

INDEPENDENT AUDITORS' REPORT



Independent Auditors' Report

To the Shareholders of

Islami Bank Bangladesh Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Islami Bank Bangladesh Limited and its subsidiaries (the "Group") as well as the separate financial statements of Islami Bank Bangladesh Limited (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2022, 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 2022, 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 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), Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response and result to key audit matters
Measurement of Provision for Investments	
<p>The process for estimating the provision for the investment portfolios associated with credit risk is significant and complex.</p> <p>For the individual analysis for large exposure, provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed that deal with voluminous databases, assumptions and estimates.</p> <p>Due to the high level of judgment involved and using the manual process in estimating the provision for investment, we considered this to be a key audit matter.</p> <p>At year end the Group and the Bank reported total net investments of BDT 1,456,365 million (2021: BDT 1,186,173 million) and BDT 1,461,365 million (2021: BDT 1,191,173 million) respectively and provision for investments of BDT 59,881 million (2021: BDT 53,272 million) and BDT 59,881 million (2021: BDT 53,272 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none">● Credit appraisal, investment disbursement procedures, monitoring and provisioning process;● Identification of loss events, including early warning and default warning indicators;● Reviewed the adequacy of the transfer of profits to the Income account appropriate approvals in line with the Bangladesh Bank's guidelines. Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines. Reviewed the grounds for recommendations for approvals in cases of transfer of profits to Income account;● 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 the Bangladesh Bank inspection team to the actual amount of provision maintained. <p>Our results: Based on our procedure performed we have concluded that the provision for investments disclosed in the financial statements is adequate.</p>

See note no. 11 and 17.1 to the financial statements

Description of key audit matters	Our response and result to key audit matters
<p>Recognition of Investment income</p> <p>Recognition of Investment income has significant and wide influence on financial statements. Recognition and measurement of Investment income has involvement of complex IT environments.</p> <p>We identify recognition of Investment income as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in the recognition of Investment income by management to meet specific targets or expectations.</p> <p>At the year end the Group and the Bank reported total gross investment income of BDT 87,878 million (2021: BDT 73,269 million) and BDT 87,984 (2021: BDT 73,410 million).</p>	<p>We tested the design and operating effectiveness of key controls over the recognition and measurement of investment income.</p> <p>We performed tests of operating effectiveness on automated control in place to measure and recognise investment income.</p> <p>We have also performed substantive procedures to check whether investment income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Our results: Based on our procedure performed we have concluded that the recognition investment income disclosed in the financial statements of is in line with Bangladesh Bank Circulars.</p>

See note no. 24 to the financial statements

Description of key audit matters	Our response and result to key audit matters
<p>Impairment assessment of unquoted investments</p> <p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p>	<p>We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process.</p> <p>We tested a sample of investments valuation as at 31 December 2022 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Our results: Based on our procedure, we concluded that the Impairment assessment of unquoted investments disclosed in the financial statements is in line with Bangladesh Bank Circulars.</p>

See note no. 10 to the financial statements

Description of key audit matters	Our response and result to key audit matters
<p>IT systems and controls</p> <p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit.</p> <p>We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.</p> <p>Our results: Based on the procedure performed, we have considered the change managements, segregation of duties, controls, and outputs in relation to financial accounting and reporting systems to be acceptable.</p>

Description of key audit matters	Our response and result to key audit matters
<p>Legal and Regulatory matters</p> <p>We focused on legal and regulatory matters because the Group and the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.</p>	<p>We obtained an understanding of the Group and The Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsels.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provision, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p> <p>Our results: Based on the procedure performed, we have considered the bank's legal affairs and communicated with the legal advisors and panel lawyers to assess the bank's legal & regulatory positions.</p>

Other Matters

1. The financial statements of the group and the Bank for the year ended 31 December 2021 were audited by A. Qasem & Co., Chartered Accountants and Hoda Vasi Chowdhury & Co., Chartered Accountants who expressed an unmodified opinion on those statements on 26 April 2022.
2. On verification of our selected sample investments, we observed some documentation and procedural lapses in some investments and security against some investment clients were not on the expected level.

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 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the 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 mention in of Other Matters Para (Para 2) 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) financial statements for the year ended 31 December 2022 of two (02) subsidiaries namely Islami Bank Securities Limited and Islami Bank Capital Management Limited have been audited by K. M. Hasan & Co., Chartered Accountants and Khan Wahab Shafique Rahman & Co., 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)/2023-361, dated 26 April 2023 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 13,456 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
27 April 2023

Signed for & on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment No.: 0787
DVC No: 2304270787AS974221

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants



Muhammad Farooq, FCA
ICAB Enrolment No.: 0521
DVC No: 2304270521AS239039

FINANCIAL STATEMENT



Islami Bank Bangladesh Limited and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2022

Particulars	Notes	31.12.2022	31.12.2021
		Taka	Taka
Property and Assets			
Cash in hand	7(a)	123,504,817,210	246,163,452,756
Cash in hand (including foreign currency)	7(a)(i)	30,645,839,722	22,101,061,649
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	7(a)(ii)	92,858,977,487	224,062,391,107
Balance with other banks & financial institutions	8(a)	115,248,794,287	80,968,445,974
In Bangladesh	8(a)(i)	91,304,035,057	66,383,997,842
Outside Bangladesh	8(a)(ii)	23,944,759,230	14,584,448,132
Placement with banks & other financial institutions	9.0	-	-
Investments in shares & securities	10(a)	91,390,357,315	95,651,798,804
Government	10(a)(i)	72,173,862,507	75,352,686,843
Others	10(a)(ii)	19,216,494,808	20,299,111,961
Investments		1,456,365,497,513	1,186,173,000,246
General investments etc.	11.1(a)	1,321,643,607,786	1,132,670,855,057
Bills purchased & discounted	11.2(a)	134,721,889,727	53,502,145,189
Fixed assets including premises	12(a)	18,455,370,440	18,397,103,217
Other assets	13(a)	33,740,284,483	9,315,773,066
Non - banking assets		-	-
Total property and assets		1,838,705,121,249	1,636,669,574,064
Liabilities and Capital			
Liabilities			
Placement from banks & other financial institutions	14(a)	187,438,369,400	36,765,300,000
Deposits & other accounts	15(a)	1,409,314,554,809	1,380,849,221,889
Mudaraba savings deposits		445,551,006,782	476,486,444,598
Mudaraba term deposits		512,205,793,676	488,217,932,723
Other mudaraba deposits		288,017,702,760	282,105,508,078
Al- waddeeh current and other deposit accounts		153,251,630,052	125,921,848,016
Bills payable		10,288,421,539	8,117,488,474
Mudaraba bond	16.0	31,000,000,000	30,775,840,000
Perpetual bond	16.1	11,000,000,000	10,175,840,000
Redeemable subordinated bond	16.2	20,000,000,000	20,600,000,000
Other liabilities	17(a)	139,924,699,279	120,971,862,923
Deferred tax liabilities	18(a)	1,456,384,003	1,580,687,903
Total liabilities		1,769,134,007,491	1,570,942,912,715
Capital/shareholders' equity		69,571,113,758	65,726,661,349
Paid - up capital	19.2	16,099,906,680	16,099,906,680
Statutory reserve	21.0	21,735,466,258	20,735,466,258
Other reserves	22.(a)	28,772,608,153	26,141,424,690
Retained earnings	40(a)	2,962,834,552	2,749,579,142
Non-controlling interest	40(b)	298,115	284,579
Total liabilities & shareholders' equity		1,838,705,121,249	1,636,669,574,064

Islami Bank Bangladesh Limited and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2022

Particulars	Notes	31.12.2022		31.12.2021		
		Taka	Taka	Taka	Taka	
Off-balance sheet items						
Contingent liabilities						
Acceptances & endorsements			-		-	
Letters of guarantee	23.0	31,062,266,163		29,281,985,371		
Irrevocable letters of credit (including back to back bills)		182,573,222,307		190,036,120,488		
Bills for collection		54,371,798,351		45,519,344,775		
Other contingent liabilities		8,174,045		8,174,045		
Total		268,015,460,865		264,845,624,679		
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		268,015,460,865		264,845,624,679		
Total off-balance sheet items including contingent liabilities						

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



Chairman



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: 2304270787AS974221

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants



Muhammad Farooq, FCA
ICAB Enrolment no: 0521
DVC No: 2304270521AS239039

Dated: Dhaka, 27 April 2023

Islami Bank Bangladesh Limited and its Subsidiaries

Consolidated Profit & Loss Account

For the year ended 31 December 2022

Particulars	Notes	2022		2021	
		Taka	Taka	Taka	Taka
Operating income					
Investment income	24(a)	87,878,348,352		73,268,555,448	
Profit paid on mudaraba deposits	25(a)	(54,018,484,481)		(44,885,789,843)	
Net investment income		33,859,863,871		28,382,765,605	
Income from investments in shares & securities	26(a)	2,988,738,075		2,740,647,792	
Commission, exchange & brokerage income	27(a)	9,436,072,988		7,337,753,687	
Other operating income	28(a)	6,831,431,761		5,574,215,305	
		19,256,242,824		15,652,616,784	
Total operating income		53,116,106,695		44,035,382,389	
Operating expenses					
Salary & allowances	29(a)	20,303,342,230		17,343,646,887	
Rent, taxes, insurances, electricity etc.	30(a)	2,142,549,324		1,669,553,986	
Legal expenses	31(a)	12,532,875		8,114,679	
Postage, stamps and telecommunication etc.	32(a)	130,865,549		102,973,928	
Stationery, printing and advertisement etc.	33(a)	299,406,016		244,250,421	
Chief executive's salary & fees	34.0	18,069,000		17,380,000	
Directors' fees & expenses	35(a)	5,366,579		5,747,621	
Shari'ah supervisory committee's fees & expenses	36.0	1,713,265		1,311,930	
Auditors' fees	37(a)	3,599,500		4,174,500	
Depreciation and repair to bank's assets	38(a)	1,688,445,675		1,640,438,555	
Zakat expenses	17.8	970,999,128		894,913,964	
Other expenses	39(a)	5,789,485,517		4,925,071,661	
		31,366,374,658		26,857,578,131	
Total operating expenses		21,749,732,036		17,177,804,257	
Profit/ (loss) before provision					
Provision for investments & off- balance sheet exposures	17.1.4	6,364,930,031		5,072,923,726	
Provision for diminution in value of investments in shares	17.2(a)	483,145,333		313,776,730	
Other provisions	17.4	(36,700,445)		45,201,095	
		6,811,374,919		5,431,901,551	
Total provision		14,938,357,117		11,745,902,706	
Total profit/ (loss) before taxes		8,771,358,888		6,938,337,515	
Provision for taxation for the period					
Current tax	17.7(a)	8,870,670,581		6,936,163,283	
Deferred tax	18(b)	(99,311,693)		2,174,232	
Net profit/ (loss) after tax		6,166,998,229		4,807,565,191	
Net profit after tax attributable to:		6,166,998,229		4,807,565,191	
Equity holders of IBBL		6,166,984,693		4,807,547,402	
Non-controlling interest	40(b)	13,536		17,789	
Retained earnings from previous year					
Revaluation reserve of securities transferred to retained earnings		2,749,579,142		2,606,778,640	
Add: Net profit after tax (attributable to equity holders of IBBL)		30,491,680		-	
Add: Excess depreciation on revalued amount of building transferred from assets revaluation	22.2	6,166,984,693		4,807,547,402	
reserve to retained earnings		85,190,953		87,375,336	
Add: Start-up Fund transferred for adjustment		-		102,772,133	
Less: Adjustment for changing in shares position of IBSL		-		(50,000)	
Profit available for appropriation		9,032,246,468		7,604,423,511	
Appropriation:		9,032,246,468		7,604,423,511	
Statutory reserve	21.0	1,000,000,000		1,000,000,000	
General reserve		2,593,011,985		1,974,430,003	
Dividend (previous year)	40.0	1,609,990,668		1,609,990,668	
Start-up Fund	17.9	59,234,456		46,392,029	
Coupon/dividend on perpetual bond	40(a)	807,174,807		224,031,669	
Retained earnings	40(a)	2,962,834,552		2,749,579,142	
Consolidated earnings per share		42(a)	3.83	2.99	

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


2020
Chairman


Director


Director


Managing Director & CEO

Signed for & on behalf of
ACNABIN

Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment no: 0787
DVC No: 2304270787AS974221

Dated: Dhaka, 27 April 2023

Signed for & on behalf of
Howladar Yunus & Co.

Chartered Accountants



Muhammad Farooq, FCA
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Islami Bank Bangladesh Limited and its Subsidiaries

Consolidated Cash Flow Statement

For the year ended 31 December 2022

Particulars	Note	2022	2021
		Taka	Taka
Cash flows from operating activities			
Investment income		77,238,243,085	67,268,555,448
Profit paid on mudaraba deposits		(50,500,370,309)	(44,962,696,687)
Income/ dividend receipt from investments in shares & securities		461,025,636	3,676,017,738
Fees & commission receipt in cash		9,436,072,988	7,337,753,687
Recovery from written off investments		244,773,412	93,360,314
Payments to employees		(20,034,174,646)	(17,001,629,950)
Cash payments to suppliers		(446,034,682)	(497,470,295)
Income tax paid		(6,866,734,554)	(7,365,418,874)
Receipts from other operating activities		8,085,260,824	6,206,403,402
Payments for other operating activities		(8,033,977,394)	(6,714,500,202)
(i) Operating profit before changes in operating assets and liabilities		9,584,084,359	8,040,374,581
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		(265,192,497,267)	(150,885,117,913)
(Increase)/decrease of other assets		(24,267,823,192)	5,245,265,567
Increase/(decrease) of placement from other banks		150,673,069,400	(7,704,018,312)
Increase/(decrease) of deposits from other banks		5,130,458,954	1,122,055,609
Increase/(decrease) of deposits received from customers		22,202,491,604	200,033,745,641
Increase/(decrease) of other liabilities account of customers		-	-
Increase/(decrease) of trading liabilities		-	-
Increase/(decrease) of other liabilities		12,347,402,773	11,122,670,218
(ii) Cash flows from operating assets and liabilities		(99,233,754,656)	58,807,743,882
Net cash flows from operating activities (A)=(i+ii)		(89,649,670,296)	66,848,118,463
Cash flows from investing activities			
Proceeds from sale of securities/BGIIB/Sukuk		10,767,079,949	(14,309,625,648)
Payment for purchase of securities/BGIIB/Sukuk		(6,749,618,542)	(6,749,618,542)
Placement to Islamic Refinance Fund Account		-	-
Payment for purchase of securities/membership		-	-
Purchase/sale of property, plants & equipments		(1,389,073,900)	(2,040,153,663)
Purchase/sale of subsidiaries		-	-
Net Cash flows from investing activities (B)		2,628,387,507	(23,099,397,853)
Cash flows from financing activities			
Receipts from issue of debt instruments		3,824,160,000	7,175,840,000
Payment for redemption of debt instruments		(3,600,000,000)	(2,400,000,000)
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)		(1,385,830,668)	3,165,849,332
Net increase/(decrease) in cash (A+B+C)		(88,407,113,457)	46,914,569,941
Add/(less): effects of exchange rate changes on cash & cash equivalent		28,826,224	(749,193)
Add: cash & cash equivalents at beginning of the year		327,131,898,729	280,218,077,981
Cash & cash equivalents at the end of the year	45(a)	238,753,611,497	327,131,898,729

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


Chairman


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: 2304270787AS974221

Dated: Dhaka, 27 April 2023

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants


Muhammad Farooq, FCA
ICAB Enrolment no: 0521
DVC No: 2304270521AS239039

Islami Bank Bangladesh Limited 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
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	13,236	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	

(*)Note : General / other reserves

Particulars	01.01.2022	01.01.2021
General reserve	16,891,361,836	14,917,131,853
Dividend equalization account	32,000,000	32,000,000
Currency translation differences	17,627,126	18,376,319
Total	16,941,188,982	14,967,508,172

Islami Bank Bangladesh Limited and its Subsidiaries

Consolidated Statement of Changes in Equity

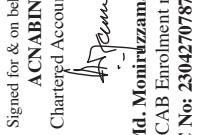
For the year ended 31 December 2021

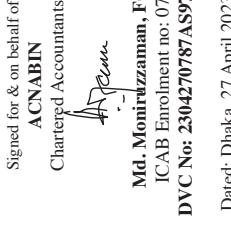
Particulars	Paid-up capital	Share Premium	Statutory reserve	General/ other reserves	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Non-controlling interest	Total
1	2	3	4	5	6	7	8	9	10
Balance as at 01 January 2021	16,099,906,680	1,989,633	19,735,466,258	14,967,508,172	9,125,905,260	72,115,200	2,606,778,640	274,980	62,609,944,823
Deferred tax on revaluation surplus	-	-	-	-	-	(6,092,800)	-	-	(6,092,800)
Deferred tax impact on excess depreciation	-	-	-	-	32,765,751	-	-	-	32,765,751
Depreciation adjustment on revalued fixed assets	-	-	-	-	(87,375,336)	-	87,375,336	-	-
Surplus/ (deficit) on account of revaluation	-	-	-	-	(749,193)	-	60,928,000	-	60,928,000
Currency translation differences	-	-	-	-	-	-	-	-	(749,193)
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	4,807,547,402	17,789	4,807,565,191
Transfer to (from) reserve	-	1,000,000,000	1,974,430,003	-	-	(2,974,430,003)	-	-	-
Dividend:	-	-	-	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	(1,609,990,668)	(8,190)	(1,609,998,838)	(1,609,998,838)
Start-up Fund transferred to retained earnings for adjustment against 2020	-	-	-	-	-	102,772,133	-	-	102,772,133
Start-up Fund transferred from retained earnings	-	-	-	-	-	(46,392,029)	-	-	(46,392,029)
Coupon/dividend on perpetual bond	-	-	-	-	-	(224,031,669)	-	-	(224,031,669)
Less: Adjustment for changing in shares position of IBSL	-	-	-	-	-	(50,000)	-	-	(50,000)
Total shareholders' equity as on 31 December 2021	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
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	-	10,175,840,000
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-	20,600,000,000
Add: General provision for unclassified investments and off-balance sheet items (Note-3.14.7)	-	-	16,041,678,293	-	-	-	-	-	16,041,678,293
Less: Year wise redemption	-	-	-	-	-	-	-	-	(3,600,000,000)
Adjustment for intangible assets	-	-	(216,440,708)	-	-	-	-	-	(216,440,708)
Adjustment for currency translation differences	-	-	(17,627,126)	-	-	-	-	-	(17,627,126)
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	(9,071,295,675)	-	-	-	-	(9,071,295,675)
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	(126,950,400)	-	-	-	-	(126,950,400)
Total equity as on 31 December 2021	16,099,906,680	1,989,633	20,735,466,258	32,748,799,442	-	2,749,579,142	284,579	99,511,865,734	


Md. Moniruzzaman, FCA
ICAB Enrollment no: 0787
DVC No: 2304270521AS974221
Chairman


Md. Moniruzzaman, FCA
ICAB Enrollment no: 0787
DVC No: 2304270521AS974221
Director


Md. Moniruzzaman, FCA
ICAB Enrollment no: 0787
DVC No: 2304270521AS974221
Director

Signed for & on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
ICAB Enrollment no: 0787
DVC No: 2304270521AS974221

This is the consolidated statement of changes in equity referred to in our separate report of even date
Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants

Howladar Yunus & Co.
Chartered Accountants
Muhammad Farooq, FCA
ICAB Enrollment no: 0521
DVC No: 2304270521AS23039

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

Islami Bank Bangladesh Limited

Balance Sheet

As at 31 December 2022

Particulars	Notes	31.12.2022	31.12.2021
		Taka	Taka
Property and Assets			
Cash in hand	7.0	123,504,792,624	246,163,386,116
Cash in hand (including foreign currency)	7.1	30,645,815,136	22,100,995,009
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	7.2	92,858,977,487	224,062,391,107
Balance with other banks & financial institutions	8.0	110,787,004,358	76,156,107,566
In Bangladesh	8.i	86,842,245,128	61,571,659,434
Outside Bangladesh	8.ii	23,944,759,230	14,584,448,132
Placement with banks & other financial institutions	9.0	-	-
Investments in shares & securities	10.0	90,454,663,436	94,819,400,466
Government	10.1	72,173,862,507	75,352,686,843
Others	10.2	18,280,800,929	19,466,713,623
Investments	11.0	1,461,365,497,513	1,191,173,000,246
General investments etc.	11.1	1,326,643,607,786	1,137,670,855,057
Bills purchased & discounted	11.2	134,721,889,727	53,502,145,189
Fixed assets including premises	12.0	18,437,320,088	18,378,446,533
Other assets	13.0	33,530,927,106	9,302,458,646
Non - banking assets		-	-
Total property and assets		1,838,080,205,126	1,635,992,799,574
Liabilities and Capital			
Liabilities			
Placement from banks & other financial institutions	14.0	187,438,369,400	36,765,300,000
Deposits & other accounts	15.0	1,410,445,429,339	1,381,979,529,497
Mudaraba savings deposits	15.1	445,565,352,259	476,757,049,557
Mudaraba term deposits		513,310,226,532	489,073,408,476
Other mudaraba deposits	15.2	288,022,176,295	282,106,861,930
Al- wadeeah current and other deposit accounts	15.3	153,259,252,714	125,924,721,060
Bills payable	15.4	10,288,421,539	8,117,488,474
Mudaraba bond	16.0	31,000,000,000	30,775,840,000
Perpetual bond	16.1	11,000,000,000	10,175,840,000
Redeemable subordinated bond	16.2	20,000,000,000	20,600,000,000
Other liabilities	17.0	139,575,739,102	120,327,845,671
Deferred tax liabilities	18.0	1,458,513,201	1,582,990,129
Total liabilities		1,769,918,051,042	1,571,431,505,297
Capital/ shareholders' equity		68,162,154,084	64,561,294,277
Paid - up capital	19.2	16,099,906,680	16,099,906,680
Statutory reserve	21.0	21,735,466,258	20,735,466,258
Other reserves	22.0	28,716,790,478	26,115,930,671
Retained Earnings	40.0	1,609,990,668	1,609,990,668
Total liabilities & shareholders' equity		1,838,080,205,126	1,635,992,799,574

Islami Bank Bangladesh Limited

Balance Sheet

As at 31 December 2022

Particulars	Notes	31.12.2022	31.12.2021
		Taka	Taka
Off-balance sheet items			
Contingent liabilities			
Acceptances & endorsements		-	-
Letters of guarantee	23.0	31,062,266,163	29,281,985,371
Irrevocable letters of credit (including back to back bills)		182,573,222,307	190,036,120,488
Bills for collection		54,371,798,351	45,519,344,775
Other contingent liabilities		8,174,045	8,174,045
Total		268,015,460,865	264,845,624,679
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		268,015,460,865	264,845,624,679

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



Chairman



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: 2304270787AS974221

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants



Muhammad Farooq, FCA
ICAB Enrolment no: 0521
DVC No: 2304270521AS239039

Dated: Dhaka, 27 April 2023

Islami Bank Bangladesh Limited

Profit & Loss Account

For the year ended 31 December 2022

Particulars	Notes	2022	2021
		Taka	Taka
Operating income			
Investment income	24.0	87,984,257,253	73,410,087,847
Profit paid on mudaraba deposits	25.0	(54,077,050,268)	(44,930,228,823)
Net investment income		33,907,206,985	28,479,859,024
Income from investments in shares & securities	26.0	2,701,469,616	2,304,788,376
Commission, exchange & brokerage income	27.0	9,397,462,838	7,273,391,872
Other operating income	28.0	6,522,977,186	5,268,738,480
Total operating income		18,621,909,640	14,846,918,728
		52,529,116,625	43,326,777,752
Operating expenses			
Salary & allowances	29.0	20,253,126,623	17,298,912,375
Rent, taxes, insurances, electricity etc.	30.0	2,135,157,124	1,662,516,208
Legal expenses	31.0	8,480,848	6,606,709
Postage, stamps and telecommunication etc.	32.0	130,172,344	102,411,364
Stationery, printing and advertisement etc.	33.0	298,775,659	243,750,534
Chief executive's salary & fees	34.0	18,069,000	17,380,000
Directors' fees & expenses	35.0	3,587,978	3,723,142
Shari'ah supervisory committee's fees & expenses	36.0	1,713,265	1,311,930
Auditors' fees	37.0	3,450,000	4,025,000
Depreciation and repair to bank's assets	38.0	1,680,741,446	1,634,257,492
Zakat expenses	17.8	970,999,128	894,913,964
Other expenses	39.0	5,777,435,198	4,902,559,344
Total operating expenses		31,281,708,613	26,772,368,061
Profit/ (loss) before provision		21,247,408,011	16,554,409,690
Provision for investments & off- balance sheet exposures	17.1.4	6,364,930,031	5,072,923,726
Provision for diminution in value of investments in shares	17.2	326,256,888	(5,000,000)
Other provisions	17.4	(36,700,445)	45,201,095
Total provision		6,654,486,474	5,113,124,821
Total profit/(loss) before taxes		14,592,921,537	11,441,284,869
Provision for taxation for the period			
Current tax	17.7.1	8,768,960,631	6,800,304,448
Deferred tax expense/(income)	18.0	(99,484,721)	1,777,540
Net profit/(loss) after tax		5,923,445,627	4,639,202,881
Retained earnings from previous year		1,609,990,668	1,609,990,668
Revaluation reserve of securities transferred to retained earnings		30,451,680	-
Add: Net profit after tax		5,923,445,627	4,639,202,881
Add: Excess depreciation on revalued amount of building transferred from assets revaluation	22.2	85,190,953	87,375,336
reserve to retained earnings		-	102,772,133
Add: Start-up Fund transferred for adjustment		7,649,078,928	6,439,341,018
Profit available for appropriation		7,649,078,928	6,439,341,018
Appropriation:			
Statutory reserve	21.0	1,000,000,000	1,000,000,000
General reserve	22.1	2,562,688,329	1,948,935,984
Dividend (previous year)	40.0	1,609,990,668	1,609,990,668
Start-up Fund	17.9	59,234,456	46,392,029
Coupon/dividend on perpetual bond	40.0	807,174,807	224,031,669
Retained earnings	40.0	1,609,990,668	1,609,990,668
Earnings per share (EPS)		42.0	3.68
			2.88

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


Chairman


Director


Director


Managing Director & CEO

Signed for & on behalf of
ACNABIN

Chartered Accountants



Md. Moniruzzaman, FCA
ICAB Enrolment no: 0787
DVC No: 2304270787AS974221

Dated: Dhaka, 27 April 2023

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

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants



Muhammad Farooq, FCA
ICAB Enrolment no: 0521
DVC No: 2304270521AS239039

Islami Bank Bangladesh Limited

Cash Flow Statement

For the year ended 31 December 2022

Particulars	Note	2022	2021
		Taka	Taka
Cash flows from operating activities			
Investment income		77,340,087,047	67,410,087,847
Profit paid on mudaraba deposits		(50,558,936,096)	(45,007,135,667)
Income/ dividend receipt from investments in shares & securities		204,440,149	3,165,851,145
Fees & commission receipt in cash		9,397,462,838	7,273,391,872
Recovery from written off investments		244,773,412	93,360,314
Payments to employees		(19,998,248,195)	(16,968,596,517)
Cash payments to suppliers		(445,477,207)	(497,081,923)
Income tax paid		(6,752,481,846)	(7,251,817,078)
Receipts from other operating activities		7,743,934,108	5,817,731,317
Payments for other operating activities		(7,987,245,396)	(6,667,382,373)
(i) Operating profit before changes in operating assets and liabilities		9,188,308,813	7,368,408,937
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		(270,192,497,267)	(155,885,117,913)
(Increase)/decrease of other assets		(24,228,468,461)	5,103,703,194
Increase/(decrease) of placement from other banks		150,673,069,400	(7,704,018,312)
Increase/(decrease) of deposits from other banks		5,131,425,754	1,123,022,409
Increase/(decrease) of deposits received from customers		23,334,474,088	201,165,161,203
Increase/(decrease) of other liabilities account of customers		-	-
Increase/(decrease) of trading liabilities		-	-
Increase/(decrease) of other liabilities		16,438,211,091	15,509,108,768
(ii) Cash flows from operating assets and liabilities		(98,843,785,395)	59,311,859,350
Net cash flows from operating activities (A)=(i+ii)		(89,655,476,581)	66,680,268,286
Cash flows from investing activities			
Cash flows from investing activities		4,364,737,030	(20,711,968,567)
Proceeds from sale of securities/BGIIIB/Sukuk		-	-
Payment for purchase of securities/BGIIIB/Sukuk		-	-
Placement to Islamic Refinance Fund Account		-	-
Payment for purchase of securities/membership		(1,379,952,705)	(2,031,032,468)
Purchase/sale of property, plants & equipments		-	-
Purchase/sale of subsidiaries		-	-
Net cash flows from investing activities (B)		2,984,784,325	(22,743,001,035)
Cash flows from financing activities			
Receipts from issue of debt instruments		3,824,160,000	7,175,840,000
Payment for redemption of debt instruments		(3,600,000,000)	(2,400,000,000)
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)		(1,385,830,668)	3,165,849,332
Net increase/(decrease) in cash (A+B+C)		(88,056,522,924)	47,103,116,583
Add/(Less): effects of exchange rate changes on cash & cash equivalent		28,826,224	(749,193)
Add: cash & cash equivalents at beginning of the year		322,319,493,681	275,217,126,291
Cash & cash equivalents at the end of the year	45.0	234,291,796,982	322,319,493,681

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


200000
Chairman


Director


Director


Managing Director & CEO

Signed for & on behalf of
ACNABIN
Chartered Accountants


Md. Moniruzzaman, FCA
ICAB Enrolment no: 0787
DVC No: 2304270787AS974221

Dated: Dhaka, 27 April 2023

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

Signed for & on behalf of
Howlader Yunus & Co.
Chartered Accountants


Muhammad Farooq, FCA
ICAB Enrolment no: 0521
DVC No: 2304270521AS239039

Islami Bank Bangladesh Limited
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
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/Revaluation 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

(*)Note : General / other reserves

Particulars	01.01.2022	01.01.2021
General reserve	16,866,067,837	14,917,131,853
Dividend equalization account	32,000,000	32,000,000
Currency translation differences	17,627,126	18,376,319
Total	16,915,694,963	14,967,508,172

Islami Bank Bangladesh Limited
Statement of Changes in Equity
For the year ended 31 December 2021

(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
Balance as at 01 January 2021	16,099,906,680	1,989,633	19,735,466,258	14,967,508,172	9,125,905,260	72,115,200	1,609,990,668	61,612,881,871
Deferred tax on revaluation surplus	-	-	-	-	-	(6,092,800)	-	(6,092,800)
Deferred tax impact on excess depreciation	-	-	-	-	32,765,751	-	-	32,765,751
Depreciation adjustment on revalued fixed assets	-	-	-	-	(87,375,336)	-	87,375,336	-
Surplus/ (deficit) on account of revaluation	-	-	-	-	-	60,928,000	-	60,928,000
Currency translation differences	-	-	-	(749,193)	-	-	-	(749,193)
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	4,639,202,881	4,639,202,881
Transfer to (from) reserve	-	-	1,000,000,000	1,948,935,984	-	-	(2,948,935,984)	-
Dividend:								
Bonus shares	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	(1,609,990,668)	(1,609,990,668)	(1,609,990,668)
Start-up Fund transferred to retained earnings for adjustment against 2020	-	-	-	-	-	102,772,133	102,772,133	102,772,133
Start-up Fund transferred from retained earnings for 2021	-	-	-	-	-	(46,392,029)	(46,392,029)	(46,392,029)
Coupon/dividend on perpetual bond	-	-	-	-	-	(224,031,669)	(224,031,669)	(224,031,669)
Total shareholders' equity as on 31 December 2021	16,099,906,680	1,989,633	20,735,466,258	16,915,894,963	9,071,295,675	126,950,400	1,609,990,668	64,561,294,277
Add: Mudaraba perpetual bond	-	-	-	-	-	-	-	-
Add: Mudaraba redeemable subordinated bond	-	-	-	-	-	-	-	-
Add: General provision for unclassified investments and off-balance sheet items (Note-3.14.7)	-	-	-	16,041,678,293	-	-	-	-
Less: Year wise redemption	-	-	-	-	-	-	-	(3,600,000,000)
Less: Excess Tier-II Capital	-	-	-	-	-	-	-	(157,423,443)
Adjustment for intangible assets	-	-	-	(216,440,708)	-	-	-	(216,440,708)
Adjustment for currency translation differences	-	-	-	(17,627,126)	-	-	-	(17,627,126)
Less: Assets revaluation reserve (Note-3.14.4)	-	-	-	(9,071,295,675)	-	-	-	(9,071,295,675)
Less: Revaluation reserve of securities (Note-3.14.5)	-	-	-	-	(126,950,400)	-	-	(126,950,400)
Total equity as on 31 December 2021	16,099,906,680	1,989,633	20,735,466,258	32,723,305,423	-	-	1,609,990,668	98,189,075,219


Chairman
Director

Signed for & on behalf of
ACNABIN
Chartered Accountants

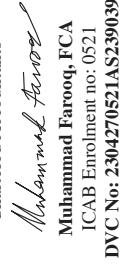
Md. Moniruzzaman, FCA
ICAB Enrollment no: 0787
DVC No: 2304270787AS974221

Dated: Dhaka, 27 April 2023


Director

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


Managing Director & CEO
Director

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants

Muhammad Farooq, FCA
ICAB Enrollment no: 0521
DVC No: 2304270521AS239039

Islami Bank Bangladesh Limited

Liquidity Statement

Assets & Liabilities Analysis

As at 31 December 2022

Particulars	1	Up to 1 Month	2	1 - 3 Months	3 - 12 Months	4	5	6	Amount in taka	
									Total 31.12.2021	Total 31.12.2022
ASSETS										
Cash in hand	62,879,006,624	-	89,792,004,258	18,715,000,000	2,280,000,000	-	-	60,625,786,000	123,504,792,624	246,163,286,116
Balance with other banks & financial institutions (Note-8.2)	-	-	-	-	-	-	-	-	110,787,004,358	76,156,107,566
Placement with Banks & other Financial Institutions	-	-	-	-	-	-	-	-	-	-
Investments (in shares & securities) (Note-10.4)	2,304,263,436	1,254,000,000	5,784,700,000	4,230,000,000	76,881,700,000	90,454,663,436	94,819,400,466	90,454,663,436	94,819,400,466	94,819,400,466
General investments etc. (Note-11.1.1)	169,223,200,000	114,752,500,000	685,032,007,786	147,170,000,000	210,465,900,000	1,326,643,607,786	1,137,670,855,057	1,326,643,607,786	1,137,670,855,057	1,137,670,855,057
Bills purchased & discounted (Note-11.2.1)	100,152,700,000	15,680,500,000	18,888,689,727	-	-	134,721,889,727	53,502,145,189	134,721,889,727	53,502,145,189	53,502,145,189
Fixed assets including premises (land & building), furniture and fixtures (Note-12.3)	-	-	957,842,518	3,051,254,845	14,428,222,725	18,437,320,088	18,437,320,088	18,437,320,088	18,437,320,088	18,437,320,088
Other assets (Note-13.1)	1,542,062,878	4,907,594,598	1,775,073,871	25,107,219,479	198,976,280	33,530,927,106	9,302,458,646	33,530,927,106	9,302,458,646	9,302,458,646
Non-banking assets	-	-	-	-	-	-	-	-	-	-
Total Assets	425,893,237,296	155,309,594,598	714,718,313,902	179,558,474,324	362,600,585,005	1,838,080,205,126	1,635,992,799,574	1,838,080,205,126	1,635,992,799,574	1,635,992,799,574
LIABILITIES										
Placement from banks & other financial institutions	110,814,569,400	45,057,000,000	31,566,800,000	-	-	84,947,300,000	-	187,438,369,400	36,765,300,000	36,765,300,000
Deposits (Note-15.5)	273,163,119,835	361,042,600,000	383,267,509,504	308,024,900,000	-	1,410,445,429,339	1,381,979,529,497	1,410,445,429,339	1,381,979,529,497	1,381,979,529,497
Other accounts	-	-	-	-	-	-	-	-	-	-
Provision & other liabilities (Note-17.11)	3,140,500,000	5,055,700,000	5,836,500,000	5,397,700,000	120,145,339,102	139,575,739,102	120,327,845,671	120,327,845,671	120,327,845,671	120,327,845,671
Deferred tax liability/(assets)	79,200,000	158,300,000	158,300,000	158,300,000	904,413,201	1,458,513,201	1,582,990,129	1,458,513,201	1,582,990,129	1,582,990,129
Mudaraba perpetual bond	-	-	-	-	-	11,000,000,000	11,000,000,000	11,000,000,000	10,175,840,000	10,175,840,000
Mudaraba redeemable subordinated bond	-	-	-	-	-	3,000,000,000	20,000,000,000	20,000,000,000	20,600,000,000	20,600,000,000
Total Liabilities	387,197,389,235	411,313,600,000	420,829,109,504	330,580,900,000	219,997,052,303	1,769,918,051,042	1,571,431,505,297	1,571,431,505,297	1,571,431,505,297	1,571,431,505,297
Net Liquidity Gap	38,695,848,061	(256,004,005,402)	293,889,204,298	(151,022,425,676)	142,603,532,702	68,162,154,084	64,561,294,277	64,561,294,277	64,561,294,277	64,561,294,277


Chairman

Signed for & on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
ICAB Enrollment no: 0787
DVC No: 2304270787AS974221

Signed for & on behalf of
Howladar Yunus & Co.
Chartered Accountants

Muhammad Farooq, FCA
ICAB Enrollment no: 0521
DVC No: 2304270521AS23039

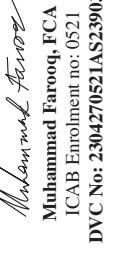
This is the liquidity statement referred to in our separate report of even date


Director

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


Managing Director & CEO

Signed for & on behalf of

Howladar Yunus & Co.
Chartered Accountants

Muhammad Farooq, FCA
ICAB Enrollment no: 0521
DVC No: 2304270521AS23039

Dated: Dhaka, 27 April 2023

Islami Bank Bangladesh Limited and its Subsidiaries

Notes to the financial statements

As at and for the year ended 31 December 2022

1.0 The Bank and its activities

1.1 Introduction

Islami Bank Bangladesh Limited [IBBL] (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) Limited and Chittagong Stock Exchange (CSE) Limited. The Bank carries out its business activities through its Head Office in Dhaka, 16 Zonal Offices, 394 Branches including 73 Authorised Dealer (AD) Branches, 228 Sub Branches, 2694 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 2022 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 20,792 (in 2021 19,193).

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 Limited located at Head Office Complex Branch- Dhaka, Uttara Branch- Dhaka and Agrabad Branch- Chittagong 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, Chittagong 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 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 22.03.2010 and date of commencement of business was 23.05.2010. Required capital was transferred to IBSL on 25.05.2010 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 Limited for remittance services and things incidental thereto under the Companies Act, CAP. 50 of the Republic of Singapore. Till 31 December 2022, no share capital of the subsidiary has been paid by its parent company i.e. Islami Bank Bangladesh Limited. The company is going to be closed which is under process. 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 Company 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. BRPD circular no. 15 of Bangladesh Bank 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 circular no. 15 dated 09 November 2009, an appropriation of profit should be disclosed on the face of Profit and Loss Account.

V. Investments in shares and securities

IFRS

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

Bangladesh Bank

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

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

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

VI. Provision for investments

IFRS

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

Bangladesh Bank

As per BRPD Circular no. 14 dated 23 September 2012, BRPD Circular no. 04 dated 29 January 2015, BRPD Circular no. 08 dated 02 August 2015, BRPD Circular No.12, dated 20 August, 2017, BRPD Circular No. 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 and BRPD Circular no. 53 dated 22 December 2022 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 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 equivalence of the bank providing the counter guarantee.

VIII. Recognition of investment income in suspense

IFRS

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

Bangladesh Bank

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

IX. Financial instruments – presentation and disclosure

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

X. Financial guarantees

IFRS

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

Bangladesh Bank

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

XI. Cash and Cash Equivalents

IFRS

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

Bangladesh Bank

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

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

IFRS

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

Bangladesh Bank

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

XIII. Cash flow statement

IFRS

The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank

As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, cash flow statement is to be prepared following a mixture of direct and indirect methods.

XIV. Non-banking assets

IFRS

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

Bangladesh Bank

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

XV. Presentation of intangible asset

IFRS

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

Bangladesh Bank

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

XVI. Off-balance sheet items

IFRS

As per IFRS, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank

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

XVII. Investments net off provision

IFRS

Investments should be presented net off provision.

Bangladesh Bank

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

XVIII. Revenue

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

XIX. Charges on tax on retained earnings, reserve, surplus as per Income tax ordinance (ITO) 1984

As per section 16(G) of the income tax ordinance 1984, 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 like 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 2022 to 31 December 2022.

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 536th meeting on 27 April 2023 and was subsequently authorized for issue by the Board of Directors in its 321st 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 2022 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. 1,460 (One thousand four hundred and sixty) crore and more than 5 (five) years for Tk. 60 (sixty) 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. IBBL 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-2022 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 FA 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 2022 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 2022, 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 2022."

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 2022, IBBL 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 2022.

Particulars	Amount in Tk.
Depreciation charge for right-of-use (ROU) assets by class of underlying asset	33,01,84,768
Finance charge on lease liabilities	7,68,77,066
Total cash outflows	32,14,82,274
Carrying amount of right of use assets at the end of the reporting year	1,14,62,24,414
Lease obligation on ROU assets as at end of the reporting year	1,14,98,66,656

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 accreted, 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) > NAVCMP * 0.95, then required provision per unit will be (RP) = CP - NAVCMP * 0.95.	Loss (net) to profit and loss account but no unrealized gain booking.
Mutual fund (Close-end)	Cost	If CP > Market Value (MV) or CP > NAVCMP * 0.85, then required provision (RP) per unit will be: (i) In case of MV ≥ NAVCMP * 0.85, then RP = CP - MV or (ii) In case of MV < NAVCMP * 0.85, then RP = CP - NAVCMP * 0.85.	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	Straight-line	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%
Books	-Do-	25.00%
Motor vehicles	-Do-	16.67% - 20.00% on Original Cost
Computers	-Do-	25% on Original Cost

3.4.2 Capital work in progress

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

3.4.3 Intangible assets

3.4.3.1 Recognition

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

3.4.3.2 Measurement

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

3.4.3.3 Amortization

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

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

Recognizing and measuring impairment loss

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

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

3.6 Other assets

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

3.7 Non-banking assets

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

3.8 Placement from banks and other financial institutions

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

3.9 Deposits and other accounts

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

3.10 Mudaraba Bond

3.10.1 Mudaraba Perpetual Bond

Mudaraba Perpetual Bond (MPB) was issued by the Bank under the mudaraba principles of Islamic Shari'ah as per approval of Bangladesh Bank Letter No. BRPD (P-1)661/14(a)/2006-1437 dated 07.05.2006 and Bangladesh Securities and Exchange Commission Letter No. SEC/CI/CPLC-118/2006/385 & SEC/CI/RPO-01/2007/386 both dated 10.06.2007. The Investment Corporation of Bangladesh (ICB) is the Trustee of the MPB. The MPB is listed with Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. 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 Ltd. and Chittagong Stock Exchange Ltd. 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 IBBL Mudaraba Redeemable Non-convertible Subordinated Bond of Tk. 500 crore, IBBL 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 IBBL 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 IBBL Mudaraba Redeemable Non-convertible Subordinated Bond of Tk. 500 crore, Tk.140 crore for IBBL 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 IBBL 3rd Mudaraba Redeemable Non-convertible Subordinated Bond during the year 2022. IBBL Fourth Mudaraba Redeemable Non-convertible Subordinated Bond of BDT 8,000 million has been issued on 29 December, 2022 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. 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 and BRPD Circular no. 53 dated 22 December 2022. Details are given below:

Particulars	Classification/Percentage (%) of provision requirement										
	2022					2021					
	UC	SMA	SS	DF	BL	UC	SMA	SS	DF	BL	
Cottage, Micro,& Small Investments Under CMSME	0.25%	0.25%	5%	20%	100%	0%	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%		
Investment to Stock Dealers & Stock Broker	2%		20%		50%		100%		2%		

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 FEPD circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Foreign Exchange Policy Department (FEPD) of Bangladesh Bank. 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 employees - Provident fund.

3.12.1.1 Provident fund

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 receives contributions @ 10% of the basic pay both from employees and employer.

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 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. 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 on taxable income of the Bank as per following rates:

Type of income	2022	2021
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. IBBL recognizes the underlying revaluation directly in equity, so the deferred tax thereon is also recognized as part of tax relating to equity. IBBL 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 Company 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 Limited (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 an 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 2022, 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-Wadeah 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 2022, 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.

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.

Department of Off-site Supervision (DOS) of Bangladesh Bank issued Circular No.-02 dated 15 February 2012 on Risk Management Guidelines for Banks and instructed all scheduled banks operating in Bangladesh to follow this Guidelines for managing various risks which have been complied by the Bank.

In addition, the Bank is also following relevant Bangladesh Bank guidelines on risk based capital adequacy, supervisory review process, stress testing and managing the banking risks in other core risk areas."

The risk of a bank is defined as the possibility of losses, financial or otherwise. 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, Prevention of 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.

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 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 Bangladesh Limited has formed 10 (ten) members Central Compliance Committee (CCC) under the leadership of a senior Deputy Managing Director of the Bank as the Chief Anti Money Laundering Compliance Officer (CAMLCO) at Head Office. Apart from that, Branch Compliance Units (BCU) and Zone Compliance Units (ZCU) are also functioning under the leadership of Branch Anti Money Laundering Compliance Officer (BAMLCO) at branch level and Zone Anti Money Laundering Compliance Officer (ZAMLCO) at Zonal Offices.

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

As per approved Policy, IBBL 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 2022, 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 2022, 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 2021.

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 Companies Act, 1991 as amended
- b) The Companies Act, 1994
- 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 Ordinance, 1984 and Income Tax Rule, 1984 as amended
- i) Value Added Tax and Supplementary Duty Act, 2012 as well as Value Added Tax and Supplementary Duty Rule, 2012
- j) Standards issued by AAOIFI
- k) The Stamp Act-1899
- l) The Customs Act-1969
- m) The Money Laundering Prevention Act, 2012
- n) 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	Independent Director	Chairman	B.Com, FCA	
2	Mohammed Shahabuddin	Vice-Chairman	Member	MSc. & LLB	
3	Khurshid Ul Alam	Director	Member	B.A (Hon's) & M.A in Economics	
4	Mohammed Nasir Uddin FCMA	Director	Member	M. Com in Accounting, FCMA	
5	Md Kamal Uddin	Director	Member	B.Com (Hons.) and M.Com in Marketing; M.Econ. and Ph.D in Development Economics	

03 (three) meetings were held for reviewing the Financial Statements out of total 07 (seven) meetings held in the year 2022. The Audit Committee reviewed the Financial Statements of 2022 on 27 April 2023.

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. IBBL) 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 31.12.2022

Sl. No	Name of the Directors	Status with the Bank	Name of the related Firms/ Companies/ Institutions/ Parties etc.	Remarks
1	Mohammad Nazmul Hassan	Chairman	Armada Spinning Mills Limited, Former Professor, University of Dhaka	
2	Yousif Abdullah Al-Rajhi	Vice-Chairman	General Manager of Al-Rajhi Co. for Industry & Trade	Foreign Director
3	Mohammed Shahabuddin	Vice-Chairman	JMC Builders Limited, Commissioner (Ex) Anti Corruption Commission	
4	Md Salim Uddin	Chairman, Executive Committee	Kingsway Endeavors Limited, Professor, Department of Accounting, University of Chittagong.	
5	Mohammad Solaiman	Chairman, Audit Committee	Public Accountant, M Solaiman & Co., Chartered Accountants; Ex President, Taxes Appellate Tribunal, Internal Resource Division, Ministry of Finance, Govt. of Bangladesh	Independent Director
6	Abdul Matin	Chairman, Risk Management Committee	Uniglobe Business Resources Limited, Retired Major General	
7	Areef Suleman	Director	Islamic Development Bank	Foreign Director
8	Mohammad Sirajul Karim	Director	Excel Dyeing & Printing Ltd., Professor, Primeasia University, Banani, Dhaka	
9	Md Kamal Uddin	Director	Professor, Department of International Business, University of Dhaka.	Independent Director
10	Mohammad Joynal Abedin	Director	ABC Ventures Limited, Ex Deputy Managing Director, Bangladesh Krishi Bank	
11	Dr Qazi Shahidul Alam	Director	Platinum Endeavours Limited, Professor, Orthopedic Surgery, A.K. Modern Medical College	
12	Musaid Abdullah A AlRajhi	Director	Arabsas Travel & Tourist Agency, K.S.A., GM, Abdullah Abdul Aziz Al Rajhi & Sons Real Estate Development Co., K.S.A.	Foreign Director
13	Syed Abu Asad	Director	Excelsior Impex Company Limited, Ex Managing Director, Rajshahi Krishi Unnayan Bank	
14	Tanveer Ahmad	Director	Managing Director, Paradise International Limited & Infinia Knit Fabrics Ltd.	
15	Mohammad Quamrul Hasan	Director	Grand Business Limited, Ex Managing Director & CEO, Jamuna Oil Co. Ltd., Chattogram	
16	Dr Mohammad Saleh Jahur	Director	Professor of Accounting and Finance, University of Chittagong	Independent Director
17	Md Fashiul Alam	Director	Ex Vice Chancellor, Feni University & Dean, Faculty of Business Studies, Port City International University	Independent Director
18	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	
19	Mohammed Nasir Uddin FCMA	Director	BLU International Limited	
20	Md Kamal Hossain Gazi	Director	Deputy Managing Director, Investment Corporation of Bangladesh	
21	Mohammed Monirul Moula	Managing Director & CEO	Islami Bank Bangladesh Limited	Ex-Officio Director

6.3 Related party balances and transactions

6.3.1 Related party balances

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

Amount in Taka											
SL. No.	Name of the Account/ Firm/ Trust etc.	Name of the Director	Relationship of the Director with the Firm/ Trust etc.	Pur- pose	Classified Position	Outstanding balance as on 01.01.2022	Disbursement/ charged during the year 2022	Realised during the year 2022	Outstanding balance as on 31.12.2022	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:

SL. No.	Name of the related parties	Nature of relationship	Nature of transactions	Closing balance	
				31.12.2022	31.12.2021
1	Islami Bank Securities Limited (IBSL)	Parent- subsidiary	Investment in share capital by IBBL	2,699,846,000	2,699,846,000
			Bank balance	14,345,477	270,604,959
			MTDR balance	680,000,000	429,915,001
			Quard balance	-	-
			Profit receivable	35,603,537	23,533,679
			Mudaraba investment	4,700,000,000	4,700,000,000
			Accounts payable	46,533,599	1,934,171
			Bank charge payable	-	-
2	Islami Bank Capital Management Limited (IBCML)	Parent- subsidiary	Dividend payable	-	134,992,300
			Investment in share capital by IBBL	299,993,000	299,993,000
			Bank balance	4,604,825	3,792,491
			MTDR balance	424,432,856	425,560,752
			Mudaraba investment	300,000,000	300,000,000
			Dividend payable	-	20,999,510

6.3.2 Related party transactions

Nature and type of related party transactions of the Bank during the year 2022 are as follows:

SL. No.	Name of the related party	Nature of relationship	Nature of transaction	2022
1	Islami Bank Securities Limited (IBSL)	Parent- Subsidiary	Deposit to Savings account maintained with IBBL	720,192,903
			Withdraw from Savings account maintained with IBBL	977,652,385
			Bank charge paid to IBBL	12,461
			Payment against office rent	392,251
			Tax deduction at source against MTDR	3,560,354
			Profit paid on investment against MTDR	35,603,537
			Profit withdrawn against MTDR	34,354,813
2	Chief Executive Officer	Key Management Personnel	Short-term employee benefits (Salary and allowance)	3,266,068
3	Islami Bank Capital Management Limited (IBCML)	Parent- Subsidiary	Payment of interim dividend to IBBL	-
			Profit against MTDR	22,934,746
			Profit against MSND	27,504
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.

7.0 Cash in hand

	31.12.2022	31.12.2021
	Taka	Taka
Cash in hand (including foreign currency) (Note. 7.1)	30,645,815,136	22,100,995,009
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency) (Note. 7.2)	92,858,977,487	224,062,391,107
Total	123,504,792,624	246,163,386,116

7.1 Cash in hand (including foreign currency)

In local currency	30,624,295,167	21,972,488,125
In foreign currency	21,519,969	128,506,884
Total	30,645,815,136	22,100,995,009

7.2 Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)

(a) Balance with Bangladesh Bank		
In local currency	87,540,125,982	219,918,197,716
In foreign currency	1,723,689,006	1,554,705,918
Sub-total	89,263,814,987	221,472,903,634

(b) Balance with Sonali Bank Ltd. (as agent of Bangladesh Bank)

In local currency	3,595,162,500	2,589,487,473
In foreign currency	-	-
Sub-total	3,595,162,500	2,589,487,473
Total (a+b)	92,858,977,487	224,062,391,107

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)	60,625,786,000	53,369,930,000
Actual reserve held with Bangladesh Bank in local currency (Note 7.2) *	87,512,125,982	219,890,197,716
Excess/(shortfall)	26,886,339,982	166,520,267,716

* 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)	84,380,664,000	73,850,661,000
Actual reserve maintained (Note- 7.3.2.1)	101,572,420,250	266,433,456,198
Excess/(shortfall)	17,191,756,250	192,582,795,198

			31.12.2022	31.12.2021
			Taka	Taka
7.3.2.1	Components of Statutory Liquidity Ratio (SLR)			
	Cash in hand including foreign currency (Note- 7.1)		30,645,815,136	22,100,995,009
	Excess CRR amount (Note- 7.3.1)		26,886,339,982	166,520,267,716
	Balance with Sonali Bank as Agent Bank of BB (Note- 7.2.b)		3,595,162,500	2,589,487,473
	Balance with Islamic Refinance Fund A/c (Note- 9)		-	-
	Unencumbered approved securities :			
	Bangladesh Shipping Corporation (Note -10.1)		230,600,000	161,056,000
	Bangladesh Government Islamic Investment Bond (Note -10.1)		40,000,000,000	60,000,000,000
	Bangladesh Government Sukuk Bond (Islamic Bond)		214,502,632	15,061,650,000
	Total		101,572,420,250	266,433,456,198
7(a)	Consolidated cash in hand			
7(a)(i)	Cash in hand (including foreign currency)			
	Islami Bank Bangladesh Limited		30,645,815,136	22,100,995,009
	Islami Bank Securities Limited		19,000	-
	Islami Bank Capital Management Limited		5,586	66,640
	Sub total		30,645,839,722	22,101,061,649
7(a)(ii)	Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)			
	Islami Bank Bangladesh Limited		92,858,977,487	224,062,391,107
	Islami Bank Securities Limited		-	-
	Islami Bank Capital Management Limited		-	-
	Sub total (ii)		92,858,977,487	224,062,391,107
	Total (i+ii)		123,504,817,210	246,163,452,756
8.0	Balance with other banks & financial institutions			
8.i	In Bangladesh			
	In current account		739,890,409	901,882,831
	OBUs balance with treasury division, IBBL (Note-2.0 _OBU)		260,151,791	173,081,459
	In Mudaraba savings & MTDR account with other islamic banks/financial institutions		86,102,354,719	60,669,776,603
	Sub total		87,102,396,919	61,744,740,893
	Less: OBU's balance with treasury division, IBBL		260,151,791	173,081,459
	Sub total (i)		86,842,245,128	61,571,659,434
8.ii	Outside Bangladesh (Note 8.1)			
	In current account		23,944,759,230	14,584,448,132
	In Mudaraba savings & MTDR account with other islamic banks/financial institutions		-	-
	Sub total (ii)		23,944,759,230	14,584,448,132
	Grand total (i+ii)		110,787,004,358	76,156,107,566
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	31.12.2022
				31.12.2021
	US Dollar	221,188,921.73	103.297	22,848,152,057
	Great Britain Pound (GBP)	968,306.74	124.111	120,177,808
	Saudi Riyal	692,228.07	27.465	19,012,252
	EURO	3,456,916.76	109.557	378,728,738
	YEN	14,382,814.00	0.768	11,047,439
	Canadian Dollar	35,645.67	75.881	2,704,833
	Swiss Franc	158,508.85	111.144	17,617,260
	Singapore Dollar	107,098.21	76.494	8,192,328
	China Currency (CNY)	5,788,873.27	14.799	85,669,536
	ACU Dollar	1,404,506.72	103.297	145,081,331
	AED	10,965,403.21	28.123	308,375,648
	Total			23,944,759,230
				14,584,448,132

			31.12.2022 Taka	31.12.2021 Taka		
8.2	Maturity - wise classification balance with other banks & financial institutions					
	Repayable on demand		192,104,358	30,826,659,434		
	With a residual maturity of					
	Up to 1 Month		89,599,900,000	14,584,448,132		
	Over 1 month but not more than 3 months		18,715,000,000	28,575,000,000		
	Over 3 months but not more than 1 year		2,280,000,000	2,170,000,000		
	Over 1 year but not more than 5 years		-	-		
	More than 5 years		-	-		
	Total		110,787,004,358	76,156,107,566		
8(a)	Consolidated Balance with other banks & financial institutions					
8(a)(i)	In Bangladesh					
	Islami Bank Bangladesh Limited		86,842,245,128	61,571,659,434		
	Islami Bank Securities Limited		5,202,537,715	5,512,393,900		
	Islami Bank Capital Management Limited		429,037,681	429,313,243		
	Inter-company balances		(1,169,785,467)	(1,129,368,735)		
	Sub-total (i)		91,304,035,057	66,383,997,842		
8(a)(ii)	Outside Bangladesh					
	Islami Bank Bangladesh Limited		23,944,759,230	14,584,448,132		
	Islami Bank Securities Limited		-	-		
	Islami Bank Capital Management Limited		-	-		
	Sub-total (ii)		23,944,759,230	14,584,448,132		
	Total (i+ii)		115,248,794,287	80,968,445,974		
9.0	Placement with banks & other financial institutions					
	Placement to OBU by Treasury Division, IBBL (Note-6.0 _OBU)		89,273,462,812	22,149,947,799		
	Placement to AD Branches for MDB in FC by OBU (Note-3.0 _OBU)		267,278,973	4,165,626,209		
	Placement to Islamic Refinance Fund Account (*)		-	-		
	Less: Placement to OBU by Treasury Division, IBBL		89,540,741,785	26,315,574,008		
	Less: Placement to AD Branches for MDB in FC by OBU		89,273,462,812	22,149,947,799		
	Total		267,278,973	4,165,626,209		
			-	-		
10.0	Investments in shares & securities					
			As at December 2022			
		Particulars	No. of share	Face Value/ Average cost	Total Cost price	Market Value
						Un-realized gain/ Loss
10.1	Government					Remarks
	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	100.00	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)	10	4,000,000.00	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

Particulars		As at December 2022				
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/ Loss
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 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	10,00,000	48,00,00,000	48,00,00,000	- 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	-

Particulars	As at December 2022					
	No. of share	Face Value/Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
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
AAMRACH	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	1278.82	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	1779.40	4982320	4823280	(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
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	1426.36	20,709,377	20,293,206	(416,171)	Quoted
MARICO	1,000	2335.88	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
NORTHRNINS	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

Particulars	As at December 2022					
	No. of share	Face Value/Average cost	Total Cost price	Market Value	Un-realized gain/Loss	Remarks
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	5839.70	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	1317.35	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
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	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)	

10.0 Investments in shares & securities

Particulars		As at December 2021				
		No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/loss
10.1	Government					
	Bangladesh Shipping Corporation (BSC)	2,240,000	71.90	161,056,000	161,056,000	-
	MPETROLEUM	40,000	225.24	9,009,645	7,872,000	(1,137,645)
	BSCCL	532,340	196.67	104,693,428	111,844,634	7,151,206
	Karmasangthan Bank	100,000	100	10,000,000	10,000,000	-
	Central Depository Bangladesh Ltd.	2,284,721	3	6,277,770	6,277,770	-
	Bangladesh Government Sukuk Bond (Islamic Bond)	150,616,500	100	15,061,650,000	15,061,650,000	-
	Bangladesh Government Islamic Investment Bond (Islamic Bond)	18	3,333,333,333	60,000,000,000	60,000,000,000	-
	Sub Total Government	155,813,579		75,352,686,843	75,358,700,404	6,013,561
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	-
	Islami Bank Capital Management Ltd.	299,993	1,000.00	299,993,000	299,993,000	-
	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	470,000,000	(30,000,000)
	UFS-IBBL Shari'ah Unit Fund	50,000,000	10.00	500,000,000	530,000,000	30,000,000
	CAPM IBBL Shari'ah Fund	47,500,000	10.00	475,000,000	793,250,000	318,250,000
	NAM IBBL Islamic Mutual Fund	10,651,731	9.99	106,399,998	106,836,862	436,864
	AT Capital Shari'ah Unit Fund	5,010,020	9.98	50,000,000	57,464,929	7,464,929
	Capitec Padma PFS Unit Fund	10,000,000	10.00	100,000,000	105,100,000	5,100,000
	UFS-Padma Life Ialami Unit Fund	15,000,000	10.00	150,000,000	166,500,000	16,500,000
	Capitec IBBL Shariah Unit Fund	3,750,000	10.00	37,500,000	41,437,500	3,937,500
	Sub Total (ii)	191,911,751		1,918,899,998	2,270,589,291	351,689,293
	iii) Foreign Share					
	APIF of IsDB	1,000	983,211.30	983,211,300	983,211,300	-
	Sub Total (iii)	983,211		983,211,300	983,211,300	-
	iv) Subordinated Debt					
	Mudaraba Subordinated Debt of Union Bank Ltd.	100	10,000,000	1,000,000,000	1,000,000,000	-
	Mudaraba Subordinated Debt of First Security Islami Bank (2nd)	720	1,000,000	720,000,000	720,000,000	-
	Mudaraba Subordinated Debt Social Islami Bank Ltd (3rd)	160	10,000,000	1,600,000,000	1,600,000,000	-
	Mudaraba Subordinated Debt of First Security Islami Bank (3rd)	3,250	1,000,000	3,250,000,000	3,250,000,000	-
	SIBL Mudaraba Perpetual Boad	1,500	1,000,000	1,500,000,000	1,500,000,000	-
	EXIM Bank Mudaraba Perpetual Boad	1,800	1,000,000	1,800,000,000	1,800,000,000	-
	FSIBL Mudaraba Perpetual Boad	1,800	1,000,000	1,800,000,000	1,800,000,000	-
	Sub Total (iv)	9,330		11,670,000,000	11,670,000,000	-

Particulars	As at December 2021					
	No. of share	Face Value/ Average cost	Total Cost price	Market Value	Un-realized gain/loss	Remarks
v) Others						
MSF Assets Management Ltd	-	-	-	-	-	Un-Quoted
Bangladesh Aroma Tea Co	1,570	100.00	157,000	-	(157,000)	De-listed
ACMELAB	750,462	104.78	78,637,127	64,914,963	(13,722,164)	Quoted
ACTIVEFINE	1,193,000	32.57	38,855,065	30,540,800	(8,314,265)	Quoted
APEXFOOT	23,269	336.93	7,840,046	6,238,419	(1,601,627)	Quoted
ACI	128,500	291.89	37,508,488	36,673,900	(1,304,964)	Quoted
ALIF	19,970	19.13	381,993	277,583	(104,410)	Quoted
AFC AGRO	129,030	41.27	5,325,416	3,625,743	(1,699,673)	Quoted
AGNISYSL	300,000	24.43	7,329,683	6,330,000	(999,683)	Quoted
APOLOISPAT	200,000	13.62	2,724,325	1,680,000	(1,044,325)	Quoted
BATASHOE	9,600	1,278.82	12,276,674	9,282,240	(2,994,434)	Quoted
BBS	9,98,617	36.76	36,705,047	18,274,691	(18,430,356)	Quoted
BBSCABLES	8,93,219	69.70	62,260,683	49,930,942	(12,329,741)	Quoted
BERGERPBL	1,400	1,809.04	2,532,655	2,472,260	(60,395)	Quoted
BEACONPHAR	2,07,000	188.39	38,996,419	50,383,800	11,387,381	Quoted
BPPL	2,00,000	44.18	8,835,672	6,840,000	(1,995,672)	Quoted
BPML	25,000	65.54	1,638,589	1,077,500	(561,089)	Quoted
BSRMSTEEL	4,51,827	85.99	38,852,797	32,124,900	(6,727,897)	Quoted
BXPHARMA	75,000	187.78	14,083,173	14,452,500	(369,327)	Quoted
CONFIDCEM	4,49,000	137.89	61,912,827	54,733,100	(7,179,727)	Quoted
DOREENPOWER	15,120	71.52	1,081,335	1,025,135	(56,200)	Quoted
EHL	1,80,000	58.43	10,516,543	8,424,000	(2,092,543)	Quoted
ESQUIRENIT	41,780	45.00	1,880,100	1,462,300	(417,800)	Quoted
EXIMBANK	15,40,000	12.89	19,857,300	19,558,001	(299,300)	Quoted
GP	3,44,900	361.36	124,633,021	120,542,550	(4,090,471)	Quoted
GENNEXT	13,91,500	10.03	13,952,950	8,070,700	(5,882,250)	Quoted
GPHSPAT	13,20,000	59.43	78,442,387	69,960,000	(8,482,387)	Quoted
HEIDELBCEM	94,174	520.48	49,015,521	25,652,998	(23,362,523)	Quoted
IBNSINA	53,603	269.52	14,446,985	14,542,494	95,509	Quoted
IFADAUTOS	9,58,680	73.51	70,473,088	45,345,564	(25,127,524)	Quoted
IBP	2,22,360	29.73	6,610,288	3,913,536	(2,696,752)	Quoted
INTRACO	1,90,000	23.04	4,378,522	3,686,000	(692,522)	Quoted
ISLAMICFIN	1,00,000	33.77	3,376,740	2,600,000	(776,740)	Quoted
LHBL	5,00,000	99.08	49,538,510	35,550,000	(13,988,510)	Quoted
LINDEBD	29,138	1,438.38	41,911,539	46,032,212	4,120,674	Quoted
MARICO	1,000	2,335.88	2,335,882	2,301,000	(34,882)	Quoted
MJLBD	5,01,100	105.28	52,758,129	44,247,130	(8,510,999)	Quoted
NAHEEACP	2,50,000	48.57	12,141,817	10,025,000	(2,116,817)	Quoted
NPOLYMAR	75,000	71.57	5,367,693	3,765,000	(1,602,693)	Quoted
NORTHRNINS	88,000	63.41	5,579,812	4,734,400	(845,412)	Quoted
OLYMPIC	2,42,812	261.20	63,422,084	38,995,607	(24,426,477)	Quoted
POWERGRID	8,45,000	63.64	53,771,959	50,362,000	(3,409,959)	Quoted
PTL	30,000	96.16	2,884,758	2,823,000	(61,758)	Quoted
QUASEMIND	1,50,000	58.84	8,825,440	6,795,000	(2,030,440)	Quoted
QUEENSOUTH	1,73,460	36.10	6,261,451	4,232,424	(2,029,027)	Quoted
RAKCERAMIC	4,00,000	51.74	20,697,286	17,760,000	(2,937,286)	Quoted
ROBI	2,00,000	46.58	9,316,224	6,920,000	(2,396,224)	Quoted
RINGSHINE	10,000	8.61	86,096	96,000	9,904	Quoted

Particulars	As at December 2021					
	No. of share	Face Value/Average cost	Total Cost price	Market Value	Un-realized gain/loss	Remarks
RUNNERAUTO	21,42,505	42.86	91,821,643	109,910,507	18,088,864	Quoted
SAPORTL	2,12,160	49.71	10,546,418	5,197,920	(5,348,498)	Quoted
SHASHADNIM	1,22,475	49.22	6,027,932	3,000,638	(3,027,295)	Quoted
SIBL	1,61,025	14.86	2,392,584	2,383,170	(9,414)	Quoted
SINGERBD	53,900	178.55	9,624,113	9,157,610	(466,503)	Quoted
SPCL	80,000	92.01	7,360,501	6,872,000	(488,501)	Quoted
SIMTEX	9,16,050	20.47	18,753,589	15,572,850	(3,180,739)	Quoted
SQURPHARMA	4,20,000	206.54	86,744,742	90,006,000	3,261,258	Quoted
SQUARETEXT	70,000	54.46	3,812,133	3,654,000	(158,133)	Quoted
SUMITPOWER	1,00,000	50.00	4,999,980	3,890,000	(1,109,980)	Quoted
TALLUSPIN	2,44,528	15.58	3,809,976	2,274,110	(1,535,866)	Quoted
WALTON	19,995	1,372.35	27,440,161	22,970,256	(4,469,905)	Quoted
Sub Total (v)	2,05,46,729		1,463,750,911	1,264,164,452	(200,325,114)	
vi) Others- Special Fund						
ACI	25,000	304.22	7,605,376	7,135,000	(470,376)	Quoted
BBSCABLES	21,000	57.29	1,203,000	1,173,900	(29,100)	Quoted
BXPHARMA	165,000	203.10	33,522,840	31,795,500	(1,727,340)	Quoted
CONFIDCEM	680,000	146.08	99,331,922	82,892,000	(16,439,922)	Quoted
DOREENPOWER	395,872	76.13	30,136,068	26,840,122	(3,295,946)	Quoted
EHL	150,000	60.08	9,011,518	7,020,000	(1,991,518)	Quoted
EXIMBANK	287,255	13.35	3,835,802	3,648,139	(187,663)	Quoted
GP	145,000	351.59	50,981,269	50,677,500	(303,769)	Quoted
GPHSPAT	324,709	57.02	18,515,329	17,209,577	(1,305,752)	Quoted
IBNSINA	20,000	270.01	5,400,236	5,426,000	25,764	Quoted
LHBL	50,000	80.17	4,003,277	3,555,000	(448,277)	Quoted
NAHEEACP	150,000	52.09	7,812,985	6,015,000	(1,797,985)	Quoted
OLYMPIC	90,000	171.29	15,416,431	14,454,000	(962,431)	Quoted
POWERGRID	390,000	58.41	22,780,734	23,244,000	463,266	Quoted
RAKCERAMIC	466,500	45.98	21,450,199	20,712,600	(737,599)	Quoted
SHAHJABANK	100,000	21.29	2,128,920	2,180,000	51,080	Quoted
SPCL	20,000	91.08	1,821,636	1,718,000	(103,636)	Quoted
SQURPHARMA	249,194	224.18	55,864,097	53,402,274	(2,461,823)	Quoted
SUMITPOWER	310,000	46.69	14,474,413	12,059,000	(2,415,413)	Quoted
UPGDCL	90,000	285.74	25,716,363	21,978,000	(3,738,363)	Quoted
Sub Total (vi)	41,29,530		431,012,415	393,135,611	(3,78,76,802)	
Sub Total Other than Government (i to v)	220,580,390		19,466,713,623	19,580,939,654	11,34,87,376	
Total (10.1+10.2)	376,393,969		94,819,400,466	94,939,640,058	11,95,00,937	

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 31.12.2022 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. Netting-off un-realized gain and diminution of values in securities as per DOS Circular No. 04 dated 24.11.2011, the ultimate requirement of provision for Capital Market Investment for the year 2022 (Note-17.2.1) is Tk. 513,451,432. However, provision for Tk. 157,000 is required for de-listed securities of Bangladesh Aroma Tea. Change in revaluation of shares of Bangladesh Shipping Corporation (BSC) has been shown as revaluation reserve of securities.

		31.12.2022 Taka	31.12.2021 Taka
10.4	Maturity grouping of investments in shares & securities		
	Repayable on demand		-
	With a residual maturity of		
	Up to 1 Month	2,304,263,436	2,769,800,000
	Over 1 month but not more than 3 months	1,254,000,000	1,080,100,000
	Over 3 months but not more than 1 year	5,784,700,000	1,290,000,000
	Over 1 year but not more than 5 years	4,230,000,000	5,571,600,000
	More than 5 years	76,881,700,000	84,107,900,466
	Total	90,454,663,436	94,819,400,466
10(a)	Consolidated investments in shares & securities		
10(a)(i)	Government		
	Islami Bank Bangladesh Limited	72,173,862,507	75,352,686,843
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company balances	-	-
	Sub total (i)	72,173,862,507	75,352,686,843
10(a)(ii)	Others		
	Islami Bank Bangladesh Limited	18,280,800,929	19,466,713,623
	Islami Bank Securities Limited	3,571,016,282	3,465,013,233
	Islami Bank Capital Management Limited	364,516,597	367,224,105
	Inter-company balances	(2,999,839,000)	(2,999,839,000)
	Sub total (ii)	19,216,494,808	20,299,111,961
	Total (i+ii)	91,390,357,315	95,651,798,804
11.0	Investments		
	General investments etc. (Note-11.1)	1,326,643,607,786	1,137,670,855,057
	Bills purchased & discounted (Note-11.2)	134,721,889,727	53,502,145,189
	Total	1,461,365,497,513	1,191,173,000,246
11.1	General investments etc.		
	i) In Bangladesh		
	Bai - Murabaha	841,296,289,653	706,178,064,578
	Bai - Muajjal	90,626,114,176	77,957,330,311
	Hire Purchase under Shirkatul Melk	238,453,148,471	222,725,969,511
	Hire Purchase under Shirkatul Melk (HPSM in FC-OBU)	11,288,596,229	12,865,002,198
	Hire Purchase under Shirkatul Melk (HPSM in FC-GTF)	2,352,511,331	1,226,799,337
	Bai-Murabaha Import Bills	14,743,245,102	9,089,787,606
	Baim- FC Bills	16,511,007,883	15,717,432,354
	Musharaka	188,236,382	187,609,673
	Mudaraba	5,000,140,000	5,000,160,000
	Bai - Salam	19,016,075,613	16,583,101,369
	Murabaha Foreign Currency Investment	42,741,796,096	33,017,731,333
	Quard	42,649,571,998	35,957,685,286
	Investment in Khidmah Card	1,776,874,850	1,164,181,501
	Sub total (i)	1,326,643,607,786	1,137,670,855,057

	31.12.2022 Taka	31.12.2021 Taka
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)	1,326,643,607,786	1,137,670,855,057
11.1.1 Maturity-wise classification		
Repayable on demand	-	-
With a residual maturity of		
Up to 1 Month	169,223,200,000	155,563,558,481
Over 1 month but not more than 3 months	114,752,500,000	307,145,667,555
Over 3 months but not more than 1 year	685,032,007,786	253,162,178,029
Over 1 year but not more than 5 years	147,170,000,000	304,897,902,675
More than 5 years	210,465,900,000	116,901,548,317
Total	1,326,643,607,786	1,137,670,855,057
11.1(a) Consolidated general investments etc.		
Islami Bank Bangladesh Limited	1,326,643,607,786	1,137,670,855,057
Islami Bank Securities Limited	-	-
Islami Bank Capital Management Limited	-	-
Inter-company balances	(5,000,000,000)	(5,000,000,000)
Total	1,321,643,607,786	1,132,670,855,057
11.2 Bills purchased & discounted		
i) In Bangladesh		
Musharaka Doc. Bill (MDB)	6,071,795,536	4,174,428,428
ii) Outside Bangladesh		
Mudaraba Doc Bill (UPAS)-OBU	125,851,365,332	42,775,977,150
Bai- As- Sarf (FDB)	1,546,935,639	2,390,700,235
MDB in FC	1,251,793,220	4,161,039,376
Sub-total (ii)	128,650,094,191	49,327,716,761
Total (i+ii)	134,721,889,727	53,502,145,189
11.2.1 Maturity-wise classification of bills purchased & discounted		
Payable within 1 month	100,152,700,000	17,655,707,912
Over 1 month but less than 3 months	15,680,500,000	17,120,686,460
Over 3 months but less than 6 months	9,922,569,095	9,922,569,095
6 months or more	8,966,120,632	8,803,181,722
Total	134,721,889,727	53,502,145,189
11.2(a) Consolidated bills purchased & discounted		
Islami Bank Bangladesh Limited	134,721,889,727	53,502,145,189
Islami Bank Securities Limited	-	-
Islami Bank Capital Management Limited	-	-
Total	134,721,889,727	53,502,145,189
11.3 Geographical location wise classification of investments		
Within Bangladesh		
In rural areas	82,566,782,467	78,140,895,879
In urban areas	1,378,798,715,046	1,113,032,104,367
Sub total	1,461,365,497,513	1,191,173,000,246
Outside Bangladesh		
Total	1,461,365,497,513	1,191,173,000,246

	31.12.2022 Taka	31.12.2021 Taka
11.4 Division wise classification of investments (*)		
Dhaka division	675,587,324,162	551,990,001,334
Chattogram division	427,683,318,742	378,911,874,681
Khulna division	85,151,150,493	65,633,587,849
Rajshahi division	168,201,588,029	109,706,959,001
Barisal division	19,294,389,093	15,723,472,951
Sylhet division	18,666,796,253	15,961,707,390
Rangpur division	45,945,340,308	37,045,455,211
Mymensingh division	20,835,590,433	16,199,941,829
Total	1,461,365,497,513	1,191,173,000,246
(*) 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	1,729,627,570	1,601,240,640
Sector wise other investments:		
Trade & commerce	478,872,859,614	377,471,856,473
Real estate	84,824,439,721	78,279,954,216
Transport	9,358,061,358	9,550,583,572
Agriculture (including fertilizer & agriculture implements)	46,982,709,146	35,589,480,273
Industrial investment (Note-11.5.1)	772,147,671,644	634,313,415,162
Others	67,450,128,460	54,366,469,910
Total	1,461,365,497,513	1,191,173,000,246
11.5.1 Classification of industrial investments		
Textile- spinning, weaving & dyeing	159,189,380,449	139,118,414,088
Garments & garments accessories	75,519,332,497	56,946,693,125
Steel, re-rolling & engineering	109,167,810,930	67,748,408,957
Agro-based industry	229,259,205,649	214,345,872,186
Food & beverage	16,122,251,652	16,926,903,051
Cements industry	16,837,020,948	13,039,957,909
Pharmaceuticals	4,517,198,001	3,837,733,295
Poultry, poultry feed & hatchery	3,431,744,931	2,156,822,693
Sanitary wares	60,036,128	17,849,494
Chemicals, toiletries & petroleum	16,164,625,021	13,131,013,270
Printing & packaging	15,150,781,116	13,857,612,473
Power (electricity)	12,379,742,126	5,499,176,756
Ceramic & bricks	13,926,208,986	12,064,818,208
Health care (hospital & others)	7,853,903,445	7,638,590,176
Plastic industries	6,846,274,595	6,470,433,370
Petrol pump & CNG filling station	2,771,844,805	2,153,085,483
Information technology	211,264,584	336,908,707
Hotel & restaurant	1,624,862,942	1,404,000,232
Other industries	81,114,182,839	57,619,121,689
Total	772,147,671,644	634,313,415,162

11.6 Details of investment to customers (10.00% of bank's regulatory equity 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	36	30
Amount of investments (Taka)	554,448,200,000	449,270,900,000
Classified amount thereon	Nil	Nil
Measures taken for recovery	Not Applicable	Not Applicable

Total regulatory capital of the Bank was Tk. 102,738.44 million as at 31 December 2022 & Tk. 98,189.08 million as at 31 December 2021.

(Taka in million)

Sl. No.	Name of clients	Sanctioned limit	Outstanding gross investment (*) as on 31.12.2022			31.12.2021
			Funded	Non-funded (**)	Total	
1	S. Alam Steels & Refined Sugar Ind. Ltd.	40,000	21,374	19,985	41,359	32,281
2	S. Alam Vegetable Oil Ltd.	38,400	20,410	19,672	40,082	38,506
3	S. Alam Super Edible Oil Ltd.	38,400	21,626	18,546	40,172	41,533
4	Bashundara Multifood Group	29,884	9,418	13,459	22,877	23,365
5	Nabil Group	29,000	9,721	8,959	18,680	26,172
6	Abul Khair Group	25,001	-	20,078	20,078	7,314
7	Noman Group	24,924	9,746	10,768	20,514	16,151
8	Mahmud Denims Ltd	24,907	12,721	12,418	25,139	16,809
9	Infinite CR Strips Ind Ltd.	23,200	13,830	-	13,830	14,189
10	BRB Group	21,543	1,628	2,297	3,925	3,856
11	Nassa Group	21,385	14,537	5,713	20,250	16,124
12	S. Alam Cold Rolled Steels Ltd.	21,150	15,191	2,621	17,812	14,765
13	Badsha Group	21,037	3,380	5,226	8,606	12,303
14	Chemon Ispat Ltd	20,000	16,047	280	16,327	14,403
15	Mosharrof & Brothers Group	19,045	7,257	9,170	16,427	14,227
16	Shaikh Brothers Group	18,783	6,361	12,407	18,768	12,345
17	Karnafuly Foods (Pvt) Ltd.	17,960	15,383	-	15,383	14,497
18	Inherent Trading & Impex	16,300	12,837	115	12,952	-
19	Jamuna Tyre (Group)	16,173	9,614	2,004	11,618	10,677
20	Unitex LP Gas Ltd	15,510	8,519	4,788	13,307	10,115
21	City Group	14,000	7,630	2,222	9,852	6,784
22	GMS Group	13,919	7,557	5,379	12,936	11,251
23	MSA Group	13,420	8,941	3,264	12,205	10,620
24	Aman Group	11,920	9,746	1,475	11,221	14,316
25	East West Property Dev (Pvt) Ltd.	10,400	11,354	-	11,354	11,334
26	Adil Corporation	10,000	10,871	-	10,871	10,670
27	Sadia Traders	10,000	10,834	-	10,834	10,723
28	Globe Edible Oil	9,996	9,225	1,838	11,063	10,914
29	ON Spinning Mills Ltd.	13,919	2,085	9,987	12,072	-
30	Unitex Steel Mills Ltd.	12,500	1,832	-	1,832	-
31	Energyprima Ltd.	12,043	4,776	6,634	11,410	-
32	Naba Farm Ltd.	11,700	7,768	66	7,834	-
33	Afil Group	11,620	1,147	10,528	11,675	-
34	Jalalabad Group	11,065	8,722	2,222	10,944	-
35	Grand Spinning Mills Ltd	11,063	-	-	-	-
36	Delta Group	7,074	10,200	38	10,238	-
37	Noapara Group	-	-	-	-	10,492
38	Doreen Group	-	-	-	-	1,031
39	Patromax Refinery/ Youth Group	-	-	-	-	11,503
Total		667,240	342,289	212,160	554,448	449,271

(*) Gross investments includes profit receivables amount.

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

		31.12.2022 Taka	31.12.2021 Taka
11.7	Classification status - wise investments		
	Unclassified :		
i)	Unclassified including staff investment	1,397,458,533,918	1,137,461,274,636
ii)	Special mention account (SMA)	9,884,950,814	14,324,613,070
	Total unclassified (i+ii)	1,407,343,484,732	1,151,785,887,706
	Classified :		
iii)	Substandard	7,862,650,291	9,019,071,911
iv)	Doubtful	5,188,913,638	4,979,992,507
v)	Bad and Loss	40,970,448,852	25,388,048,122
	Total classified (iii+iv+v)	54,022,012,781	39,387,112,540
	Grand total (i to v)	1,461,365,497,513	1,191,173,000,246
11.8	Pledged collaterals against investments		
	Land & building	1,210,228,451,052	1,197,544,179,510
	MTDR, securities, etc.	156,469,383,898	151,364,586,817
	Share certificates	343,175,535	343,870,535
	Total	1,367,041,010,485	1,349,252,636,862
11.9	Particulars of investments		
i)	Investments considered good in respect of which the bank is fully secured	1,401,168,075,659	1,142,004,187,894
ii)	Investments considered good in respect of which the Bank holds debtors' personal security	1,776,874,850	1,164,181,501
iii)	Investments considered good and secured by personal security of one or more persons in addition to personal security of debtors	58,420,547,004	48,004,630,851
iv)	Investments considered bad or doubtful not provided for.	-	-
	Total	1,461,365,497,513	1,191,173,000,246
v)	Investments due by directors or employees of the bank or any of them either severally or jointly with any other persons	32,376,228,246	31,015,557,327
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	5,695,875,143	5,210,965,526
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	40,970,448,852	25,388,048,122
b)	Provision for classified investments	42,073,978,491	37,230,278,491
c)	Provision kept against investments classified as bad & loss	41,118,078,491	35,894,675,797
d)	Amount credited to profit/ rent /compensation suspense account	43,754,288,943	36,175,187,913
	xi) Particulars of written off investments		
a)	Cumulative amount of investment written off since inception to 31 st 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
d)	Amount recovered against written off investment up to this year (*)	2,054,460,535	1,809,687,124
e)	Amount waived against written off investment up to this year	1,050,020,241	1,024,529,187
f)	Amount of investment written off against which suit has been filed to recover the same	9,063,428,425	9,333,692,890

(*) During the year of 2022, Tk. 270,264,466/- was recovered from written-off Investments, out of which a sum of Tk. 25,491,054/- was waived and remaining Tk. 244,773,412/- 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. 1,424.80 million as on 31.12.2022) of 1 (one) investment client Jamuna Electronics 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 Jamuna Electronics Ltd. 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)

	31.12.2022 Taka	31.12.2021 Taka
12.1 Tangible assets		
Land	7,623,650,885	7,623,650,885
Building	6,539,112,354	6,539,112,354
Construction/capital work-in-process	-	-
Furniture and fixtures	1,728,582,193	1,616,781,352
Mechanical appliances	3,078,275,343	2,953,527,300
Computer	2,307,615,731	2,077,839,123
Motor vehicles	1,631,823,019	1,769,962,030
ATM	3,896,801,136	2,863,680,143
Books	11,547,478	11,457,966
Right of Use- Assets for lease rent	2,380,392,163	2,380,392,163
Total cost of tangible assets including revaluation	29,197,800,302	27,836,403,316
Less: Accumulated depreciation	10,936,728,849	9,674,397,490
Net book value of tangible assets at the end of the year	18,261,071,453	18,162,005,826
12.2 Intangible assets		
Computer software	822,847,696	794,801,116
Total cost of intangible assets	822,847,696	794,801,116
Less: Accumulated amortization	646,599,061	578,360,408
Net book value of intangible assets at the end of the year	176,248,635	216,440,708
Total net book value at the end of the year (12.1+12.2)	18,437,320,088	18,378,446,533
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	957,842,518
Over 1 year but not more than 5 years	4,487,546,325	3,051,254,845
More than 5 years	13,175,186,115	14,369,349,170
Total	18,437,320,088	18,378,446,533
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.		

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

12(a).1 Tangible assets

Islami Bank Bangladesh Limited	18,261,071,453	18,162,005,826
Islami Bank Securities Limited	11,779,093	10,941,485
Islami Bank Capital Management Limited	4,665,537	5,547,851
Sub-total	18,277,516,083	18,178,495,162

12(a).2 Intangible assets

Islami Bank Bangladesh Limited	176,248,635	216,440,708
Islami Bank Securities Limited	652,942	891,568
Islami Bank Capital Management Limited	952,780	1,275,780
Sub-total	177,854,357	218,608,056
Total 12(a). 1+12(a).2	18,455,370,440	18,397,103,217

	31.12.2022 Taka	31.12.2021 Taka
13.0 Other assets		
i) Income generating other assets	-	-
ii) Non-income generating other assets		
Stock of stationery in hand	203,416,484	214,254,899
Stamps in hand	35,035,860	31,965,815
Advance rent paid	661,059,332	567,441,216
Security deposits account	27,533,605	27,093,579
Suspense	1,108,427,199	862,243,531
Advance against expenses	68,596,347	88,064,884
Pre-paid expense-OBU	80,908,818	7,810,184
Accrued income	3,783,243,517	1,140,782,333
IB General account (Note - 13.3)	19,769,529,631	4,473,863,613
Clearing adjustment	662,046,924	-
mCash adjustment	455,940,995	216,052,386
Dividend income receivable	44,528,510	189,960,227
Master card receivable	10,468,226	-
ATM receivable/UPI Receivable	894,831,852	75,951,181
eWallet Receivable	214,258,232	167,573,738
Agent RDS Receivable	3,765,307	131,850
POS Receivable	95,647,224	113,989,010
Advance against capital expenditure	164,500,000	1,125,280,200
Foreign remittance incentive receivable	3,377,202,877	-
NPS Receivable	775,519,041	-
Others	1,094,467,124	-
Sub-total (ii)	33,530,927,106	9,302,458,646
Total (i+ii)	33,530,927,106	9,302,458,646
13.1 Maturity-wise classification		
Repayable on demand	-	-
With a residual maturity of		
Up to 1 Month	9,547,854,123	1,542,062,878
Over 1 month but not more than 3 months	8,456,985,480	4,907,594,598
Over 3 months but not more than 1 year	7,548,793,652	1,775,073,871
Over 1 year but not more than 5 years	6,985,635,106	878,751,019
More than 5 years	991,658,745	198,976,280
Total	33,530,927,106	9,302,458,646
13.2 Classification status of other assets		
Unclassified	33,434,076,562	9,074,274,903
Doubtful	10,023,161	30,898,610
Bad/ Loss	86,827,383	197,285,133
Total	33,530,927,106	9,302,458,646
13.3 IB General account		
13.3.1 Un-reconciled entries of Inter Branch Transactions in Bangladesh		
Age		
Upto 3 months	16,235,230,319	4,225,496,674
Over 3 months but not more than 6 months	3,412,204,849	-
Over 6 months but not more than 9 months	108,355,678	-
Over 9 months but not more than 12 months	13,738,785	-
More than 12 months	-	112,634,340
Total	19,769,529,631	4,338,131,014

		31.12.2022 Taka	31.12.2021 Taka
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 Limited		33,530,927,106	9,302,458,646
Islami Bank Securities Limited		191,629,855	135,380,243
Islami Bank Capital Management Limited		26,458,138	37,906,985
Inter-company balances		(8,730,616)	(159,972,808)
Total		33,740,284,483	9,315,773,066
14.0	Placement from banks & other financial institutions		
Borrowing from Abroad- OBU (Note-14.1)		29,305,358,900	17,288,700,000
Borrowing from other Banks in Bangladesh- OBU (Note 14.2)		15,133,010,500	19,476,600,000
Borrowing from Bangladesh Bank (Note 14.3)		143,000,000,000	-
Borrowing from Treasury Division, IBBL -OBU (Note-6.0_OBU)		89,273,462,812	22,149,947,799
Fund obtained by AD branches from OBU for MDB in FC (Note-3.0_OBU)		267,278,973	4,165,626,209
Sub total		276,979,111,185	63,080,874,008
Less: Borrowing from Treasury Division, IBBL- OBU		89,273,462,812	22,149,947,799
Less: Fund obtained by AD branches from OBU for MDB in FC		267,278,973	4,165,626,209
Sub total		89,540,741,785	26,315,574,008
Total		187,438,369,400	36,765,300,000
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		
Ras Al Khaimah		6,197,820,000	1,115,400,000
Abu Dhabi Bank, UAE		2,034,950,900	1,501,500,000
First Gulf UAE		1,756,049,000	858,000,000
Dubai Islamic Bank		1,549,455,000	6,006,000,000
Emirates Islamic Bank, UAE		1,032,970,000	429,000,000
Emirates NBD Bank, UAE		1,032,970,000	858,000,000
Ajman Bank, UAE		9,813,215,000	-
Commercial Bank Of Dubai		2,065,940,000	-
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	-
SCB UAE		-	2,574,000,000
ICIC Bank, Mumbai		-	2,574,000,000
Commercial Bank of Doha, UAE		-	1,372,800,000
Total		29,305,358,900	17,288,700,000

		31.12.2022 Taka	31.12.2021 Taka
14.2	Borrowing from other Banks in Bangladesh		
	Bank Asia Ltd.	5,164,850,000	2,574,000,000
	The City Bank Ltd.	1,549,455,000	2,316,600,000
	NCC Bank Ltd.	1,084,618,500	943,800,000
	SIBL	206,594,000	1,287,000,000
	Jamuna Bank Ltd.	206,594,000	514,800,000
	Commercial Bank of Ceylon	2,582,425,000	-
	First Security Islami Bank Ltd.	1,549,455,000	-
	EXIM Bank Ltd.	1,549,455,000	-
	Trust Bank Ltd.	1,239,564,000	-
	Dhaka Bank Ltd.	-	3,861,000,000
	BRAC Bank Ltd.	-	2,574,000,000
	Pubali Bank Ltd.	-	2,402,400,000
	Southeast Bank Ltd.	-	1,287,000,000
	Al Arafah Islami Bank Ltd.	-	858,000,000
	Dutch Bangla Bank Ltd.	-	429,000,000
	One Bank Ltd.	-	429,000,000
	Total	15,133,010,500	19,476,600,000
14.3	Borrowing from Bangladesh Bank		
	Bangladesh Government Islamic Investment Bond (BGIIB)	113,000,000,000	-
	Bangladesh Government Investment Sukuk (BGIS)	30,00,00,00,000	-
	Total	143,000,000,000	-
14(a)	Consolidated placement from banks & other financial institutions		
	Islami Bank Bangladesh Limited	187,438,369,400	36,765,300,000
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Total	187,438,369,400	36,765,300,000
15.0	Deposits & other accounts		
	Mudaraba savings deposits (Note-15.1)	445,565,352,259	476,757,049,557
	Mudaraba term deposits	513,310,226,532	489,073,408,476
	Other mudaraba deposits (Note-15.2)	288,022,176,295	282,106,861,930
	Al-wadeeah current and other deposit accounts (Note-15.3)	153,259,252,714	125,924,721,060
	Bills payable (Note-15.4)	10,288,421,539	8,117,488,474
	Total	1,410,445,429,339	1,381,979,529,497
15.1	Mudaraba Savings Deposits		
	Mudaraba Savings Deposits	426,858,238,658	453,872,944,223
	Mudaraba Savings Deposits (RDS)	10,928,580,175	9,782,901,789
	Mudaraba School Student Savings Deposits	5,140,481,942	4,661,732,574
	Mudaraba Farmers Savings Deposits	2,113,625,314	2,108,911,364
	Mudaraba Industry Employee Savings Deposits	322,004,789	292,559,404
	Mudaraba Priority Savings	10,493,480	5,913,157,640
	Mudaraba Payroll Savings	191,927,901	124,842,562
	Total	445,565,352,259	476,757,049,557
15.2	Other mudaraba deposits		
	Mudaraba Special Notice Deposits	17,596,991,940	19,783,364,255
	Mudaraba Hajj Deposits	5,678,940,459	5,122,765,337
	Mudaraba Savings Bond	9,527,116,786	13,232,849,761
	Mudaraba NRB Savings Bond	658,885,212	738,455,237
	Mudaraba Special Savings (Pension) Deposits	154,141,092,164	152,248,842,866
	Mudaraba Monthly Profit Deposit Scheme	58,169,753,190	56,257,734,311
	Mudaraba Muhor Savings	832,982,189	827,172,133
	Mudaraba Waqf Cash Deposit	1,984,260,655	1,674,699,254
	Mudaraba Upahar Deposit Scheme	24,516,225	19,824,371
	Mudaraba FC Deposit	37,487,587,780	32,190,367,048
	Mudaraba FC Deposit -Exporters Retention Quota (ERQ)	7,984,597	10,787,357
	Mudaraba Bibaho Savings Deposits	136,766,601	-
	Mudaraba Senior Citizens	1,694,269,577	-
	Mudaraba Education Saving	33,776,902	-
	Mudaraba Expatriate Housing	47,252,019	-
	Total	288,022,176,295	282,106,861,930

		31.12.2022	31.12.2021
		Taka	Taka
15.3	Al Wadeeah current and other deposits accounts		
	Al Wadeeah Current Deposits	73,719,186,619	72,686,973,240
	Convertible Taka Account	151,708	151,708
	Non Resident Investors Taka Account	379,923,794	359,101,358
	Non Resident FC of Exchange House / Banks	1,565,811,723	864,964,228
	Non Resident FC of Exchange House/ Banks-OBU (Note-2.0_OBU)	260,151,791	173,081,459
	Non Resident Taka Account	6,048,594,705	3,733,866,443
	Foreign Currency Deposit	717,781,518	247,889,335
	Foreign Currency Deposit ERQ	1,436,216,278	2,006,319,006
	Other FC Deposit	47,289,688	40,293,595
	Foreign Currency: Security Deposit	177,856,927	139,147,276
	Foreign Currency Held against Back to Back L/C	6,660,921,685	4,237,746,613
	Foreign Currency held against Cash L/C	6,401,459,179	3,131,431,762
	Foreign Demand Draft /TT Payable	522,208,372	651,122,095
	Foreign Currency Deposit against Foreign Bank Guarantee	41,254,239	34,266,375
	Resident Foreign Currency Deposit	2,596,423	357,450
	Profit Payable	18,526,128,127	15,008,013,954
	Remittance Card Account	288,263	311,763
	Sundry Deposits (Note-15.3.1)	35,455,028,967	22,582,925,183
	FC Deposit of EPZ Enterprises	190,737,081	19,930,481
	Mobile Wallet Deposit	1,365,817,418	179,909,195
	Sub total	153,519,404,505	126,097,802,519
	Less: Non Resident FC of Exchange House/Banks-OBU	260,151,791	173,081,459
	Total	153,259,252,714	125,924,721,060
15.3.1	Break-up of sundry deposits		
	Sundry creditors	457,313,592	149,509,262
	Supervision charge	102,103,969	13,957,583
	Security deposit L/G	10,425,503	4,904,029
	Security money payable	110,559,642	164,304,352
	Security money locker	30,215,696	28,019,536
	Marginal deposit	1,602,721,790	1,344,150,406
	Closed account profit	268,420,263	184,896,383
	Sundry deposit others	2,102,691,399	1,165,055,311
	Govt. Tax & VAT	4,808,899,639	3,443,020,362
	Security Deposit - Investment	12,914,887	13,932,908
	Security Deposit - L/C (Wes)	4,526,913	3,334,913
	Security Deposit - Foreign L/C General	24,121,355,244	14,575,028,900
	Security Deposit - Bank Guarantee	1,654,015,335	1,316,441,013
	Security Deposits - Foreign Bill Negotiation (FBN)/MDB	-	209,422
	Security Deposit - IBP	145,486	148,486
	Security Deposit - Inland L/C	96,547,169	67,461,280
	Cash & Fixed assets insurance fund	66,707,852	63,166,779
	Other earnings (Note-15.3.1.1)	5,464,588	45,384,257
	Total	35,455,028,967	22,582,925,183
15.3.1.1	Break-up of other earnings		
	Opening balance	45,384,257	16,185,813
	Received from B. Bank FC clearing A/c	6,528,530	50,591,110
	Received from foreign correspondents/banks	-	-
	Total receipt during the year	6,528,530	50,591,110
	Total available balance	51,912,787	66,776,923
	Less:		
	Income tax provision @ 37.50%	2,448,199	18,971,666
	Transferred/ paid for charitable activities	44,000,000	2,421,000
	Closing balance	5,464,588	45,384,257

		31.12.2022	31.12.2021
		Taka	Taka
15.4	Bills payable		
	P.O. payable	7,789,272,121	6,373,873,742
	T.T. payable	1,138,282	1,133,681
	D.D. payable	48,487,126	52,512,861
	BEFTN, RTGS EFT & ACS payable	2,222,675,219	256,389,029
	Spot cash payable	226,848,790	193,760,075
	Foreign remittance incentive payable	-	1,239,819,086
	Total	10,288,421,539	8,117,488,474
15.5	Maturity wise classification of deposits (other than inter-Bank deposit)		
	Re-payable on demand	249,899,800,000	132,050,351,113
	With a residual maturity of		
	Re- payable within 1 month	16,321,725,406	113,602,427,492
	Over 1 month but not more than 3 months	361,042,600,000	305,940,305,834
	Over 3 months but within 6 months	348,796,100,000	184,209,801,158
	Over 6 months but not more than 1 year	34,471,409,504	199,057,708,346
	Over 1 year but not more than 5 years	308,024,900,000	297,834,037,508
	Over 5 years but within 10 years	84,843,874,877	147,369,922,650
	Unclaimed Deposits for 10 years or more	103,425,123	104,806,721
	Sub-total	1,403,503,834,910	1,380,169,360,822
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	6,941,594,429	1,810,168,675
	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	6,941,594,429	1,810,168,675
	Total (15.5+15.6)	1,410,445,429,339	1,381,979,529,497
15.7	Other banks' deposits with IBBL		
	Al Wadeeah Current Deposits	187,392,999	112,161,161
	Mudaraba Special Notice Deposits	1,224,928,049	817,185,547
	Mudaraba Savings Account	15,378,437	15,031,967
	Mudaraba Term Deposits Receipt	5,513,894,944	865,790,000
	Total	6,941,594,429	1,810,168,675
15.8	Sector wise break up of deposits and other accounts		
	Government	751,589,000	523,554,000
	Other banks' deposit	6,941,594,429	1,810,168,675
	Other public	1,416,789,000	5,999,909,000
	Foreign currency	55,259,705,491	43,574,622,622
	Private	1,346,075,751,418	1,330,071,275,200
	Total	1,410,445,429,339	1,381,979,529,497
15(a)	Consolidated deposits & other accounts		
	Islami Bank Bangladesh Limited	1,410,445,429,339	1,381,979,529,497
	Islami Bank Securities Limited	1,107,954	1,107,954
	Islami Bank Capital Management Limited	-	-
	Inter-company balances	(1,131,982,484)	(1,131,415,562)
	Total	1,409,314,554,809	1,380,849,221,889
16.0	Mudaraba Bond		
	Perpetual Bond (Note-16.1)	11,000,000,000	10,175,840,000
	Redeemable Subordinated Bond (Note-16.2)	20,000,000,000	20,600,000,000
	Total	31,000,000,000	30,775,840,000
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	7,175,840,000
	Total	11,000,000,000	10,175,840,000
	(*) Security pledged against Mudaraba Perpetual Bond (MPB)	4,489,100,000	4,489,100,000

		31.12.2022	31.12.2021
		Taka	Taka
16.1.1	Mudaraba Perpetual Contingent Convertible Bond		
	Private Placement (Note-16.1.1.1)	7,200,000,000	6,375,840,000
	Public Subscription	800,000,000	800,000,000.00
	Total	8,000,000,000	7,175,840,000
16.1.1.1	Private placement		
	Standard Bank Limited	2,305,840,000	2,305,840,000
	Al-Arafah Islami Bank Limited	2,000,000,000	2,000,000,000
	Shahjalal Islami Bank Limited	1,000,000,000	1,000,000,000
	Trust Bank Limited	1,000,000,000	1,000,000,000
	Quality Feeds Limited	70,000,000	70,000,000
	EXIM Bank Employees' Gratuity Fund	494,160,000	-
	United Commercial Bank Limited (PLC)	230,000,000	-
	Pubali Bank Limited	100,000,000	-
	Total	7,200,000,000	6,375,840,000
16.2	Redeemable Subordinated Bond		
	Private Placement (Note-16.2.1)	20,000,000,000	20,600,000,000
	Public Subscription	-	-
	Total	20,000,000,000	20,600,000,000
16.2.1	Private placement		
	Agrani Bank Limited	5,300,000,000	6,500,000,000
	EXIM Bank of Bangladesh Limited	3,000,000,000	4,000,000,000
	Sonali Bank Limited	1,720,000,000	2,200,000,000
	Shahjalal Islami Bank Limited	1,880,000,000	2,200,000,000
	Rupali Bank Limited	1,600,000,000	1,800,000,000
	Dutch-Bangla Bank Limited	2,000,000,000	1,000,000,000
	Eastern Bank Limited	1,000,000,000	1,000,000,000
	Pubali Bank Limited	400,000,000	600,000,000
	Square Pharmaceuticals Limited	500,000,000	500,000,000
	Southeast Bank Limited	300,000,000	400,000,000
	Dhaka Bank Limited	300,000,000	400,000,000
	Al-Arafah Islami Bank Limited	2,000,000,000	-
	Total	20,000,000,000	20,600,000,000
17.0	Other liabilities		
	Provision for classified & unclassified investments and off- balance sheet items (Note- 17.1)	59,880,560,000	53,271,956,784
	Provision for diminution in value of investments in shares (Note - 17.2)	326,413,888	157,000
	Other provisions (Note- 17.3)	185,230,754	445,731,199
	Compensation account (Note- 17.5)	7,180,881,364	5,816,920,339
	Profit/rent/compensation suspense (Note- 17.6)	43,754,288,943	36,175,187,913
	Current tax (Note-17.7)	16,671,765,872	13,369,984,273
	Zakat payable (Note-17.8)	296,935,239	1,287,595,551
	Foreign correspondents charges	33,971,209	21,468,485
	Incentive bonus payable	1,635,876,929	1,362,929,501
	Payable against expenditure	319,735,497	262,755,460
	Clearing adjustment	-	89,064,280
	Transfer delivery adjustment	32,360	45,748
	BEFTN adjustment	45,575,417	40,999,276
	Payable to Benevolent Fund, GF & SAF	-	500
	F.C. Payable for IBBL Cards	12,860,044	14,413,410
	Unclaimed dividend (Note-17.9)	17,384,465	23,179,157
	Stimulus Fund: Covid-19	564,908,643	1,977,282,570
	Agri. Refinance: Covid-19	4,261,863,357	3,050,854,392
	Cover Fund HPSM FC-GTF	2,077,047,528	1,236,788,150
	Automated Challan System	3,694,206	1,822,164
	Lease obligation on ROU assets	1,149,866,656	1,394,471,864
	Start-Up Fund for investment (Note-17.10)	150,836,566	91,602,110
	Others	1,006,010,164	392,635,545
	Total	139,575,739,102	120,327,845,671

	31.12.2022 Taka	31.12.2021 Taka
17.1 Provision for classified & unclassified investments and off- balance sheet items		
General provision		
Unclassified investments excluding OBU	11,848,641,509	10,408,008,293
Sepcial General Provision COVID-19	2,369,840,000	2,800,000,000
Unclassified investments- OBU	1,376,970,000	556,410,000
Special mention account	75,100,000	93,210,000
Sub-total (Note-17.1.1)	15,670,551,509	13,857,628,293
Off-balance sheet items (Note-17.1.2)	2,136,030,000	2,184,050,000
Sub-total (General provision)	17,806,581,509	16,041,678,293
Specific provision (Note-17.1.3)		
Sub-standard	505,600,000	972,150,844
Doubtful	450,300,000	363,451,850
Bad and loss (*)	41,118,078,491	35,894,675,797
Sub-total (Specific provision)	42,073,978,491	37,230,278,491
Total provision held at the end of the year	59,880,560,000	53,271,956,784
(*) As on 31 December 2022 provision of Tk. 23,635.88 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. 41,118.08 million against Tk. 24,902.75 million as on 31 December 2021.		
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 Limited and subsequent Bangladesh Bank Letter No.DBI-6/51(1)/2023-361 dated 26 April 2023.		
17.1.1 General provision on unclassified investment including OBU		
Provision held at the beginning of the year	13,857,628,293	10,253,558,293
Provision made/(no longer required) during the year	1,812,923,216	3,604,070,000
Total provision held at the end of the year	15,670,551,509	13,857,628,293
17.1.2 General provision on off-balance sheet items		
Provision held at the beginning of the year	2,184,050,000	1,567,090,000
Provision made/(no longer required) during the year	(48,020,000)	616,960,000
Total provision held at the end of the year	2,136,030,000	2,184,050,000
Sub-total (17.1.1+17.1.2)	17,806,581,509	16,041,678,293
17.1.3 Provision for classified investments		
Provision held at the beginning of the year	37,230,278,491	36,297,928,491
Fully provided investment written off/waived/transferred (Note-17.1.3.1)	(1,100,227)	(12,904,040)
Recoveries of amounts previously written off	244,773,412	93,360,314
Provision made/ (no longer required) during the year	4,600,026,815	851,893,726
Total provision held at the end of the year	42,073,978,491	37,230,278,491
Total provision for investments (17.1.1+17.1.3)	57,744,530,000	51,087,906,784
Total provision (17.1.1+17.1.2+17.1.3)	59,880,560,000	53,271,956,784
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	1,100,227	12,904,040
Total	1,100,227	12,904,040
17.1.4 Provision made for investments & off- balance sheet items for the year		
Provision for classified investments	4,600,026,815	851,893,726
General provision on unclassified investment including OBU	2,243,083,216	2,704,070,000
Sepcial General Provision Covid-19	(430,160,000)	900,000,000
General provision on off-balance sheet items	(48,020,000)	616,960,000
Total provision made during the year	6,364,930,031	5,072,923,726

17.1.5 Total Provision Requirement and maintained for investments including off balance sheet items at the end of year 2022

Particulars	Required Provision for 2022 (Taka)	Maintained Provision for 2022 (Taka)
General provision on unclassified investment including OBU	15,670,060,000	15,670,560,000
Provision for classified investments	17,838,080,000	17,838,080,000
Provision for investments considering qualitative judgment	24,235,890,000	24,235,890,000
Total provision for investment	57,744,030,000	57,744,530,000
General provision on off-balance sheet items	2,136,030,000	2,136,030,000
Total provision for investment including off balance sheet items at the end of the year	59,880,060,000	59,880,560,000
Provision surplus/(deficit) for the year 2022		500,000

17.2 Provision for diminution in value of investments in shares

	31.12.2022 Taka	31.12.2021 Taka
Opening balance	157,000	5,157,000
Add: Provision made/(adjustment) during the year	326,256,888	(5,000,000)
Closing balance (Note-17.2.1)	326,413,888	157,000

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

i) Dealing securities

Quoted	261,975,310	(94,834,111)
Un-quoted	64,281,578	(38,258,652)
Sub-total	326,256,888	(133,092,763)
Required provision (i)	326,256,888	-

ii) Investment securities

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

(*) As per DOS Circular No.03 dated 12.03.2015 & DOS Circular No.10 dated 28.06.2015, there is no requirement of provision for Mutual funds (considering NAVcmp 95% for open-end mutual fund & 85% for closed-end mutual fund); rather a surplus of Tk. 35,318,422 exists in un-realized gain. On the other hand, as per 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), required provision against shares other than Mutual Funds comes to Tk. 361,575,310. Finally, netting-off un-realized gain and diminution of values in securities as per DOS Circular No.04 dated 24.11.2011, the ultimate requirement of provision for Capital Market Investment is Tk. 326,256,888. Additionally, provision for Tk. 157,000.00 is required for de-listed securities of Bangladesh Aroma Tea Co.

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

Islami Bank Bangladesh Limited	326,256,888	(5,000,000)
Islami Bank Securities Limited	140,456,245	274,998,449
Islami Bank Capital Management Limited	16,432,200	43,778,281
Total	483,145,333	313,776,730

17.3 Other provisions

Provision for other assets (Note-17.3.1)	93,811,693	212,734,438
Provision for doubtful income account (Note-17.3.2)	91,419,061	232,996,761
Total	185,230,754	445,731,199

17.3.1 Provision for other assets

Opening balance	212,734,438	244,261,361
Less: Settlement	-	-
Add: Provision made/(adjustment) during the year	(118,922,745)	(31,526,923)
Closing balance	93,811,693	212,734,438

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

		31.12.2022 Taka	31.12.2021 Taka
17.3.2	Provision for doubtful income account		
Opening balance		232,996,761	161,883,663
Add: Provision made during the year		82,222,300	76,728,018
Less: Expended for charitable purposes		223,800,000	5,614,920
Closing balance		91,419,061	232,996,761
17.4	Other provisions made for the year		
Provision for other assets		(118,922,745)	(31,526,923)
Provision for doubtful income account		82,222,300	76,728,018
Others		-	-
Total		(36,700,445)	45,201,095
17.5	Compensation account		
Opening balance		5,816,920,339	4,411,863,867
Addition during the year		3,420,945,640	2,970,170,356
Sub total		9,237,865,979	7,382,034,223
Less: Income tax provision @ 37.50%		1,282,854,615	1,113,813,884
Less: Expended for charitable activities		774,130,000	451,300,000
Closing balance		7,180,881,364	5,816,920,339
17.6	Profit/rent/compensation suspense		
Profit/rent suspense (Note-17.6.1)		3,781,865,141	3,596,249,597
Compensation suspense (Note-17.6.2)		39,972,423,802	32,578,938,316
Total		43,754,288,943	36,175,187,913
17.6.1	Profit/rent suspense		
Balance at the beginning of the year		3,596,249,597	3,596,873,930
Amount transferred to suspense account during the year		450,436,666	349,763,375
Amount transferred to investment income during the year		(208,232,957)	(288,447,684)
Amount written-off during the year		-	-
Amount waived during the year		(56,588,165)	(61,940,024)
Balance at the end of the year		3,781,865,141	3,596,249,597
17.6.2	Compensation suspense		
Balance at the beginning of the year		32,578,938,316	26,010,671,169
Amount transferred to suspense account during the year		10,018,632,691	7,944,471,807
Amount transferred to compensation income during the year		(1,584,977,205)	(727,844,628)
Amount written-off during the year		-	-
Amount waived during the year		(1,040,170,000)	(648,360,032)
Balance at the end of the year		39,972,423,802	32,578,938,316
17.7	Current tax liability		
Balance of provision on 01 January		22,021,038,824	20,293,070,116
Add: Provision made during the year (Note 17.7.1)		8,768,960,631	6,800,304,448
Add: Other provision made during the year		1,285,302,814	1,132,785,550
Less: Settlement for previous year		6,793,297,250	6,205,121,290
Total (a)		25,282,005,019	22,021,038,824
Advance income tax paid			
Balance of advance tax on 01 January		8,651,054,551	7,604,358,763
Add: Payment made during the year		6,752,481,846	7,251,817,078
Less: Settlement for previous year		6,793,297,250	6,205,121,290
Total (b)		8,610,239,147	8,651,054,551
Net balance as at 31 December (a-b)		16,671,765,872	13,369,984,273

	31.12.2022 Taka	31.12.2021 Taka
17.7.1 Provision for current tax made during the year		
Income tax @ 37.50% on taxable profit (A)	8,713,239,736	6,700,058,787
Add: Income tax @ 20% on dividend income	43,144,247	72,570,015
Capital Gain @ 10%	12,576,648	27,675,646
Estimated provision required as at 31 December	8,768,960,631	6,800,304,448
Computation of taxable profit		
Profit before tax	14,592,921,537	11,441,284,869
Less: Dividend income	215,721,237	362,850,073
Less: Capital Gain	125,766,484	276,756,459
Profit before tax (excluding dividend income and capital gain)	14,251,433,816	10,801,678,337
Add: Inadmissible expenditure	10,381,373,671	8,482,381,843
Less: Further allowable expenditure	1,397,501,525	1,417,236,750
Estimated taxable profit for the year (A)	23,235,305,962	17,866,823,431

Provision for tax for the year ended on 31.12.2022 has been made as per Income Tax Ordinance, 1984 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 2021. 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	2022		2021	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		14,592,921,537		11,441,284,869
Income Tax using the domestic corporate tax rate	37.50%	5,472,345,576	37.50%	4,290,481,826
Factors affecting the tax charge for current year:				
Non deductible expenses	26.68%	3,893,015,127	27.80%	3,180,893,191
Tax exempt income	-3.59%	(524,063,072)	-4.65%	(531,463,781)
Tax savings from reduced tax rates from dividend	-0.50%	(72,337,000)	-1.22%	(139,606,789)
Total income tax expenses	60.09%	8,768,960,631	59.44%	6,800,304,447

	31.12.2022 Taka	31.12.2021 Taka
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17.7(a) Consolidated current tax made during the year

Islami Bank Bangladesh Limited	8,768,960,631	6,800,304,448
Islami Bank Securities Limited	96,030,731	118,955,228
Islami Bank Capital Management Limited	5,679,219	16,903,607
Total	8,870,670,581	6,936,163,283

17.8 Zakat payable

Opening balance	1,287,595,551	1,258,687,787
Addition during the year	970,999,128	894,913,964
Total	2,258,594,679	2,153,601,751
Less: expended for charitable activities	1,961,659,440	866,006,200
Closing balance	296,935,239	1,287,595,551

17.9 Unclaimed dividend

Dividend remained unclaimed which were declared for the year:

Before 2017	-	-
2017	2,831,352	4,306,829
2018	2,792,633	4,419,435
2019	3,601,924	5,206,610
2020	3,652,417	9,246,283
2021	4,506,139	-
Total	17,384,465	23,179,157

		31.12.2022 Taka	31.12.2021 Taka
17.10	Start-Up Fund for investment		
Opening balance		91,602,110	147,982,214
Amount transferred to retained earnings for excess provision in previous year		-	(102,772,133)
Revised balance		91,602,110	45,210,081
Provision made during the year		59,234,456	46,392,029
Closing balance		150,836,566	91,602,110
<p>The Bank has created Start-Up Fund for investment in 2020 as per SMESPD Circular no. 04, dated 29 March 2021. Later on Bangladesh Bank issued a revised SMESPD Circular Letter no. 05, dated 26 April 2021 to create fund 1% of Net Profit instead of Operating Profit of the Bank. To comply the same in the year 2021 Tk. 102,772,133 was transferred to retained earnings from Start-up Fund of 2020.</p>			
17.11	Maturity-wise classification of other liabilities		
Repayable on demand		-	-
With a residual maturity of			
Up to 1 Month		3,140,500,000	2,466,987,052
Over 1 month but not more than 3 months		5,055,700,000	11,982,508,536
Over 3 months but not more than 1 year		5,836,500,000	10,220,374,928
Over 1 year but not more than 5 years		5,397,700,000	9,398,045,911
More than 5 years		120,145,339,102	86,259,929,244
Total		139,575,739,102	120,327,845,671
17(a)	Consolidated other liabilities		
Islami Bank Bangladesh Limited		139,575,739,102	120,327,845,671
Islami Bank Securities Limited		4,989,518,719	5,369,728,188
Islami Bank Capital Management Limited		405,974,694	432,214,682
Inter-company balances		(5,046,533,236)	(5,157,925,618)
Total		139,924,699,279	120,971,862,923
18.0	Deferred tax (assets)/liabilities		
<p>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:</p>			
(i) Deferred tax on fixed assets excluding revaluation surplus			
Carrying amount		6,344,997,627	5,870,748,352
Tax Base		5,834,236,255	5,094,694,390
Temporary timing difference		510,761,372	776,053,962
Deferred tax (asset)/liability @ 37.50%		191,535,515	291,020,236
Opening balance		291,020,236	345,492,696
Deferred tax (income)/expenses		(99,484,721)	(54,472,460)
(ii) Deferred tax on revaluation reserve of Building			
Carrying amount		3,322,447,163	3,407,638,115
Tax Base		-	-
Temporary timing difference		3,322,447,163	3,407,638,115
Deferred tax (asset)/liability @ 37.50%		1,245,917,686	1,277,864,293
Opening balance		1,277,864,293	1,310,630,044
Transfer to /from reserve		(31,946,607)	(32,765,751)
(iii) Deferred tax on revaluation reserve of securities (HTM)			
Carrying amount		230,600,000	161,056,000
Tax Base		20,000,000	20,000,000
Temporary timing difference		210,600,000	141,056,000
Deferred tax (asset)/liability @ 10.00%		21,060,000	14,105,600
Opening balance		14,105,600	8,012,800
Transfer to /from reserve		6,954,400	6,092,800

					31.12.2022 Taka	31.12.2021 Taka
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					-	(56,250,000)
Deferred tax (income)/expenses					-	56,250,000
(v) Net deferred tax (income)/expenses (i+iv)					(99,484,721)	1,777,540
(vi) Net deferred tax (assets)/liabilities (i+ii+iii+iv)					1,458,513,201	1,582,990,129
(vii) Net deferred tax transferred to reserve (ii)					(31,946,607)	(32,765,751)
(viii) Net deferred tax transferred from reserve (iii)					6,954,400	6,092,800
18(a) Consolidated Deferred tax (assets)/liabilities						
Islami Bank Bangladesh Limited					1,458,513,201	1,582,990,129
Islami Bank Securities Limited					(2,447,928)	(2,668,079)
Islami Bank Capital Management Limited					318,730	365,853
Total					1,456,384,003	1,580,687,903
18(b) Consolidated Deferred tax (income)/expenses for the year					2022 (Taka)	2021 (Taka)
Islami Bank Bangladesh Limited					(99,484,721)	1,777,540
Islami Bank Securities Limited					220,151	65,220
Islami Bank Capital Management Limited					(47,123)	331,472
Total					(99,311,693)	2,174,232
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 2022 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%

No. of shares allotted	Date of issue	Face Value	Total allotted Shares (Cumulative Figure)	Total Paid-up Capital (Cumulative Figure)	Year	Remarks
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	IBBL 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		IBBL 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, 2022	% of Total	31.12.2022 Amount in Taka	31.12.2021 Amount in Taka
(i) Sponsors/ promoters*	886,481,611	55.0613%	8,864,816,110	8,262,022,660
(ii) General public	723,488,740	44.9374%	7,234,887,400	7,837,680,850
(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 31.12.2022

Holdings	No. of Shareholders	Total Holdings/ No. of Shares	Percentage (%)
Less than 500 Shares	14,215	2,178,230	0.1353%
500 to 5,000 Shares	9,574	16,040,391	0.9963%
5,001 to 10,000 Shares	1,176	8,585,660	0.5333%
10,001 to 20,000 Shares	603	8,693,019	0.5399%
20,001 to 30,000 Shares	238	5,811,369	0.3610%
30,001 to 40,000 Shares	104	3,615,258	0.2246%
40,001 to 50,000 Shares	87	4,042,043	0.2511%
50,001 to 100,000 Shares	142	10,593,786	0.6580%
100,001 to 1,000,000 Shares	187	59,304,176	3.6835%
Over 1,000,000 Shares	62	1,491,126,736	92.6171%
Total	26,388	1,609,990,668	100.00%

20.0 Capital adequacy as per Basel - III as on 31 December 2022

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, 2022 is given below:

(Amount in million Taka)			
	31.12.2022 (Consolidated)	31.12.2022 (Solo)	31.12.2021 (Consolidated)
20.1 A. Regulatory capital			
Tier-1 (Going Concern Capital) (Note-20.1.1)	71,140.82	69,731.86	66,470.19
Tier-2 (Gone Concern Capital) (Note-20.1.2)	33,006.58	33,006.58	33,041.68
Total regulatory capital	104,147.40	102,738.44	99,511.87
20.1.1 Tier-1 (Going Concern Capital)			
Common Equity Tier-1 (CET-1) (Note-20.1.1.1)	60,140.82	58,731.86	56,294.35
Additional Tier (AT-1) (Note-20.1.1.2)	11,000.00	11,000.00	10,175.84
Total Tier-1 (Going Concern Capital)	71,140.82	69,731.86	66,470.19
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	21,735.47	21,735.47	20,735.47
Non-repayable share premium account	1.99	1.99	1.99
General reserve	19,484.57	19,428.76	16,891.56
Retained earnings	2,962.83	1,609.99	2,749.58
Non-controlling interest in subsidiaries	0.30	-	0.28
Non-cumulative irredeemable preferences shares	-	-	-
Dividend equalization account	32.00	32.00	32.00
i. Sub total	60,317.07	58,908.11	56,510.79
Deductions from Tier-1 (Going Concern Capital)			
Book value of goodwill/intangible assets	176.25	176.25	216.44
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	176.25	176.25	216.44
Total eligible CET-1 (i-ii)	60,140.82	58,731.86	56,294.35
20.1.1.2 Additional Tier-1 Capital (AT-1)			
Mudaraba Perpetual and Perpetual Contingent Convertible Bond	11,000.00	11,000.00	10,175.84
Total AT-1	11,000.00	11,000.00	10,175.84
20.1.2 Tier-2 (Gone Concern Capital)			
General provision (unclassified investment and off balance sheet exposure)	17,806.58	17,806.58	16,041.68
Mudaraba redeemable subordinated bond	15,200.00	15,200.00	17,000.00
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	33,006.58	33,006.58	33,041.68
ii. Deductions, if any	-	-	-
Excess amount over maximum limit of Tier-II Capital has been deducted	-	-	-
Total Eligible Tier-2 Capital (i-ii)	33,006.58	33,006.58	33,041.68

	31.12.2022 (Consolidated)	31.12.2022 (Solo)	31.12.2021 (Consolidated)
20.2 Risk Weighted Assets (RWA) for			
1. Investment (Credit) risk (i+ii)	7,39,455.94	7,40,079.61	647,865.32
(i) On-balance sheet	7,18,332.22	7,18,955.89	625,095.61
(ii) Off-balance sheet	21,123.72	21,123.72	22,769.71
2. Market Risk	13,238.34	13,238.34	12,515.75
3. Operational risk	66,990.24	66,038.91	65,132.96
Total Risk Weighted Assets (1+2+3)	8,19,684.52	8,19,356.86	725,514.03
B. Total Risk Weighted Assets (RWA) (Note-20.2)	8,19,684.52	8,19,356.86	725,514.03
C. Capital to Risk Weighted Asset Ratio (CRAR) (as against required above 12.50%)	12.71%	12.54%	13.72%
D. Going Concern Capital to RWA (as against required minimum 6.00%)	8.68%	8.51%	9.16%
E. Gone Concern Capital capital to RWA	4.03%	4.03%	4.56%
F. Minimum Capital Requirement (MCR)	81,968.45	81,935.69	72,551.40
G. Surplus capital (A-F)	22,178.95	20,802.76	26,960.46
H. Minimum capital requirement including capital conservation buffer	1,02,460.56	1,02,419.61	90,689.25
I. Surplus capital considering conservation buffer (A-H)	1,686.84	318.84	8,822.61

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. 15,200 million out of Tk. 20,000 million has been qualified for Tier-II Capital under Basel-III Guidelines.

	31.12.2022 Taka	31.12.2021 Taka
21.0 Statutory reserve		
Opening balance	20,735,466,258	19,735,466,258
Add: Addition made this year	1,000,000,000	1,000,000,000
Closing balance	21,735,466,258	20,735,466,258

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)	19,428,756,166	16,866,067,837
Assets revaluation reserve (Note-22.2)	9,018,051,329	9,071,295,675
Revaluation reserve of securities (Note-22.3)	189,540,000	126,950,400
Translation reserve (Note-22.4)	46,453,350	17,627,126
Share premium	1,989,633	1,989,633
Dividend equalization account	32,000,000	32,000,000
Total	28,716,790,478	26,115,930,671
22.1 General reserve		
Opening balance	16,866,067,837	14,917,131,853
Add: Addition/(adjustment) made this year	2,562,688,329	1,948,935,984
Closing balance	19,428,756,166	16,866,067,837
22.2 Assets revaluation reserve		
Opening balance	9,071,295,675	9,125,905,260
Add: Addition made this year	-	-
Add: Deferred tax impact on excess depreciation	31,946,607	32,765,751
Less: Depreciation adjustment on revalued amount of building	85,190,953	87,375,336
Closing balance	9,018,051,329	9,071,295,675

	31.12.2022 Taka	31.12.2021 Taka
22.3 Revaluation reserve of securities		
Opening balance	126,950,400	72,115,200
Add: Addition made this year	69,544,000	60,928,000
Add: Deferred tax impact on revaluation reserve of securities	(6,954,400)	(6,092,800)
Less: Adjustment made this year	-	-
Closing balance	189,540,000	126,950,400
22.4 Translation reserve		
Opening balance	17,627,126	18,376,319
Add: Addition/(adjustment) made this year	28,826,224	(749,193)
Closing balance	46,453,350	17,627,126
22.(a) Consolidated other reserves		
Islami Bank Bangladesh Limited	28,716,790,478	26,115,930,671
Islami Bank Securities Limited	55,817,675	25,494,019
Islami Bank Capital Management Limited	-	-
Total	28,772,608,153	26,141,424,690
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	-	-
iii) Bank and other financial institutions	8,041,236,549	7,532,075,142
iv) Others	235,146,254	218,546,520
Total	22,785,883,360	21,531,363,709
	31,062,266,163	29,281,985,371
24.0 Investment income	2022 Taka	2021 Taka
Income from general investment (Note-24.1)	81,644,170,911	70,407,842,123
Profit on deposits with other banks & financial institutions (Note-24.2)	6,340,086,342	3,002,245,724
Total	87,984,257,253	73,410,087,847
24.1 Income from general investment (*)		
Bai Murabaha	51,604,063,081	42,243,547,265
Musharaka /Musharaka Documentary Bills	379,098,358	329,964,171
Bai Muajjal	7,037,011,641	7,114,999,763
Hire Purchase under Shirkatul Melk	15,306,802,752	16,034,160,244
Bai Salam	1,431,902,372	1,140,595,066
Bai -As- Sarf (FDB /FCD), IBP, MFCI and UPAS	870,685,213	802,728,766
Investment income: Off-shore Banking Unit (OBU)	4,909,057,151	2,596,495,177
Income on overseas Investment	-	-
Income on Mudaraba Investment	105,550,342	145,351,671
Sub total	81,644,170,911	70,407,842,123
(*) 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	6,340,086,342	3,002,245,724
Outside Bangladesh	-	-
Sub total	6,340,086,342	3,002,245,724
Grand total (24.1+24.2)	87,984,257,253	73,410,087,847

		2022 Taka	2021 Taka
24.3	Investment income derived from the fund deployed by		
	Mudaraba deposits	82,529,233,303	71,066,351,624
	Other deposits/fund	5,455,023,950	2,343,736,223
	Total	87,984,257,253	73,410,087,847
24(a)	Consolidated investment income		
	Islami Bank Bangladesh Limited	87,984,257,253	73,410,087,847
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company transactions	(105,908,901)	(141,532,399)
	Total	87,878,348,352	73,268,555,448
25.0	Profit paid on mudaraba deposits		
	Profit paid on Mudaraba Savings Deposit	8,432,349,976	8,614,678,790
	Profit paid on Mudaraba Term Deposit Account	27,150,454,732	21,334,569,217
	Profit paid on other Mudaraba Deposits	13,753,100,226	12,557,432,982
	Profit paid on Placement (*)	3,312,973,190	1,123,390,885
	Profit paid on Mudaraba Subordinate Bond	1,160,653,424	1,166,610,958
	Profit Paid on MPSA	95,349,161	133,545,992
	Profit Paid on Agri-Refinance	28,245,549	-
	Profit Paid on borrowing from BGIS & other banks	143,924,011	-
	Total	54,077,050,268	44,930,228,823
	(*) Profit paid on Placement includes Tk. 2,890,333,904 (Tk. 917,071,315 in 2021) against Profit paid on Placement for Off-shore Banking Units (OBUs).		
25(a)	Consolidated profit paid on mudaraba deposits		
	Islami Bank Bangladesh Limited	54,077,050,268	44,930,228,823
	Islami Bank Securities Limited	-	-
	Islami Bank Capital Management Limited	-	-
	Inter-company transactions	(58,565,787)	(44,438,980)
	Total	54,018,484,481	44,885,789,843
26.0	Income from investments in shares & securities		
	i. Inside Bangladesh		
	Bangladesh Government Islamic Investment Bond (BGIIB)	248,740,902	531,521,000
	Bangladesh Government Sukuk Bond (Islamic Bond)	1,255,647,937	316,385,806
	Income on Share Securities Trading	125,766,484	276,756,459
	Dividend Income (Note-26.1)	215,721,237	362,850,073
	Profit on Mudaraba Perpetual Bond	410,432,111	274,000,000
	Profit on Mudaraba Subordinated Bond	445,160,946	543,275,038
	Sub total (i)	2,701,469,616	2,304,788,376
	ii. Outside Bangladesh	-	-
	Sub total (ii)	-	-
	Grand total (i+ii)	2,701,469,616	2,304,788,376
26.1	Dividend Income		
	Bangladesh Shipping Corporation (BSC)	6,400,000	864,000
	Central Depository Bangladesh Ltd. (CDBL)	5,711,803	5,711,803
	Islami Bank Securities Limited	-	134,992,300
	Islami Bank Capital Management Limited	-	20,999,510
	Other Companies	203,609,434	200,282,460
	Total	215,721,237	362,850,073

		2022 Taka	2021 Taka
26(a)	Consolidated income from investments in shares & securities		
Islami Bank Bangladesh Limited		2,701,469,616	2,304,788,376
Islami Bank Securities Limited		256,585,487	510,166,593
Islami Bank Capital Management Limited		30,682,972	81,684,633
Inter-company transactions		-	(155,991,810)
Total		2,988,738,075	2,740,647,792
27.0	Commission, exchange & brokerage income		
Commission income		5,039,249,497	4,401,182,834
Exchange income (Note 27.1)		4,358,213,341	2,872,209,038
Total		9,397,462,838	7,273,391,872
27.1	Exchange income		
Gross exchange gain		4,358,213,341	2,872,209,038
Less: exchange loss		-	-
Net exchange gain		4,358,213,341	2,872,209,038
27(a)	Consolidated commission, exchange & brokerage income		
Islami Bank Bangladesh Limited		9,397,462,838	7,273,391,872
Islami Bank Securities Limited		38,610,150	64,361,815
Islami Bank Capital Management Limited		-	-
Total		9,436,072,988	7,337,753,687
28.0	Other operating income		
Rent on locker		28,637,071	21,780,287
Telephone/ trunk call charge		22,159	36,004
E & TA fees recovered		154,539	120,096
Account maintenance charges		1,018,291,102	637,733,719
Service charges recovered		200,913,278	169,100,099
Service charges recovered: OBU		241,968,000	194,153,000
Income from Mobile Wallet		14,618,061	17,033,697
Rent on premises realised		11,707,282	9,780,544
Sale proceeds of tender schedule		1,724,400	1,588,652
Profit on sale of bank's car		12,891,173	2,325,682
Cheque charge realised		90,370,957	61,076,992
P&T Charge realized		49,482,552	32,242,120
Commission on NPS network transaction		130,801,217	82,587,032
Proposal processing fees & services charge		702,567,316	305,521,521
Commission on remote transaction		819,894,471	600,495,197
Document processing fee (F.Ex.)		170,309,459	151,279,529
Commission on agent banking		449,898,010	320,548,814
SMS Charge		930,709,224	693,587,330
Others		1,648,016,916	1,967,748,168
Total		6,522,977,186	5,268,738,480
28(a)	Consolidated other operating income		
Islami Bank Bangladesh Limited		6,522,977,186	5,268,738,480
Islami Bank Securities Limited		340,687,555	328,018,655
Islami Bank Capital Management Limited		26,332,807	21,897,150
Inter Company Transactions		(58,565,787)	(44,438,980)
Total		6,831,431,761	5,574,215,305

		2022 Taka	2021 Taka
29.0	Salary & allowances (*)		
Basic pay		9,139,297,069	7,626,829,737
Allowances		6,831,729,036	6,078,269,677
Bonus		2,658,153,672	2,258,253,910
Contribution to provident fund		645,331,546	551,205,050
Contribution to Gratuity		886,800,000	690,230,000
Contribution to benevolent fund and superannuation fund		91,815,300	94,124,000
Total		20,253,126,623	17,298,912,375
(*) The above salary & allowances includes Tk. 328,713 (Tk. 3,404,802 in 2021) against salary and allowances of Off-shore Banking Units (OBUs).			
29(a)	Consolidated salary & allowances		
Islami Bank Bangladesh Limited		20,253,126,623	17,298,912,375
Islami Bank Securities Limited		35,926,451	33,033,433
Islami Bank Capital Management Limited		14,289,156	11,701,079
Total		20,303,342,230	17,343,646,887
30.0	Rent, taxes, insurances, electricity etc.		
Rent, rates and taxes (*)		682,766,582	414,732,559
Insurance		994,793,118	846,456,570
Electricity and lighting		457,597,424	401,327,079
Total		2,135,157,124	1,662,516,208
(*) Rent expense reverse Tk. 387,287,566 for implementing IFRS-16: Lease.			
30(a)	Consolidated rent, taxes, insurances, electricity etc.		
Islami Bank Bangladesh Limited		2,135,157,124	1,662,516,208
Islami Bank Securities Limited		7,349,140	6,873,934
Islami Bank Capital Management Limited		43,060	163,844
Total		2,142,549,324	1,669,553,986
31.0	Legal expenses		
Legal charges		8,480,848	6,606,709
31(a)	Consolidated legal expenses		
Islami Bank Bangladesh Limited		8,480,848	6,606,709
Islami Bank Securities Limited		2,905,279	639,296
Islami Bank Capital Management Limited		1,146,748	868,674
Total		12,532,875	8,114,679
32.0	Postage, stamps, telecommunications etc.		
Telephone		118,465,257	91,116,846
Postage		-	-
Fax, internet & stamps charges		11,707,087	11,294,518
Total		130,172,344	102,411,364
32(a)	Consolidated postage, stamps and telecommunication etc.		
Islami Bank Bangladesh Limited		130,172,344	102,411,364
Islami Bank Securities Limited		460,662	246,842
Islami Bank Capital Management Limited		232,543	315,722
Total		130,865,549	102,973,928
33.0	Stationery, printing and advertisement etc.		
Paper & table stationery		50,493,694	47,689,876
Printing and stationery (registers and forms)		94,229,212	87,635,822
Advertisement & publicity		154,052,752	108,424,835
Total		298,775,659	243,750,534

		2022 Taka	2021 Taka
33(a)	Consolidated stationery, printing and advertisement etc.		
	Islami Bank Bangladesh Limited	298,775,659	243,750,534
	Islami Bank Securities Limited	557,475	388,372
	Islami Bank Capital Management Limited	72,882	111,515
	Total	299,406,016	244,250,421
34.0	Chief executive's salary & fees		
	Basic pay	8,820,000	8,400,000
	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	1,617,000	1,540,000
	Incentive bonus	750,000	600,000
	Leave Fare Assistance	1,440,000	1,440,000
	House Maintenance	1,200,000	1,200,000
	Bank Contribution to PF	882,000	840,000
	Total	18,069,000	17,380,000
35.0	Directors' fees and expenses		
	Directors' fees for attending board/ executive committee/ other committees meeting	3,177,200	3,176,000
	TA/DA/hotel fare for local & foreign directors	410,778	-
	Others	-	547,142
	Total	3,587,978	3,723,142
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 Limited	3,587,978	3,723,142
	Islami Bank Securities Limited	1,340,954	1,406,733
	Islami Bank Capital Management Limited	437,647	617,746
	Total	5,366,579	5,747,621
36.0	Shari'ah supervisory committee's fees & expenses		
	Shari'ah supervisory members' fees for attending meeting	1,681,265	846,710
	TA/DA/hotel fare	32,000	18,000
	Others	-	447,220
	Total	1,713,265	1,311,930
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	3,450,000	4,025,000
37(a)	Consolidated auditors' fees		
	Islami Bank Bangladesh Limited	3,450,000	4,025,000
	Islami Bank Securities Limited	92,000	92,000
	Islami Bank Capital Management Limited	57,500	57,500
	Total	3,599,500	4,174,500

		2022 Taka	2021 Taka
38.0	Depreciation/amortization and repair to bank's assets		
i) Depreciation/amortization			
Premises (building)	119,929,274	123,006,983	
Furniture & fixtures	79,453,120	85,293,949	
Mechanical appliances	163,258,068	165,782,916	
Computer	161,062,508	123,887,491	
Motor vehicles	191,966,966	188,083,429	
Books	498,858	551,530	
ATM	444,297,194	297,872,070	
Depreciation on lease assets	330,184,768	429,675,353	
Amortization: intangible assets	68,238,653	67,804,283	
Sub total (i)	1,558,889,409	1,481,958,005	
ii) Repair of bank's properties/assets			
Grand total (i+ii)	1,680,741,446	1,634,257,492	
38(a)	Consolidated depreciation and repair to bank's assets		
Islami Bank Bangladesh Limited	1,680,741,446	1,634,257,492	
Islami Bank Securities Limited	5,515,060	4,670,436	
Islami Bank Capital Management Limited	2,189,169	1,510,627	
Total	1,688,445,675	1,640,438,555	
39.0	Other expenses		
TA/ DA	175,037,594	147,656,540	
Repairs to rented premises	20,286,612	10,559,829	
Motor car running & maintenance (Note-39.1)	177,430,387	173,438,036	
Periodicals & newspapers	18,392,838	13,270,880	
Entertainment Expenses	131,992,861	111,663,375	
Overtime	60,758,863	81,784,680	
Training expenses	28,876,657	19,653,910	
Meeting expenses	312,598	1,257,269	
Bank charges	32,556,462	26,321,285	
Uniforms	25,801,870	18,066,074	
Conveyance	41,078,768	38,343,474	
Cash award	43,718,200	18,344,200	
Membership fees	12,725,629	11,415,857	
Staff welfare	1,991,410	1,888,470	
Evening banking allowance	1,620,542	2,043,164	
Computer expenses	55,654,271	45,804,096	
Wages	64,545,204	53,929,094	
Discomfort allowance	57,770,349	53,593,855	
Air condition maintenance	1,377,758	2,295,929	
WASA/gas expenses	28,934,669	24,221,367	
Washing charges	23,836,911	22,389,314	
Transportation charges	18,492,122	23,028,272	
Routers charges	34,050	70,174	
Business development expenses	440,746,565	389,233,774	
Photocopy expenses	22,908,113	16,287,115	
Upkeep of office premises	33,586,749	28,831,296	

	2022 Taka	2021 Taka
Clearing house expenses	82,641	66,681
Band width charges	147,565,434	256,225,840
Bond expenses (*)	422,393,438	515,198,380
Recruitment expenses	9,739,118	14,601,177
Professional fees	2,609,698	25,308,707
Loss on sale of bank's fixed asset	3,400,312	1,958,796
Mobile wallet expense	9,972,384	14,252,913
BACH Expense	734,430	767,638
RDS expenses (Note-39.2)	105,556,905	100,652,562
NPS network transactions charges	22,637,343	15,341,172
VISA expenses	190,842,060	105,603,922
Maintenance of software	60,190,861	114,864,352
Diploma in Islamic Banking related expenses	10,992,560	7,587,174
Agent Banking related expenses	2,266,513,990	1,641,928,771
Finance charge on lease rental	76,877,066	92,661,633
Safety materials (COVID-19) & Special aid	3,721,984	71,875,136
ATM related expense	23,147,849	545,055,999
Others	899,989,072	43,217,164
Total	5,777,435,198	4,902,559,344

(*) Bond expenses includes Tk. 21,820,685 for Mudaraba Perpetual Bond, Tk. 10,274,125 for Mudaraba Subordinated Bond and Tk. 390,298,628 for additional profit paid on Mudaraba Subordinated Bonds.

39.1 Motor car running and maintenance

As on 31.12.2022 the Bank had 434 (Four hundred and thirty four) Motor Vehicles (Car- 343, Jeep- 41, Pickup- 48 and Microbus- 2). Out of 434 vehicles, 317 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. 177,430,387 was incurred during the year 2022 as against Tk. 173,438,036 incurred during the year 2021 for repairs, maintenance, purchase of fuel & lubricants and insurance etc. for the motor vehicles of the Bank.

39.2 RDS expenses

Risk allowance	30,235,000	29,645,000
By-cycle allowance	2,504,000	2,500,000
Motor cycle allowance	32,224,000	30,767,000
Field allowance	6,428,503	6,329,000
TA/ DA	9,898,000	7,287,000
Fuel	10,563,451	10,559,000
Stationary	8,801,950	8,761,124
Repairing	4,902,000	4,804,438
Total	105,556,904	100,652,562

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 Limited	5,777,435,198	4,902,559,344
Islami Bank Securities Limited	112,025,268	157,940,559
Islami Bank Capital Management Limited	5,933,952	6,104,157
Inter Company transactions	(105,908,901)	(141,532,399)
Total	5,789,485,517	4,925,071,661

			2022 Taka	2021 Taka		
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 securities transferred to retained earnings		30,451,680	-		
	Add: Net profit after tax for the year		5,923,445,627	4,639,202,881		
	Add: Depreciation adjustment on revalued assets		85,190,953	87,375,336		
	Add: Start-up Fund transferred for adjustment		-	102,772,133		
	Sub-total		7,649,078,928	6,439,341,018		
	Less:					
	Transfer to statutory reserve		1,000,000,000	1,000,000,000		
	Transfer to/(from) general reserve		2,562,688,329	1,948,935,984		
	Dividend paid (Previous Year)		1,609,990,668	1,609,990,668		
	Transfer to start-up Fund		59,234,456	46,392,029		
	Cupon/profit on perpetual bond (*)		807,174,807	224,031,669		
	Sub-total		6,039,088,260	4,829,350,350		
	Balance of retained earnings as at 31 December		1,609,990,668	1,609,990,668		
	* As per Bangladesh Bank's Letter BRPD (BS)661/14BP/2022-3317 payment of Cupon/Profit against perpetual bond should be presented as Distributable items of the Bank.					
40(a)	Consolidated retained earnings					
	Retained earnings as on 1 January		2,749,579,142	2,606,778,640		
	Revaluation reserve of securities transferred to retained earnings		30,491,680	-		
	Add: Net profit attributable to equity holders of IBBL		6,166,984,693	4,807,547,402		
	Add: Transfer from Assets Revaluation Reserve to Retained Earnings		85,190,953	87,375,336		
	Add: Start-up Fund transferred for adjustment		-	102,772,133		
	Less: Adjustment for changing in shares position		-	(50,000)		
	Sub-total		9,032,246,468	7,604,423,511		
	Less:					
	Transfer to statutory reserve		1,000,000,000	1,000,000,000		
	Transfer to/(from) general reserve		2,593,011,985	1,974,430,003		
	Dividend paid (cash dividend)		1,609,990,668	1,609,990,668		
	Transfer to start-up Fund		59,234,456	46,392,029		
	Cupon/profit on perpetual bond		807,174,807	224,031,669		
	Sub-total		6,069,411,916	4,854,844,369		
	Balance of retained earnings as at 31 December		2,962,834,552	2,749,579,142		
40(b)	Non-controlling interest					
	Particulars	As on 01.01.2022	Share of profit or loss for the year 2022	Adjust- ments	As on 31.12.2022	As on 31.12.2021
	A. Islami Bank Securities Limited	275,039	13,290	-	288,329	282,739
	Add: Adjustment for changing in shares position	-	-	-	-	-
	Less: Dividend	-	-	-	-	7,700
	Sub-total	275,039	13,290	-	288,329	275,039
	B. Islami Bank Capital Management Limited	9,540	246	-	9,786	10,030
	Less: Dividend	-	-	-	-	490
	Sub-total	9,540	246	-	9,786	9,540
	Total (A+B)	284,579	13,536	-	298,115	284,579
	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 321st meeting held on 27 April, 2023 recommended 10% Cash Dividend for the year 2022 subject to approval of the shareholders in the ensuing 40th Annual General Meeting to be held on 22 June 2023.					

	2022 Taka	2021 Taka
42.0 Earnings per share (EPS)		
a) Attributable profit for the year	5,923,445,627	4,639,202,881
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)	3.68	2.88

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

	2022 Taka	2021 Taka
42(a) Consolidated earnings per share		
Consolidated net profit after tax	6,166,998,229	4,807,565,191
Less: Profit attributable to non-controlling interest	13,536	17,789
Attributable profit for distribution to shareholders of IBBL	6,166,984,693	4,807,547,402
Weighted average number of ordinary share during the year	1,609,990,668	1,609,990,668
Consolidated basic earnings per share	3.83	2.99

	31.12.2022 Taka	31.12.2021 Taka
a) Capital/shareholders' equity for the year	68,162,154,084	64,561,294,277
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)	42.34	40.10

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

	2022 Taka	2021 Taka
a) Net cash flows from operating activities	(89,655,476,581)	66,680,268,286
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)	(55.69)	41.42

The Net Operating Cash Flow Per Share (NOCFPS) on solo basis has significantly decreased by Tk. 97.11 than that of previous year mainly due to increase of net cash out flows against investment to customers Tk. 114,307.38 million, as well as decrease of deposit mobilization of Tk. 177,831 million during the year 2022. However, the cash & cash equivalents balance of the bank is Tk. 234,291.80 million as on 31 December 2022.

	31.12.2022 Taka	31.12.2021 Taka
Cash in hand	30,645,815,136	22,100,995,009
Balance with Bangladesh Bank and its agent banks (Sonali Bank Ltd.)	92,858,977,487	224,062,391,107
Balance with other banks and financial institutions	110,787,004,358	76,156,107,566
Total	234,291,796,982	322,319,493,681

	31.12.2022 Taka	31.12.2021 Taka
Cash in hand	30,645,839,722	22,101,061,649
Balance with Bangladesh Bank and its agent banks (Sonali Bank Ltd.)	92,858,977,487	224,062,391,107
Balance with other banks and financial institutions	115,248,794,287	80,968,445,974
Total	238,753,611,497	327,131,898,729

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 .		



Chairman



Director



Director



Managing Director & CEO

Dated: Dhaka, 27 April 2023

Islami Bank Bangladesh Limited

Fixed Assets Schedule

As at 31 December 2022

Annexure - A
(Amount in Taka)

Group of Fixed Assets	Cost	Depreciation/Amortization						Written down value		
		Balance as at 01.01.2022	Addition during the year	Sale / adjustment during the year	Total as at 31.12.2022	Charged up to 01.01.2022	Charged during the year	Adjustment during the year		
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	-	682,129,033	-					682,129,033	682,129,033
Building	1,981,662,887	-	1,981,662,887	592,130,031	34,738,321	-	-	626,868,352	1,354,794,535	1,389,532,856
Construction/capital work in process	-	-	-	-	-	-	-	-	-	-
Sub total	2,663,791,920	-	2,663,791,920	592,130,031	34,738,321	-	-	626,868,352	2,036,923,568	2,071,661,889
Revaluation										
Land	6,941,521,852	-	6,941,521,852	-	-	-	-	-	6,941,521,852	6,941,521,852
Building	4,557,449,467	-	4,557,449,467	1,149,811,352	85,190,953	-	-	1,235,002,305	3,322,447,162	3,407,638,115
Sub total	11,498,971,319	-	11,498,971,319	1,149,811,352	85,190,953	-	-	1,235,002,305	10,263,969,014	10,349,159,967
Sub total (i)	14,162,763,239	-	14,162,763,239	1,741,941,383	119,929,274	-	-	1,861,870,657	12,300,892,582	12,420,821,856
ii) Other fixed assets										
Furniture and fixtures	1,616,781,352	116,335,661	4,534,820	1,728,582,193	781,198,137	79,453,120	1,800,604	858,850,653	869,731,540	835,583,215
Mechanical appliances	2,953,527,300	127,615,733	2,867,690	3,078,275,343	2,212,103,214	163,258,068	1,766,402	2,373,594,880	704,680,463	741,424,086
Computer	2,077,839,123	230,234,448	457,840	2,307,615,731	1,723,819,250	161,062,508	242,910	1,884,638,848	422,976,883	354,019,873
Motor vehicles	1,769,962,030	70,699,614	208,838,625	1,631,823,019	1,236,564,087	191,966,966	208,597,457	1,219,933,596	411,889,423	533,397,943
Books	11,457,966	89,512	-	11,547,478	9,532,767	498,858	-	10,031,625	1,515,853	1,925,199
ATM	2,863,680,143	1,052,460,993	19,340,000	3,896,801,136	1,065,255,671	444,297,194	15,912,025	1,493,640,840	2,403,160,296	1,798,424,472
ROU-Assets for lease rent	2,380,392,163	-	2,380,392,163	903,982,981	330,184,768	-	1,234,167,749	1,146,224,414	1,476,409,182	
Sub total (ii)	13,673,640,077	1,597,435,961	236,038,975	15,035,037,063	7,932,456,107	1,370,721,483	228,319,398	9,074,858,192	5,960,178,871	5,741,183,970
Total (i+ii)	27,836,403,316	1,597,435,961	236,038,975	29,197,800,302	9,674,397,490	1,490,650,757	228,319,398	10,936,728,849	18,261,071,453	18,162,005,826
B. Intangible assets										
Total (A+B)	28,631,204,332	1,625,482,541	236,038,975	30,020,647,998	10,252,757,899	1,558,889,409	228,319,398	11,583,327,910	18,437,320,088	18,378,446,533

Islami Bank Bangladesh Limited

Consolidated Fixed Assets Schedule

As at 31 December 2022

As at 31 December 2022

Annexure - B
(Amount in Taka)

Group of Fixed Assets	Balance as at 01.01.2022	Cost		Charged up to 01.01.2022	Charged during the year	Depreciation/Amortization	Total as at 31.12.2022	Written Down Value as at 31.12.2022	Written Down Value as at 31.12.2021
		Addition during the year	Sale/adjustment during the year						
1	2	3	4	5 (2+3-4)	6	7	8	9 (6+7-8)	10 (5-9)
A. Tangible Assets									
i) Premises									
Cost									
Land	682,129,033	-	682,129,033	-	-	-	-	682,129,033	682,129,033
Building	1,981,662,887	-	1,981,662,887	592,130,031	34,738,321	-	626,868,352	1,354,794,535	1,389,532,856
Construction/capital work in process	-	-	-	-	-	-	-	-	-
Sub total (i)	2,663,791,920	-	2,663,791,920	592,130,031	34,738,321	-	626,868,352	2,036,923,568	2,071,661,889
Revaluation									
Land	6,941,521,852	-	6,941,521,852	-	-	-	-	6,941,521,852	6,941,521,852
Building	4,557,449,467	-	4,557,449,467	1,149,811,352	85,19,953	-	1,235,002,305	3,322,447,162	3,407,638,115
Sub total	11,498,971,319	-	11,498,971,319	1,149,811,352	85,19,953	-	1,235,002,305	10,263,969,014	10,349,159,967
Sub total (i)	14,162,763,239	-	14,162,763,239	1,741,941,383	119,929,274	-	1,861,870,657	12,300,892,582	12,420,821,856
ii) Other fixed assets									
Furniture and fixtures	1,626,380,235	118,213,886	4,534,820	1,740,059,301	783,299,276	80,265,604	1,800,604	861,764,276	878,295,025
Mechanical appliances	2,957,539,900	129,162,244	3,456,585	3,083,245,559	2,213,962,249	163,788,666	2,333,894	2,375,417,021	707,828,538
Computer	2,084,122,555	231,716,339	1,225,635	2,314,613,059	1,726,967,607	162,634,689	1,010,705	1,888,591,591	426,021,140
Motor vehicles	1,777,319,530	70,699,614	208,838,625	1,639,180,519	1,240,761,602	193,438,466	208,597,457	1,225,602,611	413,577,908
Books	11,457,966	89,512	-	11,547,478	9,532,767	498,858	-	10,031,625	1,515,853
ATM	2,863,680,143	1,052,460,993	19,340,000	3,896,801,136	1,065,255,671	444,297,194	15,912,025	1,493,640,840	2,403,160,296
ROU Assets for lease rent	2,382,564,834	287,292	-	2,382,852,126	90,5,612,485	331,015,227	-	1,236,627,712	1,146,224,414
Sub Total (ii)	13,703,064,963	1,602,629,880	237,395,665	15,068,299,178	7,945,391,657	1,375,939,033	229,654,685	9,091,676,005	5,976,623,173
Total (i+ii)	27,865,828,202	1,612,629,880	237,395,665	29,231,062,417	9,687,333,040	1,495,868,307	229,654,685	10,933,546,662	18,177,515,755
B. Intangible Assets	797,166,306	28,076,580	-	825,242,886	578,558,250	68,829,951	-	647,388,201	177,854,685
Total (A+B)	28,662,994,508	1,630,706,460	237,395,665	30,056,205,303	10,265,891,291	1,564,698,257	229,654,685	11,600,934,863	18,455,370,440
Total (A+B)	28,662,994,508	1,630,706,460	237,395,665	30,056,205,303	10,265,891,291	1,564,698,257	229,654,685	11,600,934,863	18,397,103,217

Islami Bank Bangladesh Limited
Currency wise Exposures
As at 31 December 2022

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	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
1	2	3	4	5	6	7	8	9	10	11	12	13
Cash in hand	30,624,295,167	21,972,488,125	21,335,048	47,764,066	94,945	173,539	-	442,976	89,976	80,126,303	30,645,815,136	22,100,995,009
Balance with Bangladesh Bank & its agent bank	91,135,288,482	22,507,685,189	1,708,202,944	1,360,549,792	931,628	2,746,545	14,323,225	18,935,021	231,109	172,474,559	92,858,977,487	24,062,391,107
Balance with banks & other financial institutions	86,842,245,128	61,571,659,434	22,848,152,057	12,665,704,366	120,177,808	177,892,109	378,728,738	345,345,952	597,700,627	1,395,505,705	110,787,004,358	76,156,107,266
Placement with other banks & financial institutions	-	-	-	-	-	-	-	-	-	-	-	-
Investments (in shares & securities)	89,471,452,136	93,836,189,166	983,211,300	-	-	-	-	-	-	-	90,454,663,436	94,819,400,466
Investments	1,273,462,590,343	1,080,245,117,660	187,902,898,171	110,927,882,646	-	-	-	-	-	-	1,461,365,497,513	1,191,173,000,246
Fixed assets including premises	18,437,20,088	18,375,446,533	-	-	-	-	-	-	-	-	18,437,320,088	18,378,446,533
Other assets	33,530,927,106	9,166,726,047	-	135,732,599	-	-	-	-	-	-	33,530,927,106	9,302,458,646
Non banking assets	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	1,623,504,127,480	1,507,678,312,094	21,346,379,519	126,120,844,770	180,812,193	393,052,063	364,723,949	598,021,712	1,648,106,568	1,838,080,125	1,635,992,799,573	

LIABILITIES	Taka		Equivalent Taka of US Dollar		Equivalent Taka of GBP		Equivalent Taka of EUR		Equivalent Taka of Other Currency		Total Taka	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Placement from Bangladesh Bank, other banks, financial institutions and agents	143,000,000,000	-	44,438,369,400	36,765,300,000	-	-	-	-	-	-	187,438,369,400	36,765,300,000
Deposits	1,344,897,302,309	1,330,287,418,401	55,244,978,223	43,248,556,353	8,901,926	14,622,516	4,835,528	206,089,535	988,690	105,354,218	1,400,157,007,800	1,373,862,041,023
Bills Payable	10,288,421,539	8,117,488,474	-	-	-	-	-	-	-	-	10,288,421,539	8,117,488,474
Other liabilities	140,987,421,049	121,1874,953,905	46,831,254	35,881,895	-	-	-	-	-	-	141,034,252,303	121,910,835,800
Mudaraba Perpetual Bond	11,000,000,000	10,175,840,000	-	-	-	-	-	-	-	-	11,000,000,000	10,175,840,000
Mudaraba Redemable Subordinated Bond	20,000,000,000	20,600,000,000	-	-	-	-	-	-	-	-	20,000,000,000	20,600,000,000
Total liabilities	1,670,173,144,897	1,491,055,700,780	99,418,839,876	80,049,738,248	14,622,516	206,089,535	105,354,218	1,648,106,568	1,838,080,125	1,635,992,799,573		
Net position	(46,669,017,447)	16,622,611,314	11,4,044,959,643	46,071,106,522	106,581,865	166,189,677	186,962,528	598,021,712	1,648,106,568	1,838,080,125	1,635,992,799,573	

Islami Bank Bangladesh Limited

Consolidated Segment Reporting

For the year ended 31 December 2022

A. Segmental operating profit and loss

Particulars	Head Office Controlled Branches	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Comilla Zone	Rajshahi Zone	Chittagong 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)	(3,487,253,804)	(2,065,145,738)	(3,779,108,376)	(2,429,894,339)	(2,952,114,449)	(3,513,383,410)	(24,858,737,013)	(54,018,484,481)
Profit received/(paid) on IB General A/C	(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	19,801,714,63	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	(1,490,908,352)	21,749,732,036

There are 19 operating segments including subsidiaries as on 31 December 2022. 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 2021

Particulars	Head Office Controlled Branches	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Comilla Zone	Rajshahi Zone	Chittagong South Zone	Noakhali Zone	Common	Consolidated
Investment income	27,374,910,000	9,014,740,000	1,364,350,000	2,769,550,000	2,794,250,000	1,516,360,000	3,452,870,000	1,555,040,000	1,362,400,000	24,804,733,240	76,009,203,240
Profit paid on mudaraba deposits	(4,397,070,067)	(3,598,703,798)	(1,825,332,169)	(2,914,152,533)	(1,851,892,149)	(3,416,165,239)	(2,027,018,785)	(2,589,545,565)	(3,063,246,660)	(19,202,662,878)	(44,885,789,843)
Profit received/(paid) on IB General Account	(11,729,450,000)	(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	7,208,800,000	-
Net investment income	11,248,389,933	4,358,636,202	1,806,217,831	2,975,497,467	2,313,037,851	3,442,114,761	1,593,901,215	2,188,514,435	2,803,833,340	12,810,870,362	31,123,413,397
Commission, exchange & other income	2,712,710,000	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	13,961,099,933	6,066,716,202	2,108,097,831	3,432,147,467	2,670,197,851	3,669,774,761	1,970,631,215	2,407,294,435	3,038,363,340	19,128,659,354	44,035,382,389
Total operating expenses	(1,082,067,146)	(1,365,498,486)	(941,256,985)	(1,278,895,796)	(1,064,751,001)	(1,011,889,490)	(1,050,567,337)	(983,304,196)	(1,000,218,483)	(17,079,129,211)	(26,887,578,131)
Operating Profit	12,879,032,787	4,701,217,716	1,166,840,846	2,153,251,671	1,605,446,850	2,657,885,271	920,063,878	1,423,990,239	2,038,144,857	2,049,530,142	17,177,804,257

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 Limited
Reconciliation of Net Profit with Cash Flows from Operating Activities
For the year ended 31 December 2022

Particulars	Note	2022		2021	
		Taka	Taka	Taka	Taka
Profit before tax as per profit and loss accounts			14,592,921,537		11,441,284,869
Adjustment for non cash items					
Provision for investments & off- balance sheet exposures		6,364,930,031		5,072,923,726	
Provision for diminution in value of investments in shares		326,256,888		(5,000,000)	
Other provisions		(36,700,445)		45,201,095	
Depreciation of property plant & equipment		1,558,889,409		1,481,958,005	
Foregn exchange gain/(Loss)		28,826,224		(749,193)	
Profit on sale of the fixed assets		9,490,861		366,886	
		8,251,692,969		6,594,700,519	
Increase/decrease in operating assets & liabilities					
Investments to customers		(270,192,497,267)		(155,885,117,913)	
Placement from other banks		150,673,069,400		(7,704,018,312)	
Other assets		(24,228,468,461)		5,103,703,194	
Deposits from other banks		5,131,425,754		1,123,022,409	
Deposits received from customers		23,334,474,088		201,165,161,203	
Other liabilities		9,534,387,245		12,093,349,395	
Income tax paid		(6,752,481,846)		(7,251,817,078)	
		(112,500,091,087)		48,644,282,898	
Cash flows from operating activities as per cash flow statement			(89,655,476,581)		66,680,268,286

Islami Bank Bangladesh Limited

Financial Highlights

As at and for the year ended 31 December 2022

Amount in Million Taka

Sl. No.	Particulars	2022	2021
1	Paid-up Capital	16,099.91	16,099.91
2	Total Capital (Equity)	102,738.44	98,189.08
3	Capital Surplus/(Deficit)	318.84	7,517.83
4	Total Assets (Excluding contra)	1,838,080.21	1,635,992.80
5	Total Deposits	1,410,445.43	1,381,979.53
6	Total Investments (excluding Investment in shares/securities)	1,461,365.50	1,191,173.00
7	Total Contingent Liabilities and Commitments	268,015.46	264,845.62
8	Investment Deposit Ratio (IDR)	91.64%	79.74%
9	Percentage of classified investment against total general investments	3.70%	3.31%
10	Profit after Tax & Provision	5,923.45	4,639.20
11	Amount of classified investment during current year	14,634.90	4,128.01
12	Provision kept against classified investments	42,073.98	37,230.28
13	Provision surplus/ (deficit)	0.50	0.51
14	Cost of Fund	6.55%	6.17%
15	Profit Earning Assets	1,423,908.05	1,144,776.62
16	Non-profit Earning Assets	414,172.16	491,216.18
17	Return on Investments	6.39%	6.32%
18	Return on Assets	0.34%	0.30%
19	Income from Investments	90,685.73	75,714.88
20	Earnings Per Share (EPS) in Taka	3.68	2.88
21	Net Income Per Share in Taka	3.68	2.88
22	Price Earning Ratio (Times)	8.70	11.11
23	Net Asset Value (NAV)	68,162.15	64,561.29
24	Net Asset Value (NAV) Per Share in Taka	42.34	40.10
25	Net Operating Cash Flow Per Share (NOCFPS) in Taka	(55.69)	41.42
26	Dividend Yield Per Share	3.03%	3.13%
27	Dividend Pay Out Ratio Per Share	27.18%	34.70%
28	Dividend Cover Ratio (Times)	3.68	2.88

Islami Bank Bangladesh Limited (Off-Shore Banking Unit)

Balance Sheet

As at 31 December 2022

Particulars	Notes	31.12.2022		31.12.2021	
		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		2,518,483.50	260,151,791	2,017,266.42	173,081,459
In Bangladesh	2.0	2,518,483.50	260,151,791	2,017,266.42	173,081,459
Outside Bangladesh		-	-	-	-
Placement with banks & other financial institutions	3.0	2,587,480.50	267,278,973	48,550,422.02	4,165,626,209
Investments in shares & securities		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Investments	4.0	1,333,023,489.10	137,697,327,353	648,496,262.80	55,640,979,348
General investments etc.		-	-	-	-
Bills purchased & discounted	4.1	1,333,023,489.10	137,697,327,353	648,496,262.80	55,640,979,348
Fixed assets		-	-	-	-
Other assets	5.0	783,263.97	80,908,818	91,027.78	7,810,184
Non - banking assets		-	-	-	-
Total property and assets		1,338,912,717.07	138,305,666,935	699,154,979.02	59,987,497,200
Liabilities and Capital					
Liabilities					
Placement from banks & other financial institutions	6.0	1,294,440,615.04	133,711,832,212	686,657,899.76	58,915,247,799
Deposits & other accounts		211,938.93	21,892,655	79,706.90	6,838,852
Mudaraba Savings Deposits		1,990.70	205,633	996	85,431
Mudaraba Term Deposits		209,948.23	21,687,022	78,711	6,753,421
Other Mudaraba Deposits		-	-	-	-
Al- Wadeeah Current and other deposit accounts		-	-	-	-
Bills payable		-	-	-	-
Other liabilities	7.0	44,260,163.10	4,571,942,068	12,417,372.36	1,065,410,549
Deferred tax liabilities /assets)		-	-	-	-
Total liabilities		1,338,912,717.07	138,305,666,935	699,154,979.02	59,987,497,200
Capital/ share-holders' equity					
Paid - up capital		-	-	-	-
Statutory reserve		-	-	-	-
Translation reserves	8.0	-	46,453,350	-	17,627,126
Retained earnings	17.0	-	(45,453,350)	-	(17,627,126)
Total liabilities & shareholders' equity		1,338,912,717.07	138,305,666,935	699,154,979.02	59,987,497,200
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 Limited (Off-Shore Banking Unit)

Profit & Loss Account

For the year ended 31 December 2022

Particulars	Notes	2022		2021	
		USD	BDT	USD	BDT
Operating income					
Investment income	9.0	48,578,733.99	4,908,881,070	30,530,782.06	2,592,063,397
Profit paid on mudaraba deposits/placement	10.0	(28,603,007.46)	(2,890,333,904)	(10,801,782.27)	(917,071,315)
Net investment income		19,975,726.53	2,018,547,166	19,728,999.79	1,674,992,082
Income from investments in shares & securities		-	-	-	-
Commission, exchange & brokerage income		-	-	-	-
Other operating income	11.0	2,396,059.21	242,121,783	2,286,843.34	194,153,000
Total operating income		22,371,785.74	2,260,668,949	22,015,843.13	1,869,145,082
Operating expenses					
Salary & allowances	12.0	3,252.97	328,713	40,103.67	3,404,802
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	1,695,034.54	171,283,240	2,390,044.39	202,914,769
Total operating expenses		1,698,287.51	171,611,953	2,430,148.06	206,319,570
Profit/ (loss) before provision		20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
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		20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Provision for taxation for the period					
Current tax	16.0	-	-	-	-
Deferred tax	16.0	-	-	-	-
Net profit/ (loss) after tax		20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Retained earnings from previous year		-	-	-	-
Less: Interim dividend paid		-	-	-	-
Add: Net profit after tax		20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Profit available for appropriation		20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Less: Appropriation		20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Retained earnings (Transferred to main operation)	17.0	20,673,498.23	2,135,510,346	19,585,695.07	1,680,452,637
Translation reserve movement		-	(46,453,350)	-	(17,627,126)

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

Islami Bank Bangladesh Limited (Off-Shore Banking Unit)

Cash Flow Statement

For the year ended 31 December 2022

Particulars	2022		2021	
	USD	BDT	USD	BDT
Cash flows from operating activities				
Investment income	48,578,733.99	4,908,881,070	30,530,782.06	2,592,063,397
Profit paid on mudaraba deposits/placement	(28,603,007.46)	(2,890,333,904)	(10,801,782.27)	(917,071,315)
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)	(40,103.67)	(3,404,802)
Cash payments to suppliers	-	-	-	-
Income tax paid	-	-	-	-
Receipts from other operating activities	2,396,059.21	242,121,783	2,286,843.34	194,153,000
Payments for other operating activities	(1,695,034.54)	(171,283,240)	(2,390,044.39)	(202,914,769)
i) Operating profit before changes in operating assets & liabilities	20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Changes in operating assets and liabilities				
Increase/(decrease) of statutory deposits	-	-	-	-
(Increase)/decrease of net trading securities	-	-	-	-
(Increase)/decrease of placement to other banks	45,962,941.52	3,898,347,236	(10,604,281.04)	(947,778,275)
(Increase)/decrease of investments to customers	(684,527,226.30)	(82,056,348,005)	35,639,592.25	2,374,014,814
(Increase)/decrease of other assets	(692,236.19)	(73,098,634)	258,971.51	21,869,896
Increase/(decrease) of placement from other banks	-	-	-	-
Increase/(decrease) of deposits from other banks	-	-	-	-
Increase/(decrease) of deposits received from customers	132,232.03	15,053,803	79,706.90	6,838,852
Increase/(decrease) of other liabilities account of customers	-	-	-	-
Increase/(decrease) of trading liabilities	-	-	-	-
Increase/(decrease) of other liabilities	31,842,790.74	3,599,438,219	(3,985,465.33)	(290,302,398)
(ii) Cash flows from operating assets and liabilities	(607,281,498.20)	(74,616,607,381)	21,388,524.29	1,164,642,889
Net cash flows from operating activities (A)=(i+ii)	(586,607,999.97)	(72,527,550,385)	40,974,219.36	2,827,468,400
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	607,782,715.28	74,796,584,413	(21,170,319.76)	(1,108,868,348)
Profit transferred to main operation	(20,673,498.23)	(2,135,510,346)	(19,585,695.07)	(1,680,452,637)
Net cash flows from financing activities (C)	587,109,217.05	72,661,074,067	(40,756,014.83)	(2,789,320,985)
Net increase/(decrease) in cash (A+B+C)	501,217.08	133,523,682	218,204.53	38,147,415
Add/(less) Effects of exchange rate changes on cash & cash equivalent	-	(46,453,350)	-	(17,627,126)
Add: Cash & cash equivalents at beginning of the year	2,017,266.42	173,081,459	1,799,061.89	152,561,169
Cash & cash equivalents at the end of the year	2,518,483.50	260,151,791	2,017,266.42	173,081,459

Islami Bank Bangladesh Limited (Off-Shore Banking Unit)

Notes to the Financial Statements

As at and for the year ended 31 December 2022

1.0 Status of the Units

Off-shore Banking Units (OBU) of Islami Bank Bangladesh Ltd. 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, Chattogram 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 2022 to 31 December 2022.

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 IBBL 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

	31.12.2022		31.12.2021	
	USD	BDT	USD	BDT
In Bangladesh (balance with Treasury Division)	2,518,483.50	260,151,791	2,017,266.42	173,081,459
Outside Bangladesh	-	-	-	-
Total	2,518,483.50	260,151,791	2,017,266.42	173,081,459

3.0 Placement with banks & other financial institutions

Fund provided to AD Branches for MDB in FC (*)	2,587,480.50	267,278,973	48,550,422.02	4,165,626,209
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(*) This amount has been provided to AD branches to finance investment in MDB in FC as per the requirement of the AD branches as per Bangladesh Bank FE Circular No. 03 dated 04 February 2013.

4.0 Investments

General investments etc.	-	-	-	-
Bills purchased & discounted (Note-4.1)	1,333,023,489.10	137,697,327,353	648,496,262.80	55,640,979,348
Total	1,333,023,489.10	137,697,327,353	648,496,262.80	55,640,979,348

4.1 Bills purchased & discounted

Mudaraba Documentary Import Bills (MDIB-UPAS) (*)	1,218,344,824.46	125,851,365,332	498,554,512.24	42,775,977,150
Hire-Purchase under Shirkatul Melk (HPSM in FC)	114,678,664.64	11,845,962,021	149,941,750.56	12,865,002,198
Total	1,333,023,489.10	137,697,327,353	648,496,262.80	55,640,979,348

(*) 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	783,263.97	80,908,818	91,027.78	7,810,184
Total	783,263.97	80,908,818	91,027.78	7,810,184

6.0 Placement from banks & other financial institutions

IBBL -main operation (Treasury Division)	864,240,615.04	89,273,462,812	258,157,899.76	22,149,947,799
Banks in BD (OBU)	146,500,000.00	15,133,010,500	227,000,000.00	19,476,600,000
Banks (abroad)	283,700,000.00	29,305,358,900	201,500,000.00	17,288,700,000
Total	1,294,440,615.04	133,711,832,212	686,657,899.76	58,915,247,799

7.0 Other liabilities

Profit payable	6,121,402.40	632,322,504	1,601,625.61	137,419,477
Unearned Income	5,395,759.72	557,365,792	3,887,436.72	333,542,071
Profit Receivable UPAS	32,743,000.98	3,382,253,772	6,928,310.03	594,449,001
Profit during the year	-	-	-	-
Total	44,260,163.10	4,571,942,068	12,417,372.36	1,065,410,549

	31.12.2022		31.12.2021	
	USD	BDT	USD	BDT
8.0 Translation reserve				
Balance as on 01 January		17,627,126		18,376,319
Addition/(adjustment) during the year		28,826,224		(749,193)
Balance as at 31 December	-	46,453,350	-	17,627,126
9.0 Investment income				
Mudaraba documentary import bills (MDIB-UPAS)	39,903,767.03	4,032,275,658	23,796,929.62	2,020,359,325
Hire-Purchase under Shirkatul Melk (HPSM in FC)	6,973,883.18	704,710,895	5,389,852.76	457,598,499
Placement to AD branches (MDB-FC)	1,701,083.78	171,894,516	1,343,999.68	114,105,573
Total	48,578,733.99	4,908,881,070	30,530,782.06	2,592,063,397
10.0 Profit paid on mudaraba deposits/placement				
Profit paid on mudaraba deposits	59,455.34	6,007,962	1,513.03	128,456
Profit paid on Placement from Banks/FIs in Abroad	13,887,882.77	1,403,370,554	4,820,574.77	409,266,798
Profit paid on Placement from Banks/FIs in BD (OBU)	14,655,669.35	1,480,955,388	5,979,694.47	507,676,061
Total	28,603,007.46	2,890,333,904	10,801,782.27	917,071,315
11.0 Other Income				
Service charge realized (MDIB-UPAS)	416,327.57	42,069,901	416,298.80	35,343,768
Management fees (Mura UPAS, MDB & HPSM in FC)	1,979,731.64	200,051,882	1,870,544.54	158,809,231
Total	2,396,059.21	242,121,783	2,286,843.34	194,153,000
12.0 Salary & allowances				
Basic pay	1,193.47	120,600	40,103.67	3,404,802
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	40,103.67	3,404,802
13.0 Postage, stamps and telecommunication etc.				
Telephone Bill	-	-	-	-
14.0 Other expenses				
Profit Share of ADs	1,695,034.54	171,283,240	2,389,808.82	202,894,769
Printing & Stationery	-	-	235.57	20,000
Entertainment	-	-	-	-
Total	1,695,034.54	171,283,240	2,390,044.39	202,914,769
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 at 01 January	-	(17,627,125)	-	(18,376,319)
Addition during the year	20,673,498.23	2,089,056,996	19,585,695.07	1,662,825,511
Effect of translation reserve	-	17,627,125	-	18,376,319
Transferred to main operation	(20,673,498.23)	(2,135,510,346)	(19,585,695.07)	(1,680,452,637)
Balance as at 31 December	-	(46,453,350)	-	(17,627,125)