adjust-ment	Balance as at 31.12.2022	Balance as at 01.01.2022	Charged dur-ing the year	Adjust-ment	Balance as at 31.12.2022	
Mechanical Appliances	2,661,801	1,472,803	588,895	3,545,709	1,511,375	326,037	567,492	1,269,920	2,275,789
Furniture & fixture	6,894,982	1,825,703	-	8,720,685	1,695,704	582,070	-	2,277,774	6,442,911
Motor vehicles	7,357,500	-	-	7,357,500	4,197,515	1,471,500	-	5,669,015	1,688,485
Computer	4,172,305	911,558	767,795	4,316,068	2,740,509	971,446	767,795	2,944,160	1,371,908
Total as on 31 December 2022	**21,086,588**	**4,210,064**	**1,356,690**	**23,939,962**	**10,145,103**	**3,351,053**	**1,335,287**	**12,160,869**	**11,779,093**

Islami Bank Securities Limited

Schedule of Intangible Asset

For the year ended 31 December 2023

Annexure -B

Amount in Taka

Particulars	Cost					Depreciation				W.D.V. as at 31.12.2023
	Opening Balance	Adjustment		Closing Balance		Opening Balance	Charged during the year	Adj.	Closing Balance	
		Addition	Sale/ lost							
Software	1,073,190	-	-	1,073,190	25%	449,921	268,298	-	718,219	354,972
	30,000		30,000	-	25%	328	-	30,000	328	(328)
Total	**1,103,190**	**-**	**30,000**	**1,073,190**		**450,249**	**268,298**	**30,000**	**718,547**	**354,645**

For the year ended 31 December 2022

Annexure -B

Amount in Taka

Particulars	Cost					Depreciation				W.D.V. as at 31.12.2022
	Opening Balance	Adjustment		Closing Balance		Opening Balance	Charged during the year	Adj.	Closing Balance	
		Addition	Sale/ lost							
Software	1,073,190	-	-	1,073,190	25%	181,623	268,298	-	449,921	623,270
	-	30,000		30,000	25%	-	328	-	328	29,672
Total	**1,073,190**	**30,000**	**-**	**1,103,190**		**181,623**	**268,626**	**-**	**450,249**	**652,942**

Islami Bank Securities Limited

RATIO ANALYSIS

As on 31 December 2023

Annexure-C

Amount in Taka

Sl No.	Ratio	Formula	Amount	2023	2022
1	Net Asset Value (NAV) per share	Equity	4,216,891,666	1,561.81	1,477.58
		No of Outstanding Shares	2,700,000		
2	Earning Per Share (EPS)	Net profit/ (loss) after tax	227,435,525	84.24	86.30
		No of Outstanding Shares	2,700,000		
3	Net Operating Cash Flows (NOCF) Per Share	Net cash flows from operating activities	259,645,542	96.17	44.07
		No of Outstanding Shares	2,700,000		

Islami Bank Securities Limited

STATUS OF THE CONSOLIDATED CUSTOMER ACCOUNTS

Annexure -D

Particulars on specific date	Liability (B)	Source of Fund (A)
Payable to clients	103,089,351	-
Payable to DSE & CSE as per CNS Report	8,696,177	-
Cheque issued to clients but not debited from the Bank Account	-	-
Balance of the Consolidated Customer Account as per Bank Statement	-	153,030,098
Cheque deposited by clients but not credited to the Bank Account	-	-
Receivables from DSE & CSE as per CNS Report	-	29,078
Total	**111,785,528**	**153,059,176**
Surplus/(Deficit) (A-B) as on 31 December 2023		**41,273,648**

Islami Bank Securities Limited

STATEMENT SHOWING COMPUTATION OF CAPITAL ADEQUACY

For the year ended 31 December 2023

Annexure -E

Amount in Taka

A.Total Eligible capital

Components	Amount	Haircut	Haircut Amount	2023	2022
				Eligible Amount	Eligible Amount
Paid-up-capital	2,700,000,000	0%	-	2,700,000,000	2,700,000,000
Capital Reserve	79,118,053	0%	-	79,118,053	55,817,675
Retained Earnings	1,437,773,613	0%	-	1,437,773,613	1,233,638,466
Sum of core capital	4,216,891,666	-	-	4,216,891,666	3,989,456,141
Specific Provision	1,071,768	30%	321,530	750,237	442,871
Sum of supplementary capital	1,071,768		321,530	750,237	442,871
Total Capital				4,217,641,903	3,989,899,012

B. Total risk requirement

Amount in Taka

Components	Computation Formula	Risk Factor	Total Amount	Applicable Amount	
				2023	2022
Operation Risk Requirement (ORR)	Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	5%	603,532,082	30,176,604	30,837,690
Position Risk Requirement (PRR)	i. Proprietary positions in Equity securities:				
	Value of "A" category securities	10%	3,723,211,339	372,321,134	366,889,645
	Value of "B/G/N/." category securities	12%	369,853,622	44,382,435	68,766,602
	Value of "Z" category instruments	15%	137,859,095	20,678,864	-
	ii. Proprietary positions in MFs & CISs:				
	Value of listed funds	10%	28,712,814	2,871,281	2,871,281
Counterparty RiskRequirement (CPRR)	Exposure of credit facilities to Clients	8%	43,909,464	3,512,757	3,456,036
Liability Risk Requirement (LRR)	Annual Revenue Reported in last year	0.20%	233,003,776	466,008	606,473
Total Risk Requirement				**474,409,083**	**473,427,728**

Islami Bank Securities Limited

STATEMENT SHOWING COMPUTATION OF CAPITAL ADEQUACY

For the year ended 31 December 2023

Annexure -E

			Amount in Taka	
A.Total Eligible capital (Schedule-C)			**4,217,641,903**	**3,989,899,012**
B. Total risk requirement (Schedule-D)			**474,409,083**	**473,427,728**
C. Required capital (120% of total risk requirement)			**569,290,900**	**568,113,274**
D. Capital surplus (A-C)			**3,648,351,003**	**3,421,785,738**
E. Capital adequacy ratio	=	Total Capital (TC) *100	889.03%	842.77%
		Total Risk Requirement(TRR)	i.e 8.42 times	i.e 8.42 times
		Core capital to total risk requirement	888.87%	842.67%
		Supplementary to total risk requirement	0.16%	0.09%
F. Operational risk requirement			30,176,604	30,837,690
G. Core capital to operational risk requirement (minimum 100%)			140 times	129 times

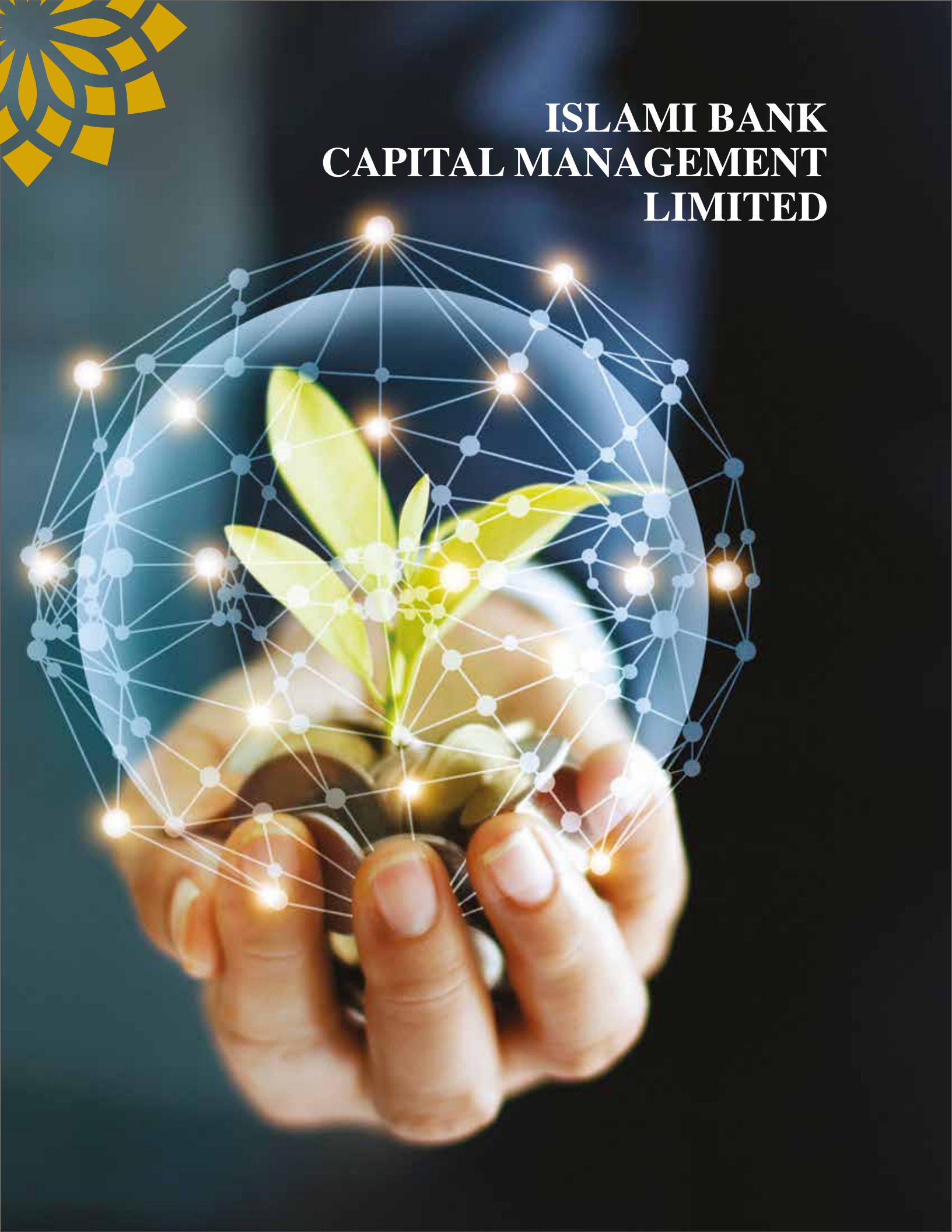
Mohammed Nasir Uddin, FCMA
Chairman

Taher Ahmed Chowdhury
Director

Md Refat Hossen
Managing Director & CEO (CC)

Place, Dhaka, Bangladesh
Dated: 29 January 2024

ISLAMI BANK CAPITAL MANAGEMENT LIMITED



Independent Auditor's Report

To the Shareholders of

Islami Bank Capital Management Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Islami Bank Capital Management Limited (Public Limited Company), a subsidiary of Islami Bank Bangladesh PLC. which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Islami Bank Capital Management Limited as on 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act 1994, the Securities and Exchange Commission Rules, 1987, Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Rules, 1996 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and the Companies Act 1994, the Securities and Exchanges Commission Rules, 1987, Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Rules, 1996 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Other Matter

The Financial Statements of Islami Bank Capital Management Limited for the year ended 31 December 2022, were audited by the Khan Wahab Shafique Rahman and Co. Chartered accountants, who expressed an unmodified opinion on those financial statements 31 January 2023.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or errors 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 judgment 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 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 the effectiveness of the Company'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 Company'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 Company 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchanges Commission Rules, 1987, Securities and Exchange Commission (Merchant Banker & Portfolio Manager) Rules, 1996 and other applicable laws and regulations we also report the following:

a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

d) The expenditure incurred was for the purpose of the company's business.

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Signed By:
Md.Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrolment No: 804
DVC: 2402010804AS801593

Dated: 01 February 2024
Dhaka

Islami Bank Capital Management Limited

Statement of Financial Position

As at 31 December 2023

Particulars	Notes	Amount in Taka 31.12.2023	Amount in Taka 31.12.2022
Assets			
Non-current assets			
Fixed Assets (Annexure- A)	5.00	6,037,962	5,618,317
		6,037,962	**5,618,317**
Current assets			
Investment in Securities (At Cost)	6.00	377,792,655	364,506,157
Accounts Receivable	7.00	1,708,643	10,440
Advance against IPO Application	8.00	3,500,000	-
Advance, deposits & prepayments	9.00	770,469	204,500
Advance income tax	10.00	11,523,569	16,027,873
Other assets	11.00	9,732,555	10,225,765
Cash & cash equivalents	12.00	451,860,100	429,043,267
		856,887,991	**820,018,002**
Total assets		**862,925,953**	**825,636,319**
Shareholders' Equity & Liabilities:			
Shareholders' equity			
Share capital	13.00	300,000,000	300,000,000
Retained earnings	14.00	131,086,045	119,342,894
		431,086,045	**419,342,894**
Liabilities			
Non-Current liabilities			
Long term liabilities (Mudaraba Fund)		300,000,000	300,000,000
Lease obligation on ROU assets		1,643,015	-
Deferred tax liabilities	15.00	148,320	318,731
		301,791,335	**300,318,731**
Current liabilities			
Accounts payable	16.00	2,794,470	2,395,351
Quard against MTDR		50,000,000	20,000,000
Provisions for diminution in value of investment in shares	17.00	69,135,234	61,685,234
Provision for income tax	18.00	8,066,016	21,829,170
Current portion of long term liabilities (Mudaraba Fund)	19.00	52,853	64,939
		130,048,573	**105,974,694**
Total shareholders' equity & liabilities		**862,925,953**	**825,636,319**

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 31st January 2024 and were signed for and on behalf of Islami Bank Capital Management Limited.

Md. Joynal Abedin
Director

Mohammad Quamrul Hasan
Director

Mohammad Abdur Rahim, FCA
Managing Director & CEO

Signed in terms of our separate report of even date annexed

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Dated: 01 February 2024
Dhaka

Signed By:
Md.Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrolment No: 804
DVC: 2402010804AS801593

Islami Bank Capital Management Limited

Statement of Profit or Loss and other Comprehensive Income

For the year ended December 31, 2023

Particulars	Notes	Amount in Taka 01 January 2023 to 31 December 2023	Amount in Taka 01 January 2022 to 31 December 2022
Operating income			
Income from Investment in Shares	20.00	12,411,671	30,682,972
Other operating income	21.00	28,157,878	26,332,807
Total operating income		**40,569,549**	**57,015,779**
Operating expenses			
Salary & allowances	22.00	15,079,630	14,289,156
Director's fees & expenses	23.00	544,588	437,647
Audit fees		57,500	57,500
Bank charges and Excise duty	24.00	353,476	327,900
Stationery, printing and advertisement etc.		95,452	72,882
Postage, stamps and telecommunication	25.00	259,039	232,543
Depreciation & amortization (Annexure - A)		2,453,100	2,189,169
Financial expense (Mudaraba Investment Profit)		5,052,853	4,064,939
Other operating expenses	26.00	2,290,965	2,730,921
Total operating expenses		**26,186,603**	**24,402,657**
Profit/(loss) before provision		**14,382,946**	**32,613,122**
Provisions for diminution in value of investment in shares	17.00	7,450,000	16,432,200
Profit/(loss) before taxes		**6,932,946**	**16,180,922**
Provision for income tax			
Current taxes	18.00	2,791,248	5,679,219
Provision no longer required (Assessment Year 2022-23)		(7,431,042)	-
Deferred tax expenses/(income)		(170,411)	(47,122)
		(4,810,205)	**5,632,097**
Net profit after tax		**11,743,151**	**10,548,825**
Earnings Per Share (EPS)		**39.14**	**35.16**

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 31st January 2024 and were signed for and on behalf of Islami Bank Capital Management Limited.

Md. Joynal Abedin
Director

Mohammad Quamrul Hasan
Director

Mohammad Abdur Rahim, FCA
Managing Director & CEO

Signed in terms of our separate report of even date annexed

Signed for and on behalf of
Aziz Halim Khair Choudhury
Chartered Accountants

Dated: 01 February 2024
Dhaka

Signed By:
Md.Aftab Uddin Ahmed FCA
Senior Partner
ICAB Enrolment No: 804
DVC: 2402010804AS801593

Islami Bank Capital Management Limited

Statement of Changes in Equity

For the year ended December 31, 2023

Particulars	Amount in Taka		
	Share capital	Retained Earnings	Total Equity
Balance as on 01 January 2023	300,000,000	119,342,894	419,342,894
Changes in equity during the year:			
Net profit after tax	-	11,743,151	11,743,151
Balance as on 31 December 2023	**300,000,000**	**131,086,045**	**431,086,045**

For the year ended 31 December 2022

Particulars	Amount in Taka		
	Share capital	Retained Earnings	Total Equity
Balance as on 01 January 2022	300,000,000	108,794,069	408,794,069
Changes in equity during the year:			
Net profit after tax	-	10,548,825	10,548,825
Balance as on 31 December 2022	**300,000,000**	**119,342,894**	**419,342,894**

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 31st January 2024 and were signed for and on behalf of Islami Bank Capital Management Limited.

Md. Joynal Abedin
Director

Mohammad Quamrul Hasan
Director

Mohammad Abdur Rahim, FCA
Managing Director & CEO

Dated: 01 February 2024
Dhaka

Islami Bank Capital Management Limited

Statement of Cash Flows

For the year ended December 31, 2023

Particulars	Amount in Taka 01 January 2023 to 31 December 2023	Amount in Taka 01 January 2022 to 31 December 2022
Cash flows from operating activities		
Profit/(loss) before provision	14,382,946	32,613,122
Adjustment:		
Less: Provision for investment in shares	(7,450,000)	(16,432,200)
Add.: Depreciation expenses	2,453,100	2,189,169
Adjusted operating profit before changes in working capital	**9,386,046**	**18,370,091**
Changes in working capital:	**20,922,588**	**13,318,641**
(Increase)/ decrease in other assets	493,210	(6,247,304)
(Increase)/ decrease in Advance, Deposits & Prepayments	(565,969)	-
(Increase)/ decrease in Advance against IPO Application	(3,500,000)	22,037,500
(Increase)/ decrease in Investment in Securities	(13,286,498)	(33,561,253)
(Increase)/ decrease in Balance with Financial Intermediaries	(1,698,203)	14,231,261
Increase/ (decrease) in Accounts Payable	399,119	977,310
Increase/ (decrease) in Quard against MTDR	30,000,000	-
Increase/ (decrease) in Current portion of long term liabilities (Mudaraba fund)	(12,086)	14,597
Increase/ (decrease) in Lease obligation on ROU assets	1,643,015	(565,670)
Increase/ (decrease) in diminution of investment in shares	7,450,000	16,432,200
Less: Tax paid	(4,619,056)	(10,081,493)
Net cash (used in)/ generated from operating activities (A)	**25,689,578**	**21,607,239**
Cash flow from investing activities (B)	(2,872,745)	(983,855)
Acquisition of Fixed Assets	(2,872,745)	(983,855)
Cash flows from financing activities (C)		
Payment of dividend	-	(21,000,000)
Net Increase/ (decrease) in cash & cash equivalents (D)=(A+B+C)	**22,816,833**	**(376,616)**
Add: Opening cash & cash equivalents (E)	429,043,267	429,419,883
Closing cash & cash equivalents (D+E)	**451,860,100**	**429,043,267**

The annexed notes form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 31st January 2024 and were signed for and on behalf of Islami Bank Capital Management Limited.

Md. Joynal Abedin
Director

Mohammad Quamrul Hasan
Director

Mohammad Abdur Rahim, FCA
Managing Director & CEO

Dated: 01 February 2024
Dhaka

Islami Bank Capital Management Limited

Notes to the Financial Statements

For the year ended December 31, 2023

1. Establishment and status of Islami Bank Capital Management Limited

1.1 Company Profile

Islami Bank Capital Management Ltd. (IBCML) was incorporated on 01 April, 2010 under the Companies Act, 1994 as a Public Limited Company. It is a subsidiary company of Islami Bank Bangladesh PLC. Islami Bank Bangladesh PLC holds all the shares of the company except 7 shares which are held by 7 individuals. IBCML has been established as per Bangladesh Bank letter # BRPD (R-1) 717/2010-47 dated 7 February 2010. The registered office of the company is situated at 63 Dilkusha C/A (5th Floor), Dhaka-1000. The Company obtained license from Bangladesh Securities and Exchange Commission (BSEC) vide its Registration Certificate No. MB/95/2019 on 31.03.2019 to carry out its merchant banking operations.

1.2 Nature of Business

The principal activities of the company are to carry on business of Merchant Banking in all its aspects including Management of issue, public offer of shares, stocks, debentures, bonds, etc.; sale or purchase of securities or transfer thereof; fund management for clients, underwriting of shares, stocks, debentures, bonds, etc.; managing portfolio investments of any person or company by investment in various avenues, etc. The Company starts its merchant banking business on 30.09.2019. Bangladesh Securities and Exchange Commission (BSEC) has issued the Depository Participants (DP) license in favour of IBCML in July, 2020.

2. Basis of Preparation, Presentation and Disclosures of Financial Statements

2.1 Statement of Compliance

The Financial Statements have been prepared in compliance with the requirement of the International Financial Reporting Standards (IFRS) which also cover International Accounting Standards (IASs), the companies Act 1994, Bangladesh Securities and Exchange Merchant Banker and Portfolio Manager Rules 1996 and other applicable Laws and Regulations.

2.2 Basis of Measurements

These Financial Statements have been prepared on accrual basis of accounting following going concern concept under historical cost convention.

2.3 Functional and presentation currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk.), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.

2.4 Use of estimates and judgments

Preparing the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

2.5 Applicable accounting standards

The following IASs and IFRSs are applicable for the financial statements for the year ended under review:

IAS - 1 Presentation of Financial Statements

IAS - 7 Statements of Cash Flows

IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors

IFRS - 9 Financial Instruments

IAS - 12 Income Taxes

IFRS - 15 Revenue from Contracts with Customers

IFRS - 16 Leases

IAS - 24 Related Party Disclosures

IAS - 37 Provisions, Contingent Liabilities and Contingent Assets

2.6 Comparative Information and rearrangement thereof

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

2.7 Changes in accounting policies

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

2.7.1 IFRS-16: Lease

In January 2016, the International Accounting Standards Board (IASB) issued IFRS-16. IFRS-16 replaces IAS-17, IFRIC 4, SIC 15 and SIC 27 which sets out the principles for recognition, measurement, presentation and disclosure of leases which is effective from annual reporting periods beginning on or after 1 January 2019. IBCML has applied IFRS-16 Leases for the first time with the date of 01 January 2020. As IFRS-16 supersedes IAS-17 Lease, the company has made recognition, measurement and disclosure in the financial statements as Lessee as per IFRS-16.

Company as lessee:

The Company assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the Company considers the contract as a lease contract. The Company recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest/finance cost. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in non-current liabilities.

Right-of-Use assets (ROU):

The Company recognises the right-of-use assets (RoU) from the date of 1st January 2020 of the lease. ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term. The Company assessed its lease contract live in 2023 and recognised as RoU of assets as guided by Holding Company's policy set as per IAS-16 and IFRS-16. The RoU assets are presented in the Note 5 of these financial statements.

Lease Liabilities

The company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease liabilities are presented under the title of non-current liabilities.

2.8 Reporting period

The accounting period of the company covers 12 (Twelve) months from 1st January to 31st December, 2023.

3. Significant accounting Policies

3.1 Basis of accounting

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier years. For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

3.2 Consistency

The accounting policies and methods of computation used in preparation of financial statements for the period ended 31 December 2023 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 31 December, 2022.

3.3 Statement of cash flows

The statement of cash flows is prepared using the indirect method as stipulated in International Accounting Standard (IAS) -7 "Statement of Cash Flows".

3.4 Investment in Shares

Investment in quoted shares are initially recognised at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at cost at reporting date to alignment with parents accounting policies for group accounts as per Bangladesh Bank rules & regulation without considering IFRS. However, required provision is made if market value is considered as down trend of the reported cost but no unrealised gain is recognised in the profit or loss account.

3.5 Property, Plant and equipment

All Property, Plant and equipment are stated at cost, together with any incidental expenes of aquisition less accumulated depreciation as per IAS -16 " Property, Plant and Equipment".

Depreciation on fixed asset begins when it is installed and available for use. The rates and methods used are as follows:

Category of Assets	Rate (%) of Dep./Discounting Rate	Method of Depreciation
Furniture & Fixture	10%	Reducing Balance
Mechanical appliances	20%	-Do-
Computer	25%	Straight Line
Intangible Assets	25%	-Do-
Right of Use (ROU)*	5%	-

*In case of Right of Use (ROU) depreciation is charged on the basis of IFRS-16.

3.6 Intangible assets

Recognition

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

Measurement

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

Amortization

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization begins when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and term deposits that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

3.8 General

The figures appearing in these Financial Statements have been rounded off to the nearest integer.

3.9 Profit on bank deposits

Profit on bank deposits has been recognized as per accrual basis.

3.10 Income Tax

Current Tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years. Provision for current income tax has been made on taxable income of the Company as per following

Type of income	2023	2022
Business income	37.50%	37.50%
Capital gain	10.00%	10.00%
Other Income (Dividend income)	20.00%	20.00%

3.11 Deferred Tax:

Principle of recognition

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period.

Recognition of deductible temporary difference

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

Recognition of taxable temporary difference

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

Measurement

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

4.00 Prevention of Money Laundering

Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, Islami Bank Capital Management Limited has formed 05 (Five) members Central Compliance Unit (CCU) under the leadership of the Chief Anti Money Laundering Compliance Officer (CAMLCO) at Head Office.

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

As per approved Policy, IBCML has been conducting various programs to prevent Money Laundering & Terrorist Financing.

Islami Bank Capital Management Limited

Notes to the Financial Statements

For the year ended December 31, 2023

Notes	Particulars	Amount in Taka 31.12.2023	Amount in Taka 31.12.2022
5.00	**Fixed Asset**		
	Tangible Assets Cost (a):		
	Land & Building	-	-
	Furniture & Fixture	2,764,486	2,756,423
	Mechanical Appliances	1,424,507	1,424,507
	Computer	2,869,860	2,681,260
	Right of Use (ROU) asset for lease obligation	2,676,082	2,459,963
	Total -a	**9,734,935**	**9,322,153**
	Intangible Assets Cost (a.1)		
	Website	99,500	99,500
	Software	1,192,500	1,192,500
	Total -a.1	**1,292,000**	**1,292,000**
	A. Grand Total (a+a.1)	**11,026,935**	**10,614,153**
	Accumulated Depreciation on Tangible Assets (b):		
	Land & Building	-	-
	Furniture & Fixture	846,319	634,085
	Mechanical Appliances	726,678	552,221
	Computer	1,680,662	1,010,347
	Right of Use (ROU) asset for lease obligation	1,073,094	2,459,963
		4,326,753	**4,656,616**
	Accumulated Amortization on Intangible Assets (b.1)		
	Website	65,970	41,095
	Software	596,250	298,125
	Total -b.1	**662,220**	**339,220**
	B. Grand Total (b+b.1)	**4,988,973**	**4,995,836**
	Written Down Value (A-B)	**6,037,962**	**5,618,317**
	A schedule of Fixed Assets is given at **Annexure-A**		
6.00	**Investment in Securities**		
	Opening balance of Investment in Securities at cost	364,506,157	330,944,904
	Add: Shares purchased during the year	71,423,970	283,799,502
	Less: Cost of shares sold during the year	(58,137,472)	(250,238,249)
	Closing Balance of Investment in Securities at cost	**377,792,655**	**364,506,157**
7.00	**Accounts Receivable**		
	Balance with financial intermediary (IBSL) Own Portfolio	1,676,028	10,440
	Balance with financial intermediary (IBSL) Clients Portfolio	28,637	-
	Receivable from Portfolio Account Holders (DA and NDA)	3,978	-
		1,708,643	**10,440**
8.00	**Advance against IPO Application**		
	IPO Application	3,500,000	-
	Total	**3,500,000**	**-**

Notes	Particulars	Amount in Taka 31.12.2023	Amount in Taka 31.12.2022
9.00	**Advance, deposits & prepayments**		
	Security Deposit (CDBL)	200,000	200,000
	Advance against Firewall License	465,969	-
	Advance against Software Development (new products)	100,000	-
	Security Deposit (T & T)	4,500	4,500
		770,469	**204,500**
10.00	**Advance income tax**		
	Opening balance	16,027,873	33,724,024
	Add: Deducted at source during the year	**4,297,450**	**4,311,415**
	From Fixed/Savings Deposits	2,586,301	2,248,636
	From Dividend	1,707,149	1,845,279
	From Issue Management Fees	4,000	217,500
	Add: Paid through challan during the year	321,606	5,770,078
		20,646,929	**43,805,517**
	Less: Adjustment during the year	(9,123,360)	(27,777,644)
	Closing balance	**11,523,569**	**16,027,873**

* The pending issues related with Income Tax Assessment of the company for the year 2021 (Corresponding assessment year 2022-23) have already been completed and the company has paid all dues in this regard. Adjustment is made for an amount of Tk. 9,123,360/- which is the actual Tax demand amount of Income Tax authority and paid by the company to the Govt. Exchequer. The amount was earlier accounted for as Advance Income Tax in the Assets side of the company's Financial Statements.

11.00	**Other assets**		
	Accrued profit on bank deposits	5,350,233	4,454,345
	Dividend Receivable on Listed Share	4,103,302	5,441,494
	Management Fee receivable	279,020	329,926
		9,732,555	**10,225,765**
12.00	**Cash & cash equivalents**		
	Cash in hand	42,295	5,586
	Cash at bank (Note - 12.01)	451,817,805	429,037,681
		451,860,100	**429,043,267**
12.01	**Cash at bank**		
	Islami Bank Bangladesh PLC (MTDR)	448,486,427	424,432,856
	Islami Bank Bangladesh PLC (MSND- 000094)	470,159	2,282,634
	Islami Bank Bangladesh PLC (MSND- 014313)	286,422	271,255
	Islami Bank Bangladesh PLC (MSND- 014515)	1,326,972	1,038,630
	Islami Bank Bangladesh PLC (MSND- 014616)	1,114,192	881,016
	Islami Bank Bangladesh PLC (MSND- 014414)	-	-
	Islami Bank Bangladesh PLC (AWCA- 009449)	133,633	131,290
		451,817,805	**429,037,681**
13.00	**Share capital**		
	Authorized capital		
	1,000,000 Ordinary shares @ Tk. 1,000 each	**1,000,000,000**	**1,000,000,000**
	Issued, subscribed and paid up capital		
	300,000 Ordinary shares @ Tk.1,000 each fully paid up	**300,000,000**	**300,000,000**

Details of shareholders are as under:

Name of the shareholders	No. of shares as on		Taka	Taka
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Islami Bank Bangladesh PLC	299,993	299,993	299,993,000	299,993,000
Mr. Mohammad Abdul Mannan	1	1	1,000	1,000
Mr. Md. Qaisar Ali	1	1	1,000	1,000
Mr. Md. Omar Faruk Khan	1	1	1,000	1,000
Mr. Md. Saleh Iqbal	1	1	1,000	1,000
Mr. G. M. Mohammad Gias Uddin Quader	1	1	1,000	1,000
Mr. Md. Altaf Hossain	1	1	1,000	1,000
Mr. Md. Ashraful Haque	1	1	1,000	1,000
Total	**300,000**	**300,000**	**300,000,000**	**300,000,000**

Notes	Particulars	Amount in Taka 31.12.2023	Amount in Taka 31.12.2022
14.00	**Retained earnings**		
	Opening Balance	119,342,894	108,794,069
	Net profit after tax	11,743,151	10,548,825
	Closing Balance	**131,086,045**	**119,342,894**
15.00	**Deferred Tax Liabilities**		
	Carrying amount	6,037,962	5,618,317
	Tax base	5,642,442	4,768,368
	Deductible Temporary Difference (DTD)	**395,520**	**849,949**
	Deferred Tax Liability @ 37.5% of DTD	148,320	318,731
	Net Deferred Tax Liabilities	**148,320**	**318,731**
16.00	**Accounts payable**		
	Audit Fees	57,500	57,500
	Payable to Portfolio Account Holders (DA and NDA)	1,082,954	705,613
	Annual Incentive Bonus Payable	938,408	947,512
	Payable Against Printing & Stationery expenses	48,500	143,500
	Payable Against BSEC License Renewal fees	230,000	230,000
	Payable Against BASM yearly fees	57,500	57,500
	Payable Against Professional and Consultant Fees	172,500	60,000
	Payable Against RJSC Fees	110,000	60,000
	Payable Against Wearing Expenses	6,472	49,900
	Security Deposit Payable	-	29,012
	Payable Against Website and Software AMC	41,737	-
	Payable Against Exp - Wages	-	8,396
	Payable Against Exp -Telephone and Mobile Bill (Office)	6,500	6,000
	Payable Against Expenditure- CDBL Monthly Bill	3,000	3,000
	Payable Against Internet Bill	12,700	12,700
	Tax Deducted at Source (TDS) Payable	17,607	8,136
	Value Added Tax (VAT) Payable	9,092	16,582
		2,794,470	**2,395,351**

Notes	Particulars	Amount in Taka 31.12.2023	Amount in Taka 31.12.2022
17.00	**Provisions for diminution in value of investment in shares**		
	Opening Balance	61,685,234	45,253,034
	Add: Provision made during the year	7,450,000	16,432,200
	Closing Balance	**69,135,234**	**61,685,234**

*The Company duly kept as "Provisions for diminution in value of investment in shares" of Taka 69,135,234 following the Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/SRI/NE/2020/333, Date: 27.03.2023 and former circulars no. BSEC/SRI/NE/2020/606, Date: 28.12.2022, Circular No. BSEC/MB/Policy-05/2020/132, Date: 30.01.2020, Circular No. SEC/CMRRCD/2009-193/203, Date: 28.12.2017 and Circular No. SEC/CMRRCD/2009-193/196, Date: 28.12.2016.

18.00	**Provision for income tax (Current Tax)**		
	Opening Balance	21,829,170	43,927,595
	Add: Provision made during the year	2,791,248	5,679,219
	Less: Adjustment during the year	(16,554,402)	(27,777,644)
	Closing Balance	**8,066,016**	**21,829,170**

*The pending issues related with Income Tax Assessment of the company for the year 2021 (Corresponding assessment year 2022-23) have already been completed and we have paid all dues in this regard. Adjustment is made for an amount of Tk.16,554,402/- The amount was earlier accounted for as Provision for Income Tax in Liabilities side of the company's Financial Statements.

19.00	**Current portion of long term liabilities (Mudaraba Fund)**		
	Opening Balance	64,939	50,342
	Add: Profit payable on investment of mudaraba fund during the year	5,052,853	4,064,939
	Less: Profit paid on investment of mudaraba fund during the year	(5,064,939)	(4,050,342)
	Closing Balance	**52,853**	**64,939**

Investment has been taken from Islami Bank Bangladesh PLC. under mudaraba mode and the Profit sharing ratio between IBBPLC and IBCML is 50:50 basis.

Notes	Particulars	Amount in Taka 01 January to 31 December 2023	Amount in Taka 01 January to 31 December 2022
20.00	**Income from Investment in shares**		
	Capital gain/(loss) from investment in shares	4,303,143	15,856,332
	Dividend income	8,108,528	14,826,640
		12,411,671	**30,682,972**
21.00	**Other operating income**		
	Profit earned on bank deposits (Note - 21.01)	27,722,755	22,962,250
	Brokerage Commission	144,842	638,258
	Profit from IBSL (CCBA Account)	227,409	-
	Portfolio Management Fees	38,022	571,999
	BO account opening & maintenance fee	14,850	15,300
	Issue Management Fees	10,000	2,145,000
		28,157,878	**26,332,807**

Notes	Particulars	Amount in Taka 01 January to 31 December 2023	Amount in Taka 01 January to 31 December 2022
21.01	**Profit earned from Islami Bank Bangladesh PLC**		
	Profit earned from MTDR Account	27,696,445	22,934,746
	Profit earned from MSND Account	26,310	27,504
		27,722,755	**22,962,250**
22.00	**Salary & Allowances:**		
	Basic Pay	5,693,422	5,267,819
	Allowances	6,753,436	6,142,434
	Bonus	1,919,354	1,894,056
	Contribution to Provident Fund	475,974	445,339
	Overtime	66,012	70,888
	Contribution to Gratuity Fund	93,332	227,220
	Contribution to Superannuation Fund	78,100	241,400
		15,079,630	**14,289,156**
23.00	**Director's fees & expenses**		
	Directors Honorarium	360,800	290,400
	Directors Refreshment	183,788	147,247
		544,588	**437,647**
24.00	**Bank charge**		
	Account Maintenance Fee	5,865	5,290
	Excise duty	339,000	309,000
	Bank Charge - Instrument Clearing, Cheque Book Issue etc.	8,611	13,610
		353,476	**327,900**
25.00	**Postage, stamps and telecommunication**		
	Telephone bill	7,928	7,530
	Mobile bill	43,796	44,642
	Stamps charge	5,820	1,190
	Internet bill	200,026	178,793
	Local courier and Email Services	1,469	388
		259,039	**232,543**
26.00	**Other operating expenses**		
	Office expenses	61,823	43,060
	TA/DA	58,760	29,360
	Local Conveyance	40,337	45,411
	Entertainment expenses	150,449	129,642
	Meeting Expenses	37,804	146,105
	CDBL Monthly Bill and BO Maintenance Charge	33,674	82,825
	IPO Subscription Fees	8,000	21,000
	Business Development Expenses	-	143,500
	Repair and Office Maintenance Expenses	9,288	16,904

Notes	Particulars	Amount in Taka 01 January to 31 December 2023	Amount in Taka 01 January to 31 December 2022
	Newspaper, Journal and Periodicals	16,791	17,262
	Training Fees	6,900	80,727
	Computer Expenses	35,935	77,426
	Lighting and Wearing Expenses	-	49,900
	Professional/Membership fees	362,250	589,500
	License Fees	374,453	494,357
	RJSC Fees and Consultant fees	102,993	62,891
	National Mourning Day Observing Expenses	34,100	19,900
	Safety materials (COVID-19) & Special aid	-	47,602
	Honorarium/ Cash Award	20,000	-
	AGM Related Expenses	360,000	270,000
	Promotional and Gift Item Expenses	24,790	-
	Recruitment Expenses	124,819	189,729
	Maintenance of Software and website	154,348	3,000
	Finance charge on lease rental and VAT	273,451	170,820
		2,290,965	**2,730,921**

27.00 Related Party Transactions - Disclosure under the IAS-24 (Related Party Disclosure):

Islami Bank Bangladesh PLC (IBBPLC) is the banker of the company, and also hold 99.99% equity shares. Besides this, the company maintained MTDR accounts of Tk. 11.64 crore with IBBPLC's Farmgate branch, Tk. 33.21 crore with IBBPLC's Foreign Exchange Corporate Branch. The company also maintained a Mudaraba Investment Account of Tk. 30.00 crore with IBBPLC's Foreign Exchange Corporate Branch.

Md. Joynal Abedin
Director

Mohammad Quamrul Hasan
Director

Mohammad Abdur Rahim, FCA
Managing Director & CEO

Dated: 01 February 2024
Dhaka

Islami Bank Capital Management Limited

Schedule of Fixed Assets

For the year ended December 31, 2023

(Annexure - A)

Amount in Taka

Name of Fixed Assets	Cost				Depreciation/Amortization				Written Down Value as at 31.12.2023	Written Down Value as at 31.12.2022
	Balance as at 01.01.2023	Addition during the Year	Adjust-ment during the year	Total as at 31.12.2023	Balance as at 01.01.2023	Charged during the Year	Adjust-ment during the Year	Total as at 31.12.2023		
1	2	3	4	5 (2+3-4)	6	7	8	9 (6+7-8)	10	11
A. Tangible Assets									-	-
Land & Building	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	2,756,423	8,063	-	2,764,486	634,085	212,234	-	846,319	1,918,167	2,122,338
Mechanical appliances	1,424,507		-	1,424,507	552,221	174,457	-	726,678	697,829	872,286
Computer	2,681,260	188,600	-	2,869,860	1,010,347	670,315	-	1,680,662	1,189,198	1,670,913
Motor Vehicles	-		-	-	-	-	-	-	-	-
Books & Others	-		-	-	-	-	-	-	-	-
Right of Use (ROU) asset for lease obligation	2,459,963	2,676,082	2,459,963	2,676,082	2,459,963	1,073,094	2,459,963	1,073,094	1,602,988	-
Total Tangible Assets	**9,322,153**	**2,872,745**	**2,459,963**	**9,734,935**	**4,656,616**	**2,130,100**	**2,459,963**	**4,326,753**	**5,408,182**	**4,665,537**
B. Intangible Assets										
Website	99,500		-	99,500	41,095	24,875	-	65,970	33,530	58,405
Software	1,192,500			1,192,500	298,125	298,125		596,250	596,250	894,375
Total Intangible Assets	**1,292,000**	**-**	**-**	**1,292,000**	**339,220**	**323,000**	**-**	**662,220**	**629,780**	**952,780**
Total	**10,614,153**	**2,872,745**	**2,459,963**	**11,026,935**	**4,995,836**	**2,453,100**	**2,459,963**	**4,988,973**	**6,037,962**	**5,618,317**

Standard Disclosure Index

Disclosure checklist to the key sections of the Annual Report 2022

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184	Dumuria Branch, Khulna
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186	Faridpur Branch, Faridpur
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190	Kaliganj Branch, Satkhira
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198	Pirojpur Branch, Pirojpur
199	Sarankhola Branch, Bagerhat
200	Satkhira Branch, Satkhira
201	Shyamnagar Branch, Satkhira
202	Tungipara Branch, Gopalganj
203	Fulbari Gate Branch, Khulna.
Cumilla Zone	
204	Akhaura (SME/Krishi) Branch, Brahmanbaria
205	Ashuganj Branch, Brahmanbaria
206	Brahhmanbaria Branch, Brahmanbaria
207	Banchharampur Branch, Brahmanbaria

208	Bangodda Bazar Branch, Cumilla
209	Barura Branch, Cumilla
210	Burichong (SME/Krishi) Branch, Cumilla
211	Chandina Branch, Cumilla
212	Chandpur Branch, Chandpur
213	Chauddagram Branch, Cumilla
214	Companiganj Branch, Cumilla
215	Cumilla Branch, Cumilla
216	Cumilla Cantonment Branch, Cumilla
217	Cumilla Chawkbazar Branch, Cumilla
218	Daudkandi(SME/Krishi) Branch, Cumilla
219	Faridganj Branch, Chandpur
220	Gouripur Branch, Cumilla
221	Hajiganj Branch, Chandpur
222	Kosba Branch, Brahmanbaria
223	Laksham Branch, Cumilla
224	Matlab Branch, Chandpur
225	Nabinagar Branch, Brahmanbaria
226	Nangalkoat Branch, Cumilla
227	Paduar Bazar Bishwa Road Branch, Cumilla
228	Sachar Branch, Chandpur
229	Sarail Branch, Brahmanbaria.
Sylhet Zone	
230	Amberkhana Branch, Sylhet
231	Baralekha Branch, Moulvi Bazar
232	Beani Bazar Branch, Sylhet
233	Biswanath Branch, Sylhet
234	Chhatak Branch, Sunamganj
235	Dakshin Surma Branch, Sylhet
236	Goalabazar Branch, Sylhet
237	Golapganj Branch, Sylhet
238	Habiganj Branch, Habiganj
239	Jagannathpur Branch, Sunamganj
240	Kanaighat Branch, Sylhet
241	Kulaura Branch, Moulvi Bazar
242	Laldighirpar Branch, Sylhet
243	Moulvi Bazar Branch, Moulvi Bazar
244	Nabiganj (SME/ Krishi) Branch, Habiganj
245	Shahporan Branch, Sylhet
246	Shayestaganj (SME/ Krishi) Branch
247	Sree Mangal Branch, Moulvi Bazar
248	Sunamganj Branch, Sunamganj
249	Sylhet Branch, Sylhet
250	Zindabazar Branch, Sylhet
251	Chunarughat Branch, Habigonj.
Rajshahi Zone	
252	Bagha Branch, Rajshahi.
253	Baneswar Branch, Rajshahi
254	Bhawaniganj Branch, Rajshahi
255	Bera Branch, Pabna
256	Chanchkoir Branch, Natore
257	Chapai Nawabganj Branch, Chapai Nawabganj
258	Chatmohar Branch, Pabna
259	Godagari Branch, Rajshahi
260	Ishwardi Branch, Pabna
261	Kashinatpur Branch, Pabna
262	Keshorehat (SME/Krishi) Branch, Rajshahi
263	Manda Branch, Naogaon
264	Mohadebpur Branch, Naogaon
265	Natore Branch, Natore
266	Nazipur Branch, Naogaon
267	New Market Branch, Rajshahi
268	Pabna Branch, Pabna
269	Rajshahi Branch, Rajshahi
270	Rohanpur Branch, Chapai Nawabganj
271	Santhia Branch, Pabna
272	Sapahar Branch, Naogaon
273	Shibganj Branch, Chapai Nawabganj
274	Singra Branch, Natore
275	Sujanagar (SME/Krishi) Branch, Pabna
276	Bonpara Branch, Natore.
Barishal Zone	
277	Bakerganj Branch, Barishal
278	Barguna Branch, Barguna
279	Barishal Branch, Barishal
280	Bhandaria Branch, Pirojpur
281	Bhola Branch, Bhola
282	Borhanuddin (SME/Krishi) Branch, Bhola
283	Charfashion Branch, Bhola
284	Chormuguria (SME/Krishi) Branch, Madaripur
285	Damodya Branch, Shariatpur
286	Hatkhola Chawkbazar Branch, Barishal
287	Jhalakathi Branch, Jhalakathi
288	Kalapara Branch, Patuakhali
289	Kalkini Branch, Madaripur
290	Lalmohan Branch, Bhola
291	Madaripur Branch, Madaripur
292	Matbaria Branch, Pirojpur
293	Miarhat Branch, Pirojpur
294	Muladi Branch, Barishal
295	Naria Branch, Shariatpur
296	Patuakhali Branch, Patuakhali
297	Rajapur Branch, Jhalakathi
298	Shariatpur Branch, Shariatpur
299	Takerhat Branch, Madaripur
300	Torki Branch, Barishal
301	Wazirpur Branch, Barishal
302	Shibchar Branch, Madaripur.
Mymensingh Zone	
303	Alenga (SME/Krishi) Branch, Tangail
304	Bakshiganj Branch, Jamalpur
305	Bhairab Branch, Kishoreganj
306	Bhaluka Branch, Mymensingh
307	Fulbaria Branch, Mymensingh
308	Jamalpur Branch, Jamalpur
309	Kishoreganj Branch, Kishoreganj
310	Kotiadi Branch, Kishoreganj

311	Mirzapur Branch, Tangail
312	Modhupur Branch, Tangail
313	Muktagacha (SME/Krishi) Branch, Mymensingh
314	Mymensingh Branch, Mymensingh
315	Netrokona Branch, Netrokona
316	Nalitabari Branch, Sherpur
317	Phulpur Branch, Mymensingh
318	Roumari Branch, Kurigram
319	Sakhipur Branch, Tangail.
320	Sherpur Branch, Sherpur
321	Tangail Branch, Tangail
322	Tarakandi Branch, Jamalpur
323	Trishal Branch, Mymensingh
324	Hossainpur Branch, Kishoreganj
325	Mohongonj Branch, Netrokona.
326	Islampur Branch, Jamalpur.
Noakhali Zone	
327	Bank Road Branch, Noakhali
328	Bashurhat Branch, Noakhali
329	Chandraganj Branch, Laxmipur
330	Chaprashirhat (SME/Krishi) Branch, Noakhali
331	Chatkhil Branch, Noakhali
332	Chhagalnaiya Branch, Feni
333	Chowmuhani Branch, Noakhali
334	College Road Branch, Feni
335	Dagonbhuiyan Branch, Feni
336	Feni Branch, Feni
337	Fulgazi Branch, Feni.
338	Hajirhat Branch, Laxmipur
339	Laxmipur Branch, Laxmipur
340	Maijdee Court Branch, Noakhali
341	Mandari Bazar Branch, Laxmipur
342	Parshuram (SME/ Krishi) Branch, Feni
343	Raipur Branch, Laxmipur
344	Ramganj Branch, Laxmipur
345	Senbag Branch, Noakhali
346	Sonagazi Branch, Feni
347	Sonaimuri Branch, Noakhali
348	Sonapur Branch, Noakhali
349	Subarnachar Branch, Noakhali
Rangpur Zone	
350	Bhurungamari Branch, Kurigram
351	Birampur Branch, Dinajpur
352	Birganj Branch, Dinajpur
353	Debiganj Branch Panchagarh
354	Dhap Branch, Rangpur
355	Dinajpur Branch, Dinajpur
356	Fulbari Branch, Dinajpur.
357	Jaldhaka Branch, Nilphamari
358	Kurigram Branch, Kurigram
359	Lalmonirhat Branch, Lalmonirhat
360	Nilphamari Branch, Nilphamari
361	Panchagarh Branch, Panchagarh
362	Patgram (SME/Krishi) Branch, Lalmonirhat
363	Pirgonj Branch, Rangpur
364	Rangpur Branch, Rangpur
365	Ranisankail Branch, Thakurgaon
366	Saidpur Branch, Nilphamari
367	Setabganj Branch, Dinajpur
368	Sundarganj Branch, Gaibandha
369	Thakurgaon Branch, Thakurgaon
Jashore Zone	
370	Alamdanga Branch,Chuadanga
371	Benapole Branch, Jashore
372	Bheramara Branch, Kushtia
373	Chowgachha Branch, Jashore
374	Chuadanga Branch, Chuadanga
375	Dak Bangla (SME/Krishi) Branch, Jhenaidah
376	Jashore Branch, Jashore
377	Jhenaidah Branch, Jhenaidah
378	Jhikorgachha Branch, Jashore
379	Jibon Nagar (SME/Krishi) Branch, Chuadanga
380	Kaliganj Branch, Jhenaidah
381	Keshabpur Branch, Jashore
382	Kotchandpur Branch, Jhenaidah
383	Kumarkhali Branch, Kushtia
384	Kushtia Branch, Kushtia
385	Langalbandh Branch, Magura
386	Lohagara Branch, Narail
387	Magura Branch, Magura
388	Maheshpur Branch, Jhenaidah.
389	Meherpur Branch, Meherpur
390	Narail Branch, Narail
391	Noapara Branch, Jashore
392	Pangsha Branch, Rajbari
393	Poradah Branch, Kushtia
394	Rajbari Branch, Rajbari

List of Sub Branches

Sl.	Name of Sub-Branch
1	Bijoy Nagar
2	Pirerbag
3	Hospital Moor
4	Shimultoly
5	Nutanbazar
6	North Shahjahanpur
7	Palbari Sub-Branch
8	Mohammadbag
9	Pulhat
10	Mirboxtula
11	Gabtoli
12	Savar Bazar
13	Aramnagar Bazar
14	Kushumhati
15	Goran
16	Monipur
17	Dakhinkhan
18	Alamnagar
19	Kawtoli
20	Goderpara
21	Notunbazar
22	Wari
23	Collegegate
24	Rayer Bazar
25	Khasherhat Bazar
26	Mohipal
27	Jumur Station
28	Maijdee Bazar
29	Malibag
30	Sonagazi Bazar
31	Niketon Bazar
32	Baktermunshi Bazar
33	Nabinbag
34	Postogola
35	Bongo Sonahat Land Port
36	Gournadi Bondor
37	Demra Staff Quarter
38	Rasulbag
39	Hatirpool
40	Ghoraghat
41	Kazipara
42	Abdullahpur
43	Adabor Bazar

Sl.	Name of Sub-Branch
56	Bauphal
57	Rangpur Bus Terminal
58	Bipulashar Bazar
59	Sheikhpara Bazar
60	Sonapur Bazar
61	Tajpur Bazar
62	Doshghoriya Bazar
63	Shibgonj
64	Kalatia Bazar
65	Hatibandha
66	Thakurgaon Road
67	Mugda
68	Bouria
69	Roazar Hat
70	Asadgonj
71	Motkhola Bazar
72	Chitolmari
73	Mogultoly
74	Trimohoni
75	Wireless Moor
76	Haluaghat
77	Gallamari Moor
78	Badamtali
79	Debidwar
80	Kamarer Chor Bazar
81	Bazitkhila Bazar
82	Kuchaitoly
83	Chuknagar Bazar
84	Allardarga
85	Tepakhola
86	Tejgaon Link Road
87	Loharpool
88	Monirampur
89	Melandah Bazar
90	Nandina Bazar
91	Chowmuhuni
92	Pahartali Bazar
93	Baro Bazar
94	Sonatola Bazar
95	Pirob Bazar
96	Chak Kanchan
97	Fakirapool
98	Nandan Kanan

Sl.	Name of Sub-Branch
111	Sunibir
112	Sadullapur
113	Karamotia
114	Monipuri Para
115	Bangla Bazar
116	Khaleast Munshiganj Sadar
117	Konapara
118	Reserve Bazar
119	Dotterhat
120	Goalchamot
121	Somir Munshirhat Bazar
122	Shorojgonj
123	Gorai
124	Puratan Bus Stand
125	Ramgoti Bazar
126	Kaptan Bazar
127	Dhanmondi 5
128	Eastern Housing
129	Senpara
130	Darshana
131	Dhamrai Bazar
132	Chiriakhana Road
133	Mirer Bazar
134	Faidabad
135	Urdu Road
136	Rayerbag
137	Meradia
138	Shafipur Bazar
139	Baluchora
140	Moilapota Moor
141	Nathullabad
142	Banglabazar
143	Jajira
144	Kaligonj Bazar
145	Khalishpur Bazar
146	Nayabondor Bazar
147	Sonaimuri Bangla Bazar
148	Jomidarhat
149	Delduar
150	Madhumita
151	Eidgaon Bazar
152	Sheikhpara Bazar
153	Bajitpur

Sl.	Name of Sub-Branch
44	Ramgoti Jomidarhat
45	Char Lawrance Bazar
46	Khilpara Bazar
47	Aftabnagar
48	Amirabad Sonapur Bazar
49	Dudmukha Bazar
50	Khilkhet
51	East Nasirabad
52	Town Hall
53	Bolirhat
54	Burimari
55	Jakshin Bazar
166	Bhajanpur
167	Jamalpur Bazar
168	Dhaka Judge Court
169	Shyambazar
170	Baikali Bazar
171	Sadar Upazilla
172	Gawsul Azam Avenue
173	Kamolpur
174	Durgapur Bazar
175	Baghabari
176	Nazimuddin Road
177	Charpara
178	Khanjahan Ali Road
179	Shankar
180	Mistripara
181	Kotalipara
182	Jigatala
183	Green Road
184	Kanchpur Bus Stand
185	Gaital
186	Swarupkathi
187	Mostafapur Bus Stand
188	Chondipool
189	Shamshernagar

Sl.	Name of Sub-Branch
99	Nageshwari
100	Equria
101	Baliadangi
102	CEPZ Gate
103	Nobodoy Bazar
104	Sarkarhat
105	Boira Bazar
106	Zinzira Bus Stand
107	Kaderabad Housing
108	Shibgonj
109	Baganchra Bazar
110	Khalishpur
190	Kolatali
191	Tekpara
192	Lalkhan Bazar
193	Damurhuda
194	Shailkupa
195	Haidergonj
196	Chiringa
197	Nawabganj Bazar
198	Karatia
199	Rahattarpul
200	Azimpur
201	Fatulla Bazar
202	Halishahar Housing Estate
203	Barishal University
204	Halda
205	Beparipara
206	Natun Bazar
207	Akij City
208	Raushanhat
209	Kakoli
210	Aturar Depo
211	Pathantuli Road
212	Ashkona
213	Chayabithi

Sl.	Name of Sub-Branch
154	Nakhalpara
155	Baliakandi
156	Ruhitpur
157	Shahrasti
158	Tan Bazar
159	Silonia Bazar
160	Hajir Para
161	Daulatpur Bazar
162	Jhawdanga Bazar
163	Mirhajirbag Chowrasta
164	Mazar Road
165	Chourhas
214	Nandail Chowrasta
215	Boro Bazar
216	Kalia
217	Niamatpur
218	Boro Bazar
219	Kashiani
220	Puran Bazar
221	Sebarhat
222	Khoksha
223	Shekherchar
224	Harinathpur
225	Azampur Kachabazar
226	Chasara Link Road
227	Munsef Bazar
228	Anwara Sadar
229	Pulerghat
230	Fenchuganj Bazar
231	Patiya Pourashava
232	Badalgachi
233	Puraton Satkhira
234	Binodpur Bazar
235	Gouripur Bazar
236	Guptachara Bazar
237	Puraton Bazar

The detail address of the Branch & Sub-Branches are available at our website www.islamibankbd.com

Glossary

AAOIFI	Accounting and Auditing Organization for Islamic Financial Institutions
AD	Authorized Dealer
ADB	Asian Development Bank
ADC	Alternative Delivery Channel
AGM	Annual General Meeting
ALCO	Asset Liability Committee
ATM	Automated Teller Machine
BAB	Bangladesh Association of Banks
BACH	Bangladesh Automated Clearing House
BACPS	Bangladesh Automated Cheque Processing System
BAFEDA	Bangladesh Foreign Exchange Dealers Association
BAS	Bangladesh Accounting Standards
BB	Bangladesh Bank
BBTA	Bangladesh Bank Training Academy
BCP	Business Continuity Plan
BDT	Bangladeshi Taka
BEFTN	Bangladesh Electronic Fund Transfer Network
BFIU	Bangladesh Financial Intelligence Unit
BFRS	Bangladesh Financial Reporting Standards
BIBM	Bangladesh Institute of Bank Management
BO	Beneficiary Owners
BRPD	Banking Regulation & Policy Department
BSA	Bangladesh Standards on Auditing
BSEC	Bangladesh Security and Exchange Commission
CAMLCO	Chief Anti Money Laundering Compliance Officer
CAR	Capital Adequacy Ratio
CDBL	Central Depository Bangladesh Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGG	Corporate Governance Guidelines
CIPPS	Centralized Investment Proposal Processing System
CIB	Credit Information Bureau
CNG	Compressed Natural Gas
CPI	Consumer Price Index
CRAR	Capital Adequacy Assessment Ratio
CRISL	Credit Rating Information and Services Limited
CRO	Chief Risk Officer
CRR	Cash Reserve Requirement
CSR	Corporate Social Responsibility
CSBIBB	Central Shariah Board for Islamic Banks of Bangladesh
CSE	Chattogram Stock Exchange
CTR	Cash Transaction Report
DAIBB	Diplomaed Associate of the Institute of Bankers, Bangladesh
DC	Data Center
DCFCL	Departmental Control Function Check List
DOS	Department of Offsite Supervision
DRS	Disaster Recovery Site
DSE	Dhaka Stock Exchange Ltd
EFT	Electronic Fund Transfer
eIBS	Electronic Integrated Banking System
EPS	Earnings Per Share
ETP	Effluent Treatment Plants
EU	European Union
EVA	Economic Value Added
FCB	Foreign Commercial Bank
FIs	Financial Institutions
FY	Financial Year
CIBAFI	General Council for Islamic Banks and Financial Institutions
GDP	Gross Domestic Product
GOB	Government of Bangladesh
GRI	Global Reporting Initiative
HDS	Household Durables Scheme
HFT	Held for Trading
HPSM	Hire Purchase under Shirkatul Melk
HR	Human Resources
HTM	Held to Maturity
IAS	International Accounting Standards
IBB	Institute of Bankers, Bangladesh
IBBL	Islami Bank Bangladesh Limited
IBIT	Islami Bank Institute of Technology
IBCF	Islamic Banks Consultative Forum
IBCA	Inter Branch Credit Advice
IBDA	Inter Branch Debit Advice
IBP	Inland Bill Purchase
IBF	Islami Bank Foundation
IBTRA	Islami Bank Training & Research Academy
ICAB	Institute of Chartered Accountants of Bangladesh
ICMAB	Institute of Cost and Management Accountants of Bangladesh
IC&CW	Internal Control & Compliance Wing
ICB	Investment Corporation of Bangladesh
ICT	Information and Communication Technology
ICTIC	Information and Communication Technology Implementation Committee
IDB	Islamic Development Bank
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IPO	Initial Public Offering
IRG	Investment Risk Grading
LC	Letter of Credit
MCR	Minimum Capital Requirement
MEIS	Micro Enterprise Investment Scheme
MICR	Magnetic Ink Character Recognition
MIS	Management Information System
MPB	Mudaraba Perpetual Bond
NAV	Net Asset Value
NOC	No Objection Certificate
NPI	Non-performing Investment
NPL	Non-performing Loan
NRD	Non Resident Dollar account
OBU	Offshore Banking Unit
PCB	Private Commercial Banks
POS	Point of Sales
PPD	Profit Paid on Deposits
PV	Present Value
RDS	Rural Development Scheme
R&D	Research and Development
RMG	Readymade Garments
ROA	Return on Assets
ROE	Return on Equity
ROI	Return on Investment
RTGS	Real Time Gross Settlement
RWA	Risk Weighted Assets
SAFA	South Asian Federation of Accountants
SEC	Securities and Exchange Commission
SLR	Statutory Liquidity Ratio
SME	Small & Medium Enterprise
SMS	Short Message Service
SMA	Special Mention Account
SOB	State Owned Banks
SRP	Supervisory Review Process
STR	Suspicious Transaction Report
SWIFT	Society for Worldwide Inter-Bank Financial Tele-communication
TA	Traveling Allowance
TOR	Terms of Reference
VAT	Value Added Tax
WAN	Wide Area Network
WEIS	Women Entrepreneur Investment Scheme

Islami Bank Bangladesh PLC. | Based on Shari'ah

Head Office, Islami Bank Tower
40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh

PROXY FORM

I/we_____ being a member(s) of **Islami Bank Bangladesh PLC.** do hereby appoint Janab_____ of _____ _____ as my / our Proxy to attend and vote on behalf of me / us at the **41st Annual General Meeting** of the Company to be held **on Tuesday, the 25th June , 2024 at 11.30 A.M. through Digital Platform** and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2024.

Folio No. : _____ BO ID No.: | | | | | | | | | | | | | | | | |

Revenue Stamp for Tk.20.00 (twenty) only

Signature of the Proxy/Attorney with date	No. of Share(s)	Revenue Stamp	Signature of the Member with date

N.B.: This Form of Proxy, duly signed (as recorded with the bank), stamped and completed must be submitted to the Registered Office or Share & Bond Division (63 Dilkusha C/A, 5th Floor, Dhaka) of the Company at least 48 (Forty Eight) hours before the Meeting i.e. **11.30 A.M. on Sunday the 23rd June, 2024**.

Islami Bank Bangladesh PLC. | Based on Shari'ah

Head Office, Islami Bank Tower
40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh

The 41st Annual General Meeting held on Tuesday, the 25th June, 2024

ATTENDANCE SLIP

I do hereby submit the Attendance slip in connection with the 41st Annual General Meeting of Islami Bank Bangladesh PLC. held today Tuesday, the 25th June, 2024 at 11.30 A.M. through Digital Platform.

Folio No. : _____ BO ID No.: | | | | | | | | | | | | | | | | |

No. of Share(s)	

Full Name of the Member/Attorney/Proxy : _____ **Signature with date**

N.B.: The Member/Attorney/Proxy is requested to handover the Attendance Slip at the entrance of the Meeting Hall.

Location of IBBPLC. Branches

Branches in Dhaka City

1. Agargaon
2. Bangla Motor
3. Basabo
4. Banasree
5. Bangshal
6. Badda
7. Baridhara
8. Banani
9. Chawk Mugoltully
10. Cantonment
11. Dholaikhal
12. Donia
13. Dhanmondi
14. Elephant Road
15. Farmgate
16. Foreign Exchange Corporate
17. Gulshan Corporate
18. Gulshan Circle-1
19. Gandaria
20. Head Office Complex Corporate
21. Hajicamp
22. Islampur
23. Jatrabari
24. Kawran Bazar
25. Kamrangir Char
26. Khilgaon
27. Local Office Corporate
28. Lalbagh
29. Motijheel
30. Mouchak
31. Moghbazar
32. Mirpur
33. Mirpur-1
34. Mirpur Women Br.
35. Mohakhali
36. Mohammadpur Krishi Market
37. Nawabpur Road Corporate
38. New Market
39. Nikunja
40. Paltan
41. Panthapath
42. Pallabi
43. Ramna Corporate
44. Rampura
45. Shyampur
46. Sadarghat
47. Shyamoli
48. Sonargaon Janapath Road
49. Uttara
50. VIP Road
51. Wiseghat
52. Shibpur

Branches in Chattogram City

1. Agrabad Commercial Area
2. Agrabad Corporate
3. Anderkilla
4. Bahaddarhat
5. Bakalia
6. Bandartila
7. CDA Avenue
8. Dewanhat
9. Chaktai
10. Chawk Bazar
11. Halishahar
12. Jubilee Road
13. Khatungonj Corporate
14. Kadamtoli
15. Kalurghat
16. Khulshi
17. Karnafuli
18. OR Nizam Road
19. Oxygen Moor
20. Panchlaish
21. Patenga
22. Pahartali
23. Station Road
24. Teribazar
25. Bhujpur
26. Ashkar Dighir Par

Islami Bank

Bangladesh PLC. | Based on Shari'ah

Registered Office :
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Website	: www.islamibankbd.com