

PRIVATE & CONFIDENTIAL

MEGHNA BANK LIMITED
Audit Report & Audited Financial Statement
For the year ended December 31, 2022.

Khan Wahab Shafique Rahman & Co.
CHARTERED ACCOUNTANTS
SINCE 1968



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**Independent Auditors' Report
To the Shareholders
of
Meghna Bank Limited**

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Meghna Bank Limited and its subsidiary (the "Group") as well as the separate financial statements of Meghna Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31st December 2022 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

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 balance sheet of the Group and the separate balance sheet of the Bank as at 31st December 2022 and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in notes 2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), 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 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 in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Description of key audit matters	Our response to key audit matters
Measurement of provision for Loans and Advances	
<p>The process for estimating the provision for loan & advances portfolio associated with credit risk is judgmental and complex. While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> • Future business performance of the borrower; • Key assumptions relating to further business performance of the borrower; • Market value of the collateral; • Ability to repossess collateral; and • Recovery rates. <p>Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.</p> <p>Due to high level of judgement involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.</p> <p>For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows.</p> <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p> <p>At the year end the Bank reported total gross loan and advances BDT 39,973.58 Million (2021: BDT 41,876.11 Million) and total provision for Loan and Advances BDT 1,750.49 Million (2021: BDT 1,576.35 Million). We have focused on the following significant judgments and estimates which</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of quarterly Classification of Loans (CL). • Follow Bangladesh Bank's circular and guidelines; <p>Our substantive procedures in relation to the provision for loan and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the Banks general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.

Description of key audit matters	Our response to key audit matters
<p>could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 17 dated 28 September 2020 and BRPD circular no. 56 dated 10 December 2020. <p>Bangladesh Bank has taken into consideration the further negative impact on business and economy due to the subsequent waves of Covid-19 and issued BRPD Circulars no. 3 dated 31 January, 2021, no. 5 dated 24 March, 2021 and no. 51 dated 29 December 2021 and BRPD Circular letter No. 53 dated 30 December 2021, BRPD Circular letter No. 14 dated 30 June 2022 and BRPD Circular letter No. 51 dated 18 December 2022 respectively through which the Banks are allowed to continue moratorium on further downgrading of the classification of loan and advances subject to certain conditions. One of such conditions is to receive by 31 December 2021, at least 15% of the total instalment amounts due on 2021 from the concerned Client as per the Banker and Client relationship and by 30 September 2022, at least 50% of the total installment due for the quarter April-June 2022, 60% of the total installment due for the quarter July-September 2022 and 50% of the total installment due for the quarter October-December 2022.</p>	
See note no 8a, 8a.10, and 14a.1 to the financial statements	
Recognition of Interest Income	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environment. We identify recognition of interest income from loans and advances as a key audit matter because</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances. We performed test of operating effectiveness on automated control in place to measure and recognize interest income. We have also performed substantive</p>

Description of key audit matters	Our response to key audit matters
<p>this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p> <p>Moreover, as per Bangladesh Bank BRPD circular no 14 dated 22 June 2022 and BRPD circular letter no 51 dated 18 December 2022 considering future risk banks were allowed to recognize outstanding / arrear interest income on loans where deferral facilities were given upon receiving certain percentage of the due installments.</p> <p>Accordingly, this has been considered as key audit matter.</p>	<p>procedure to check whether interest income is recognized completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Finally, we also conducted substantive analytical procedures to assess reasonableness of interest recognized during the year with reference to the product wise outstanding loan balances.</p>
See note no 24.a to the financial statements	
Measurement of deferred tax assets (DTA)	
<p>At the year end of 31 December 2022, the Bank reported total deferred tax assets of BDT 58.85 million (31 December 2021: BDT 55.96 million) and deferred tax income of BDT 2.89 million (31 December 2021: BDT 4.02 million).</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Bank's future taxable income. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future. We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note no 10.a.4 and 10.a.4(i) to the financial statements	
Valuation of treasury bill and treasury bond	
<p>The classification and measurement of treasury bill and treasury bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of treasury bill and treasury bond is determined using complex valuation techniques which may take into consideration direct or indirect</p>	<p>We assessed the processes and controls put in place by the Group to identify and confirm the existence of financial instruments.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the financial instrument valuation processes, including controls over market data inputs</p>

Description of key audit matters	Our response to key audit matters
<p>unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>See note no 2.11.3 and 7a to the financial statements</p>	
<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, configuration and other application layer controls identified as key to our audit</p>
<p>Implementation of IFRS 16 Leases</p>	
<p>The Bank has adopted IFRS 16 for the first time during the year 2021.</p> <p>IFRS 16 modifies the accounting treatment of operating leases at inception, with the recognition of a right of use (ROU) on the leased asset and of a liability for the lease payments over the lease contract term. With respect to operating leases of premises used by the Bank, at inception of the lease, the lessor receives a right of</p>	<p>In responding to the identified key audit matter, we completed the following audit procedures:</p> <p>Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the Bank;</p> <p>Assessed the appropriateness of the discount rates applied in determining lease liabilities;</p>



Description of key audit matters	Our response to key audit matters
<p>using the premises, in exchange of a lease debt, using an implicit discount rate.</p> <p>Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are inappropriate.</p>	<p>Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment; and</p> <p>Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
See note no. 9a, 14a & 37a.	

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 auditor's 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 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 read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 financial statements of the Bank in accordance with IFRSs as explained in note 2 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable Laws and Regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bangladesh Bank guidelines 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.

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

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

- Identify and assess the risks of material misstatement of the 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 auditor's 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 auditor's 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 consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Bank Company Act, 1991 as amended and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Responsibility of Management and those charged with governance for the consolidated & Separate financial statements and internal control 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 materially adequate;
 - b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities {other than matters disclosed in these financial statements};
- (iii) financial statements of Meghna Bank Limited's subsidiaries namely, Meghna Bank Securities Ltd. have been audited by MABS & J Partners., Chartered Accountants and have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of accounts 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) provisions have been made for advance and other assets which are in our opinion, doubtful of recovery as per tripartite meeting held March 22, 2023 and Bangladesh bank approved given vide letter no. DBI-4/135/2023-423 dated April 11, 2023.
- (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 2,730 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 16 APR 2023


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Faruk Ahmed FCA
Partner
Enrolment No.: 1591
Firm Registration: 11970 E.P.
DVC: 2304161591AS642329



MEGHNA BANK LIMITED
CONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 2022


Particulars	Notes	2022 Taka	2021 Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (Including Foreign Currencies)	3	3,920,090,518	3,130,549,939
Balance with Bangladesh Bank and Its agent Bank (s) (Including Foreign Currencies)	4	899,992,595	736,258,427
		3,020,097,923	2,394,291,512
Balance with other Banks and Financial Institutions			
In Bangladesh	5	4,378,700,469	2,755,354,199
Outside Bangladesh		4,034,091,872	2,205,349,614
		344,608,597	550,004,585
Money at Call on Short Notice			
	6	1,010,000,000	100,000,000
Investments			
Government	7	13,796,159,435	16,000,512,350
Others		10,617,914,619	12,891,788,462
		3,178,244,816	3,108,723,888
Loans and Advances/ Investments			
Loans, Cash credits, Overdrafts, etc./ Investments	8	39,908,623,991	41,817,164,363
Bills Purchased and Discounted		39,632,796,738	41,299,769,266
		275,827,253	517,395,097
Fixed Assets Including Premises, Furniture and Fixtures			
Other Assets	9	697,769,825	702,017,954
Non Banking Assets	10	849,137,563	804,206,840
		-	-
Total Assets		64,560,481,801	65,309,805,645
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents			
	11	1,620,218,321	2,105,164,693
Deposits and Other Accounts			
Current/Al-Wadeeah Current Accounts & Other Accounts	12	49,490,174,007	52,665,337,091
Bills Payable		6,136,680,593	3,283,314,890
Savings/Mudaraba Saving Deposits		239,912,885	244,480,062
Fixed Deposits/ Mudaraba Term Deposit		3,581,095,585	3,594,145,026
Bearer Certificate of Deposit		39,532,484,944	45,543,397,113
Other Deposits		-	-
		-	-
Non-Convertible Subordinated Bonds			
	13	2,000,000,000	-
Other Liabilities			
	14	4,900,377,921	4,338,821,503
Total Liabilities		58,010,770,249	59,109,323,287
Capital/Shareholders' Equity			
Paid-up Capital	15a.2	5,437,274,500	5,027,908,600
Statutory Reserve	16	983,696,846	877,380,313
Revaluation Reserve on Investment in Securities	17	2,899,111	1,226,905
Retained Earnings	18	125,840,992	293,966,438
Total Shareholders' Equity		6,549,711,449	6,200,482,256
Non-controlling Interest	19	103	102
Total Shareholders' Equity with Non-Controlling Interest		6,549,711,552	6,200,482,358
Total Liabilities & Shareholders' Equity		64,560,481,801	65,309,805,645



MEGHNA BANK LIMITED
CONSOLIDATED OFF- BALANCE SHEET ITEMS
AS AT DECEMBER 31, 2022

Particulars	Notes	2022 Taka	2021 Taka
CONTINGENT LIABILITIES			
Acceptances and Endorsements	20	1,598,586,059	1,691,195,649
Letters of Guarantee	21	4,950,174,711	6,341,589,194
Irrevocable Letters of Credit	22	1,424,119,061	1,527,158,618
Bills for Collection		1,225,462,527	574,679,268
Other Contingent Liabilities		-	-
Total		9,198,342,358	10,134,622,729
OTHER COMMITMENTS			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
TOTAL OFF-BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		9,198,342,358	10,134,622,729

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman



Director


Director


Managing Director & CEO

Signed in terms of our report of even date

Dhaka, 16 April, 2023


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Faruk Ahmed FCA
Partner
Enrolment No.: 1591
Firm Registration: 11970 E.P.
DVC: 2304161591AS642329



MEGHNA BANK LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED AS ON DECEMBER 31, 2022


Particulars	Notes	2022 Taka	2021 Taka
Interest Income/ Profit on Investment	24	3,387,294,043	3,177,072,142
Interest/ Profit paid on Deposits and borrowings etc	25	3,026,484,658	2,581,234,261
Net Interest/ Investment Income		360,809,385	595,837,881
Investment Income	26	1,243,541,857	1,340,917,016
Commission, Exchange and Brokerage	27	453,080,530	199,939,558
Other Operating Income	28	193,091,805	196,039,908
		<u>1,889,714,192</u>	<u>1,736,896,482</u>
Total Operating Income		2,250,523,577	2,332,734,363
Salaries and Allowances	29	778,600,389	625,446,083
Rent, Taxes, Insurances, Electricity etc.	30	91,917,964	85,302,575
Legal Expenses	31	356,422	1,138,802
Postage, Stamps, Telecommunication etc.	32	22,149,893	19,925,490
Stationery, Printings, Advertisements etc.	33	17,302,471	15,290,923
Chief Executive's Salary & Fees	34	17,893,487	18,106,420
Directors' Fees	35	1,999,200	1,856,000
Auditors' Fees	36	458,475	439,500
Charges on Loan Losses		-	-
Depreciation & Repairs of Bank's Assets	37	214,908,569	207,000,171
Other Expenses	38	342,105,487	268,049,359
Total Operating Expenses		1,487,692,357	1,242,555,323
Profit/(Loss) Before Provision	23	762,831,220	1,090,179,040
Specific Provision for Classified Loans and Advances		190,332,906	380,700,000
General Provision for Unclassified Loans and Advances		(16,188,799)	33,745,732
General Provision for Off-Balance Sheet Exposures		(15,870,636)	46,349,435
Special General Provision - Covid-19		(3,664,323)	(16,779,605)
Provision for Diminution in Value of Investments		18,481,062	(9,950,000)
Provision for Other Asset		69,500,000	56,009,438
Total Provision	39	242,590,209	490,075,000
Total Profit/(Loss) Before Taxes		520,241,011	600,104,040
Provision for Taxation			
Current Tax	14.2	332,213,733	259,000,000
Deferred Tax Expense/ (Income)	10a.4	(2,895,236)	(4,025,265)
		<u>329,318,497</u>	<u>254,974,735</u>
Net Profit After Taxation		190,922,514	345,129,305
Retained Earnings Brought Forward From Previous Years		39,491,860	95,145,705
		<u>230,414,374</u>	<u>440,275,010</u>
Appropriations			
Statutory Reserve	16.1	106,316,533	111,729,422
Non-controlling Interest	18.1	1	11
Start-Up Fund	13a.3	1,858,707	3,079,149
		<u>108,175,241</u>	<u>114,808,582</u>
Retained Surplus		122,239,133	325,466,428
Earnings Per Share (EPS) (Restated if Required)	40	0.35	0.63

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman



Director


Director


Managing Director & CEO

Signed in terms of our report of even date

Dhaka, 16 April, 2023


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Faruk Ahmed FCA
Partner
Enrolment No.: 1591
Firm Registration: 11970 E.P.
DVC:



2304161591AS642329

MEGHNA BANK LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED AS ON DECEMBER 31, 2022

Particulars	Notes	2022 Taka	2021 Taka
Cash Flows from Operating Activities			
Interest/ Profit receipts in cash	41	4,407,438,146	3,754,331,030
Interest/ Profit Payments	42	(2,834,922,273)	(2,538,377,419)
Dividends Receipts		253,239,292	103,509,057
Fee & Commission receipts in cash		453,080,530	199,939,558
Recoveries on loans previously written off		-	-
Cash Payments to Employees		(796,493,876)	(643,552,503)
Cash Payments to Suppliers		(17,302,471)	(15,290,923)
Income Taxes Paid		(389,474,717)	(203,343,667)
Receipts from other Operating activities	43	198,438,877	982,729,698
Payments for other Operating activities	44	(605,760,303)	(513,788,289)
Operating Profit before changes in Operating Assets and Liabilities		668,243,206	1,126,156,542
Increase/Decrease in Operating Assets and Liabilities			
Statutory Deposits		-	-
Purchase/Sale of Trading Securities (Treasury bills)		(382,475,376)	(108,104,907)
Loans and Advances/ Investments to Other Banks		-	-
Loans and Advances/ Investments to Customers		1,908,540,372	(6,001,397,571)
Other Assets	45	(75,307,944)	(173,342,702)
Deposits from other Banks		(5,102,751,532)	1,413,102,806
Deposits from Customers		1,927,588,448	7,937,222,444
Other liabilities on account of customers		-	-
Trading Liabilities		-	-
Other Liabilities	46	224,795,663	213,739,805
Sub Total		(1,499,610,369)	3,281,219,875
A) Net Cash from Operating Activities		(831,367,163)	4,407,376,417
Cash flows from Investing Activities			
Proceeds from sale of Securities		-	-
Payment for purchases of securities		2,583,472,835	(6,161,894,512)
Purchase/Sale of Property, Plant & Equipment		(71,662,231)	(65,245,888)
Purchase/Sale of Subsidiary		-	-
B) Net Cash Used in Investing Activities		2,511,810,604	(6,227,140,400)
Cash flows from Financing Activities			
Borrowing from other banks		(484,946,372)	1,546,548,693
Receipts from issue of Ordinary Share		409,365,900	-
Receipts from issue of Subordinated Coupon Bearing Bonds		2,000,000,000	-
Dividends Paid		(282,895,430)	(14,000,000)
C) Net Cash from Financing Activities		1,641,524,098	1,532,548,693
D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		3,321,967,539	(287,215,290)
E) Effect of Exchange rate changes on cash & cash equivalents		522,710	-
F) Cash and cash equivalents at the beginning of the year		5,986,740,338	6,273,955,628
G) Cash and cash equivalents at the end of the year (D+E+F)	47	9,309,230,587	5,986,740,338

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman


Director


Director


Managing Director & CEO



MEGHNA BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

Particulars	Paid-up Capital (Taka)	Statutory Reserve (Taka)	Other Reserve (Taka)	Retained Earnings (Taka)	Total (Taka)	Non- controlling Interest (Taka)	Total Equity (Taka)
Balance as at 01 January, 2022	5,027,908,600	877,380,313	1,226,905	293,966,438	6,200,482,256	102	6,200,482,358
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	5,027,908,600	877,380,313	1,226,905	293,966,438	6,200,482,256	102	6,200,482,358
Net profit for the year				190,922,514	190,922,514	-	190,922,514
Transfer to statutory reserve		106,316,533		(106,316,533)	-	-	-
Net Surplus/deficit on account of revaluation of Investments		-	1,672,206		1,672,206	-	1,672,206
Transfer to Start-Up-Fund				(1,858,707)	(1,858,707)		(1,858,707)
Non-controlling Interest				(1)	(1)	1	-
Issued Ordinary Shares by Cash	409,365,900				409,365,900		409,365,900
Foreign Exchange Rate Changes Gain for Opening Retained Earnings				522,710	522,710		522,710
Dividend paid for the year 2021				(251,395,430)	(251,395,430)		(251,395,430)
Balance as at 31 December, 2022	5,437,274,500	983,696,846	2,899,111	125,840,992	6,549,711,449	103	6,549,711,552
Balance as at 31 December, 2021	5,027,908,600	877,380,313	1,226,905	293,966,438	6,200,482,256	102	6,200,482,358

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman


Director


Director



Managing Director & CEO



MEGHNA BANK LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2022

Particulars	Notes	2022 Taka	2021 Taka
PROPERTY AND ASSETS			
Cash		3,920,090,518	3,130,545,671
Cash in hand (Including Foreign Currencies)	3a	899,992,595	736,254,159
Balance with Bangladesh Bank and Its agent Bank (s) (Including Foreign Currencies)	4a	3,020,097,923	2,394,291,512
Balance with other Banks and Financial Institutions	5a	4,360,021,451	2,723,637,291
In Bangladesh		4,015,412,854	2,173,632,706
Outside Bangladesh		344,608,597	550,004,585
Money at Call on Short Notice	6a	1,010,000,000	100,000,000
Investments	7a	13,384,147,934	15,592,157,320
Government		10,617,914,619	12,891,788,462
Others		2,766,233,315	2,700,368,858
Loans and Advances/ Investments	8a	39,973,582,659	41,876,110,332
Loans, Cash credits, Overdrafts, etc./ Investments		39,697,755,406	41,358,715,235
Bills Purchased and Discounted		275,827,253	517,395,097
Fixed Assets Including Premises, Furniture and Fixtures	9a	689,205,816	692,261,436
Other Assets	10a	1,199,949,048	1,170,068,031
Non Banking Assets		-	-
Total Assets		<u>64,536,997,426</u>	<u>65,284,780,081</u>
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	11a	1,620,218,321	2,105,164,693
Deposits and Other Accounts	12a	49,535,924,245	52,737,870,285
Current/Al-Wadeeah Current Accounts & Other Accounts		6,136,680,593	3,283,314,889
Bills Payable		239,912,885	244,480,062
Savings/Mudaraba Saving Deposits		3,581,095,585	3,594,145,026
Fixed Deposits/ Mudaraba Term Deposit		39,578,235,182	45,615,930,308
Bearer Certificate of Deposit		-	-
Other Deposits		-	-
Non-Convertible Subordinated Bonds	13	2,000,000,000	-
Other Liabilities	14a	4,842,913,209	4,247,980,806
Total Liabilities		<u>57,999,055,775</u>	<u>59,091,015,784</u>
Capital/Shareholders' Equity			
Paid-up Capital	15a.2	5,437,274,500	5,027,908,600
Statutory Reserve	16a	979,023,897	876,428,809
Revaluation Reserve on Investment in Securities	17	2,899,111	1,226,905
Retained Earnings	18a	118,744,143	288,199,983
Total Shareholders' Equity		<u>6,537,941,651</u>	<u>6,193,764,297</u>
Total Liabilities & Shareholders' Equity		<u>64,536,997,426</u>	<u>65,284,780,081</u>



MEGHNA BANK LIMITED
OFF- BALANCE SHEET ITEMS
AS AT DECEMBER 31, 2022

Particulars	Notes	2022 Taka	2021 Taka
CONTINGENT LIABILITIES			
Acceptances and Endorsements	20	1,598,586,059	1,691,195,649
Letters of Guarantee	21	4,950,174,711	6,341,589,194
Irrevocable Letters of Credit	22	1,424,119,061	1,527,158,618
Bills for Collection		1,225,462,527	574,679,268
Other Contingent Liabilities		-	-
Total		9,198,342,358	10,134,622,729
OTHER COMMITMENTS			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total		-	-
TOTAL OFF-BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		9,198,342,358	10,134,622,729

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman



Director


Director


Managing Director & CEO

Signed in terms of our report of even date

Dhaka, 16 April, 2023


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: Faruk Ahmed FCA
Partner
Enrolment No.: 1591
Firm Registration: 11970 E.P.
DVC: 2304161591AS642329



MEGHNA BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED AS ON DECEMBER 31, 2022

Particulars	Notes	2022 Taka	2021 Taka
Interest Income/ Profit on Investment	24a	3,390,262,755	3,178,068,647
Interest/ Profit paid on Deposits and borrowings etc	25a	3,029,082,180	2,582,720,355
Net Interest/ Investment Income		361,180,575	595,348,292
Investment Income	26a	1,231,912,978	1,312,578,767
Commission, Exchange and Brokerage	27a	436,806,157	164,420,861
Other Operating Income	28a	192,548,153	194,136,861
		1,861,267,288	1,671,136,489
Total Operating Income		2,222,447,863	2,266,484,781
Salaries and Allowances	29a	770,413,269	616,062,847
Rent, Taxes, Insurances, Electricity etc.	30a	91,612,013	84,731,750
Legal Expenses	31a	356,422	1,138,802
Postage, Stamps, Telecommunication etc.	32a	22,054,452	19,807,441
Stationery, Printings, Advertisements etc.	33a	17,120,757	15,144,956
Chief Executive's Salary & Fees	34	17,893,487	18,106,420
Directors' Fees	35a	1,927,200	1,784,000
Auditors' Fees	36a	398,475	379,500
Charges on Loan Losses		-	-
Depreciation & Repairs of Bank's Assets	37a	212,586,939	204,912,335
Other Expenses	38a	337,150,263	260,997,873
		1,471,513,277	1,223,065,924
Total Operating Expenses		1,471,513,277	1,223,065,924
Profit/(Loss) Before Provision	23a	750,934,586	1,043,418,857
Specific Provision for Classified Loans and Advances		190,332,906	380,700,000
General Provision for Unclassified Loans and Advances		(16,188,799)	33,200,000
General Provision for Off-Balance Sheet Exposures		(15,870,636)	46,349,435
Special General Provision - Covid-19		(3,664,323)	(16,779,605)
Provision for Diminution in Value of Investments		13,850,000	(9,950,000)
Provision for Other Asset		69,500,000	56,009,438
		237,959,147	489,529,268
Total Provision	39a	237,959,147	489,529,268
Total Profit/(Loss) Before Taxes		512,975,439	553,889,589
Provision for Taxation			
Current Tax	14a.2	330,000,000	250,000,000
Deferred Tax Expense/ (Income)	10a.4	(2,895,236)	(4,025,265)
		327,104,764	245,974,735
Net Profit After Taxation		185,870,675	307,914,854
Retained Earnings Brought Forward From Previous Years		36,804,553	94,142,196
		222,675,228	402,057,050
Appropriations			
Statutory Reserve	16a	102,595,088	110,777,918
Start-Up Fund	13a.3	1,858,707	3,079,149
		104,453,795	113,857,067
Retained Surplus	18a	118,221,433	288,199,983
Earnings Per Share (EPS) (Restated if Required)	40a	0.34	0.57

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman


Director


Director


Managing Director & CEO

Signed in terms of our report of even date


Khan Wahab Shafique Rahman & Co.

Chartered Accountants

Signed by: Faruk Ahmed FCA

Partner

Enrolment No.: 1591

Firm Registration: 11970 E.P.

DVC:

Dhaka, 16 April, 2023



2304161591AS642329

MEGHNA BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED AS ON DECEMBER 31, 2022

Particulars	Notes	2022 Taka	2021 Taka
Cash Flows from Operating Activities			
Interest/ Profit receipts in cash	41a	4,410,406,858	3,755,327,535
Interest/ Profit Payments	42a	(2,837,519,796)	(2,539,863,513)
Dividends Receipts		247,231,968	98,902,650
Fee & Commission receipts in cash		436,806,157	164,420,861
Recoveries on loans previously written off		-	-
Cash Payments to Employees		(788,306,756)	(634,169,267)
Cash Payments to Suppliers		(17,120,757)	(15,144,956)
Income Taxes Paid		(385,491,583)	(196,285,241)
Receipts from other Operating activities	43a	195,558,468	959,120,733
Payments for other Operating activities	44a	(598,786,393)	(504,429,941)
Operating Profit before changes in Operating Assets and Liabilities		662,778,166	1,087,878,861
Increase/Decrease in Operating Assets and Liabilities			
Statutory Deposits		-	-
Purchase/Sale of Trading Securities (Treasury bills)		(382,475,376)	(108,104,907)
Loans and Advances/ Investments to Other Banks		-	-
Loans and Advances/ Investments to Customers		1,902,527,672	(6,035,486,026)
Other Assets	45a	(64,023,035)	(201,321,622)
Deposits from other Banks		(5,102,751,532)	1,413,102,806
Deposits from Customers		1,900,805,492	7,994,640,131
Other liabilities on account of customers		-	-
Trading Liabilities		-	-
Other Liabilities	46a	224,359,075	189,025,767
Sub Total		(1,521,557,704)	3,251,856,149
A) Net Cash from Operating Activities		(858,779,539)	4,339,735,010
Cash flows from Investing Activities			
Proceeds from sale of Securities		-	-
Payment for purchases of securities		2,591,760,368	(6,123,567,739)
Purchase/Sale of Property, Plant & Equipment		(70,995,231)	(62,513,342)
B) Net Cash Used in Investing Activities		2,520,765,137	(6,186,081,081)
Cash flows from Financing Activities			
Borrowing from other banks		(484,946,372)	1,546,548,693
Receipts from issue of Ordinary Share		409,365,900	-
Receipts from issue of Subordinated Coupon Bearing Bonds		2,000,000,000	-
Dividends Paid		(251,395,430)	-
C) Net Cash from Financing Activities		1,673,024,098	1,546,548,693
D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		3,335,009,697	(299,797,378)
E) Effect of Exchange rate changes on cash & cash equivalents		522,710	-
F) Cash and cash equivalents at the beginning of the year		5,955,019,162	6,254,816,540
G) Cash and cash equivalents at the end of the period (D+E+F)	47a	9,290,551,569	5,955,019,162

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman


Director


Director


Managing Director & CEO

MEGHNA BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

Particulars	Paid-up Capital (Taka)	Statutory Reserve (Taka)	Other Reserve (Taka)	Retained Earnings (Taka)	Total (Taka)
Balance as at 01 January, 2022	5,027,908,600	876,428,809	1,226,905	288,199,983	6,193,764,297
Changes in accounting policy	-	-	-	-	-
Restated Balance	5,027,908,600	876,428,809	1,226,905	288,199,983	6,193,764,297
Net profit for the year				185,870,675	185,870,675
Transfer to statutory reserve		102,595,088		(102,595,088)	-
Transfer to Start-Up-Fund				(1,858,707)	(1,858,707)
Issued Ordinary Shares by Cash	409,365,900				409,365,900
Foreign Exchange Rate Changes Gain for Opening Retained Earnings				522,710	522,710
Dividend paid for the year 2021				(251,395,430)	(251,395,430)
Net Surplus/deficit on account of revaluation of Investments			1,672,206		1,672,206
Balance as at 31 December, 2022	5,437,274,500	979,023,897	2,899,111	118,744,143	6,537,941,651
Balance as at 31 December, 2021	5,027,908,600	876,428,809	1,226,905	288,199,983	6,193,764,297

Accompanying (1 - 48) notes form integral parts of these financial statements


Chairman


Director


Director


Managing Director & CEO



MEGHNA BANK LIMITED
LIQUIDITY STATEMENT
ASSETS AND LIABILITIES MATURITY ANALYSIS
AS AT DECEMBER 31, 2022

Particulars	Up to 01 Month (Taka)	01-03 Months (Taka)	03-12 Months (Taka)	01-05 Years (Taka)	More than 05 years (Taka)	Total (Taka)
Assets						
Cash in hand	899,992,595	-	-	-	-	899,992,595
Balance with other Banks and Financial Institutions	2,840,569,561	1,524,675,813	970,000,000	-	2,044,874,000	7,380,119,374
Money at Call on Short Notice	1,010,000,000	-	-	-	-	1,010,000,000
Investment	147,542,583	132,939,600	1,843,617,286	3,008,258,093	8,251,790,372	13,384,147,934
Loans and Advances/ Investments	8,022,698,171	7,578,978,055	11,247,319,732	9,331,687,283	3,792,899,418	39,973,582,659
Fixed Assets including Premises, Furniture & Fixtures	16,995,363	34,166,356	154,724,454	268,656,374	214,663,269	689,205,816
Other Assets	141,886,320	234,932,763	174,695,843	298,208,267	350,225,855	1,199,949,048
Non-banking Assets	-	-	-	-	-	-
Total Assets (i)	13,079,684,593	9,505,692,587	14,390,357,315	12,906,810,017	14,654,452,914	64,536,997,426
Liabilities						
Borrowing from Other Banks, Financial Institutions & Agents	344,502,162	258,556,524	939,263,200	77,896,435	-	1,620,218,321
Deposits and Other Accounts	6,058,267,825	9,150,854,099	13,519,911,349	15,793,436,579	5,013,454,393	49,535,924,245
Provision and Other Liabilities	230,953,923	393,721,239	700,096,795	2,240,618,441	3,277,522,811	6,842,913,209
Total Liabilities (ii)	6,633,723,910	9,803,131,862	15,159,271,344	18,111,951,455	8,290,977,204	57,999,055,775
Net Liquidity Gap (i-ii)	6,445,960,683	(297,439,275)	(768,914,029)	(5,205,141,438)	6,363,475,710	6,537,941,651


Chairman


Director


Managing Director & CEO



**MEGHNA BANK LIMITED & ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
AS AT & FOR THE YEAR ENDED DECEMBER 31, 2022**

1.0 Background of the Bank

1.1 Legal Status of the Bank

Meghna Bank Ltd. (MGBL) is a scheduled commercial bank incorporated as a public limited company with the Registrar of Joint Stock Companies and Firms under the Companies Act 1994 (Amended up to 2020) vide Reg. no. C-108068/13 dated 20 March, 2013 in Bangladesh. The bank commenced banking operation on May 09, 2013 by obtaining license from Bangladesh Bank under section 32(1) of The Bank Companies Act 1991 (Amended up to 2018). At present the bank has forty eight (48) branches, Ten (10) Islamic banking window, fourteen (14) agents and eighteen (18) own ATM booths covering commercially important locations of the country.

The principal place of business and registered office of the bank is located at Suvastu Imam Square, 65 Gulshan Avenue, Gulshan 01, Dhaka 1212.

1.2 Principal Activities and Nature of Operations of the Bank

The Bank offers all kinds of conventional & Islamic commercial banking activities encompassing a wide range of services including accepting deposits, making loans and advances, card business, treasury management, internet banking, discounting bills, inland and international remittance services, foreign exchange transactions and other related services such as collections, issuing guarantees, acceptances and letters of credit, securities and custodial services etc. as per provisions of the Banking Companies Act, 1991 as amended, Bangladesh bank's directives and directives of other regulatory authorities.

1.3 Islamic Banking Unit

The Bank obtained permission from Bangladesh Bank to operate Islamic Banking Unit as a separate business unit vide Bangladesh Bank's letter no. BRPD(P-3)745(66)/2020-2359 dated February 26, 2020. The Islamic Banking Unit is governed following the principles of Islamic Shari'ah, the provisions of the Banking Companies Act, 1991 as amended, Bangladesh bank's directives and directives of other regulatory authorities.

1.4 Off-shore Banking Unit (OBU)

Off-shore Banking Unit (OBU) is a separate business unit of Meghna Bank Limited governed under the rules and guidelines of Bangladesh Bank after obtained permission from Bangladesh Bank vide Bangladesh Bank's letter no. BRPD(OB)744(129)/2020-8501 dated October 11, 2020. The principal activities of OBU are to provide all kinds of commercial banking services to its customers in Bangladesh in foreign currency namely United States Dollar (USD). In preparation of Financial Statements, foreign currency have been translated into the presentation currency, i.e. Bangladeshi Taka (BDT) as per IAS 21.

1.5 Subsidiary Company

A subsidiary is an entity in which the bank has control as per as shareholding and voting rights is concerned. Control exists when the bank has substantial shareholding (more than 50 percent) in the company or the power, directly or indirectly, to govern the financial and operating policies of an enterprise as on the date of the reporting. Separate financial statements and consolidated financial statements are being prepared for subsidiary investment as per International Accounting Standard IAS-27, "separate financial statements" and IFRS-10, "Consolidated Financial Statements". Interest of the non-controlling is shown as the non-controlling interest which includes share capital of the non-controlling portion as well as profit earned that goes to the non-controlling interest. However, inter group transactions, balances and the resulting unrealized profit/loss is eliminated on the consolidation.



1.5.1 Meghna Bank Securities Limited

Meghna Bank Securities Limited was incorporated in Bangladesh on February 18, 2015 under the Companies Act, 1994 as a private company vide registration no. C-121270/15. The registered office of the company is located at Suvastu Imam Square, 65 Gulshan Avenue C/A, Gulshan-1, Dhaka. The main objective of the company is to act as a full-fledged stock broker and stock dealer to execute buy and sell order and to maintain own portfolio as well as customer portfolio under the discretion of customers.

Meghna Bank Ltd. holds 34,99,999 no of shares of Meghna Bank Securities Ltd. with face value of Tk. 100 each which is equivalent to 99.99% of total shares of the company.

2.0 Significant Accounting Policies and Basis of Preparation of Financial Statements

2.1 Basis of Preparation of Financial Statements

The separate financial statements of the Bank as on and for the year ended December 31, 2022 comprise those of Domestic Banking Unit (main operations), Islamic Banking Unit and Offshore Banking Unit (OBU) together referred to as 'the Bank'. Consolidated financial statements comprise those of the bank (parent) and its subsidiaries together referred to as 'the Group'. The Financial Statements have been prepared on a going concern basis under the historical cost convention and in accordance with "First Schedule"(Sec.38) of the Bank Companies Act 1991 (Amended up to 2018), in compliance with the provisions of Bangladesh Bank Circulars, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act 1994 (Amended up to 2020), the Bangladesh Securities and Exchange Rules 1987, guideline of Financial Reporting Council (FRC) under Financial Reporting Act 2015 and other rules and regulations applicable in Bangladesh.

2.2 Statement of Compliance

The Bank also complied with the requirements of the following laws and regulations from various regulatory bodies in the preparation of financial statements for the year 2022:

- a) The Bank Companies Act, 1991(Amended up to 2018)
- b) The Companies Act, 1994 (Amended up to 2020)
- c) Rules & Regulations, Circulars issued by Bangladesh Bank from time to time
- d) The Securities and Exchange Commission Act 1993
- e) The Income Tax Ordinance, 1984 and amendments thereon
- f) The Value Added Tax and Supplementary Duty Act 2012 and subsequent amendment thereon,
- g) Statutory Regulatory Orders (SROs), General orders and notifications issued by NRB time to time,
- h) The Financial Reporting Act, 2015.

In cases any requirements of Banking Company Act 1991 (Amended up to 2018) and provision & circulars issued by Bangladesh Bank differ with those of IASs/IFRSs, the requirements of Banking Company Act 1991 (Amended up to 2018) and provision & circulars issued by Bangladesh Bank shall prevail. Material departures from the requirement of IASs & IFRSs are as follows:

a) Presentation of Financial Statements

IFRS: As per requirements of IAS 1 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, comprising significant accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

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



b) Investments in Shares and Securities

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

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

The bank reviews its investment in shares and securities at each quarter end and take adequate provision has been made as per Bangladesh Bank guidelines {Note-13a.1 (e) and Annexure-A }.

c) Revaluation Gains/Losses on Government Securities

IFRS: As per requirement of IFRS 9 where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognized through the profit and loss account. Where securities are measured 'at fair value through other comprehensive income' then gains or losses shall be recognized in other comprehensive income (OCI), except for impairment gains or losses and foreign exchange gains and losses. The loss allowance arise from impairment shall be recognized in (OCI) and shall not reduce the carrying amount of financial assets in the statement of financial position. Securities designated as amortized cost are measured at effective interest rate method and interest income is recognized through the profit and loss account.

Bangladesh Bank: According to DOS circular no. 5 dated 26 May 2008 and subsequent clarification issue through DOS circular no. 5 dated 28 January 2009, amortization loss is charged to profit and loss account mark-to-market loss on revaluation of government securities (T-bills/T-bonds) categorized as held for trading (HFT) is charged to profit and loss account but any unrealized gain on such revaluation is recognized to revaluation reserve account. T-bills/T-bonds designated as held to maturity (HTM) are measured at amortized cost but interest income/gain is recognized through equity.

d) Provisions on Loans and Advances

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

Bangladesh bank: As per BRPD Circular no. 14, dated 23 September 2012, BRPD Circular no. 19, dated 27 December 2012, BRPD Circular no. 05, dated 29 May 2013, BRPD Circular no. 16, dated 18 November 2014, BRPD Circular no. 08, dated 02 August 2015, BRPD Circular no. 15, dated 27 September 2017 and BRPD Circular no. 01, dated 20 February 2018, BRPD Circular no. 03, dated 21 April 2019 a general provision at 0.25% to 2% under different categories of unclassified loans (standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses, should be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for certain off -balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9. Bangladesh Bank also issue BRPD Circular no. 50, dated 14 December 2021 for maintained a special general provision-COVID-19 @ 2% on loans & advances taking advantage as per BRPD circular no 19/2021.



e) Recognition of Interest/ Profit in Suspense

IFRS: Loans and advances/ Investments to customers are generally classified at amortized cost as per IFRS 9: Financial Instruments and interest/ profit is recognized by using the effective interest/ profit rate method to the gross carrying amount over the term of the loan/ investments. Once a loan/ profit subsequently become credit-impaired, the entity shall apply the effective interest/ profit rate to the amortized cost of these loans and advances/ investments.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan/ investments is classified, interest/ profit on such loans/ investments are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest/ profit in suspense account, which is presented as liability in the balance sheet.

f) 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 statement.

Bangladesh bank: Bangladesh Bank has issued templates for financial statements which are strictly to be followed by all banks in Bangladesh. The templates of financial statements issued by Bangladesh Bank do not include other comprehensive income or are the elements of other comprehensive income allowed to be included in a single other comprehensive income statement. As such the bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

g) Financial Guarantees

IFRS: As per IFRS 9: Financial Instruments, financial guarantees are contracts that require the issuer 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 original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value plus transaction cost that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognized less, income recognized in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee are to be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin and 1% general provision for certain contingent liabilities.

h) Cash and Cash Equivalents

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

Bangladesh Bank: Some cash and cash equivalent items such as 'Money at call and on short notice', Treasury bills, Bangladesh Bank bills and Prize bonds are not prescribed to be shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments. However, in the cash flow statement, money at call and on short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

i) Non-Banking Assets

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

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, there must exist a face item named non-banking assets.

j) 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 appropriate for the business or industry. The method selected is 'applied consistently'.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June, 2003, cash flow statement is to be prepared following a mixture of Direct and Indirect method.

k) Balance with Bangladesh bank as Cash Reserve Requirement

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

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

l) Presentation of Intangible Assets

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

Bangladesh Bank: There is no regulation for intangible assets as per BRPD circular no. 14 dated 25 June, 2003.

m) Off-Balance Sheet Items

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

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June, 2003, off-balance sheet items must be disclosed separately on the face of the balance sheet.

n) Disclosure of Appropriation of Profit

IFRS: There is no requirement to show appropriation of profit on the face of statement of profit or loss and other comprehensive income.

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

o) Loans and Advances/ Investments Net of Provision

IFRS: Loans and Advances/ Investments should be presented net of provision.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, provision on loans and advances/ investments are presented separately as liability and cannot be netted off against loans and advances/ investments.

Also refer to the Note 2.32 Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

p) Recovery of Written Off Loans and Advances/ Investments:

IFRS: As per IAS 1, an entity shall not offset assets and liabilities or income or expenses, unless required or permitted by an IAS/ IFRS. Again recovery of written off loans should be charged to statement of profit or loss and other comprehensive income.

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

2.3 Use of Estimates and Judgments

The preparation of financial statements in conformity with IAS/IFRS and Bangladesh Bank circulars requires management's judgments, estimates and assumptions for which the application of accounting policies and the reported amounts of assets, liabilities, income and expenses may vary and actual results may differ from those estimates.

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



Key Estimates Include the Following:

Provision on Loans & Advances/ Investments and Off Balance Sheet Items.

Provision for Taxation.

Revaluation of Assets.

Deferred Tax Assets/ Liabilities.

Gratuity Fund.

Useful Life of Depreciable Assets.

2.4 Consolidation of Financial Statements

The consolidated financial statements includes the financial statements of Meghna Bank Limited and its subsidiary Meghna Bank Securities Limited. The consolidated financial statements have been prepared in accordance with International Accounting Standard 27 – “Separate Financial Statements” and IFRS 10: Consolidated Financial Statements. The consolidation of the financial statements have been made after eliminating all material inter company balance, income and expenses arising from intercompany transactions.

2.5 Consistency

In accordance with IFRS framework for the preparation of financial statements together IAS – 1 and IAS – 8, Meghna Bank Ltd. discloses its information consistently from one period to the next. Where selecting and applying a new accounting policies, changes in accounting policies, correction of errors, and the amount involved are accounted for and disclosed transparently in accordance with the requirements of IAS – 8. However, for changes in accounting estimate the related amount is recognized prospectively in the current period and in the next period or periods.

2.6 Going Concern

The financial statements have been prepared on the assessment of the bank's ability to continue as going concern basis. MGBL has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The key financial parameters such as liquidity, profitability, asset quality, provision sufficiency and capital adequacy of the bank continued to exhibit a healthy trend for couple of years. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the bank's ability to continue as going concern.

2.7 Foreign Currency Transactions

2.7.1 Foreign Currencies Translation

Foreign currency transactions are converted into 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 currencies balances as at december 31, 2022 have been converted into taka currency at the revaluation rate determined by Bangladesh bank.

2.7.2 Commitments

Commitments for outstanding forward foreign exchange contractors disclosed in these financial statements are translated at contracted rates. Contingent liabilities/ commitments for letter of credit and letters of guarantee denominated in foreign currencies are expressed in taka terms at the rates of exchanges ruling on the balance sheet dates.

2.7.3 Translation Gains and Losses:

The resulting exchange transactions gain and losses are included in the profit and loss account.

2.8 Offsetting

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

2.9 Revenue Recognition

a) Interest Income/ Profit on Investments

Interest/ profit on unclassified loans and advances/ investments is accounted for as income on accrual basis, interest/ profit on classified loans and advances/ investments is credited to interest/ profit suspense account with actual receipt of interest/ profit there from credited to income as and when received as per instruction contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 16 dated 18 November 2014 and BRPD circular no. 56 dated 10 December 2020 of Bangladesh Bank.

b) Interest/ profit Income from Investment

Interest/ profit income on investment in government and other securities, debentures and bonds is accounted for on accrual basis.

c) Dividend Income

Dividend income on investments is recognized during the period in which it is declared and ascertained and right to receive the payment is established.

d) Fees and Commission

Fees and commission income arises from services provided by the bank and recognized on receipt basis. Commission charged on Letters of Credit (LC) and Letters of Guarantee (LG) are credited to income at the time of effecting the transactions. The advance payment of tax on LC commission is duly deposited to the Tax Authority. Similarly, Income Tax and VAT are deducted at source and deposited to the Govt. Exchequer within the time stipulated as per their circulars.

e) Interest/ Profit and Other Expenses

In terms of the provision of the International Accounting Standard (IAS) -1 "Presentation of Financial Statements", accrual basis is followed for interest/ profit payment and other expenses. The necessary disclosures are given in the notes in compliance with the provisions of BRPD Circular No. 14 dated 25 June 2003.

2.10 Dividend paid

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by Shareholders.

If an entity declares dividends to holders of equity instruments (as defined in IAS 32 Financial Instruments: Presentation) after the reporting period, the entity shall not recognize those dividends as a liability at the end of the reporting period as per IAS 10. Para 12.

2.11 Assets and the Basis of Their Valuation

2.11.1 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 Bank Management for its short-term commitments.

2.11.2 Loans and Advances/ Investments

(a) Loans and Advances/ Investments are stated at gross amount and before off setting general provisions against
(b) Interest/ profit on loans and advances/ investments is charged and accounted for quarterly on an accrual basis.

(c) Provision for Loans and Advances/ Investments is made on the basis of year-end review by the management and of instructions contained in Bangladesh Bank circular as amended time to time. The classification rates are given below:

Category/Status of loans and advances/ Investments	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
Provisions for unclassified loans and advances/ Investments:		
All unclassified loans/ investments (Other than loans under small and medium enterprise, consumer financing, short term agri. credit and staff loans)	1%	1%
Small and medium enterprise financing	0.25%	0.25%
Consumer financing (Other than housing finance and loans/ investments for professionals under consumer financing scheme)	5%	5%
Consumer financing (For Housing Finance & Loans/ Investments for professionals set up)	1-2%	1-2%
Short term agri. Credit	1%	1%
Special general provision-COVID-19	1.50%-2%	1.50%-2%
Provisions for classified loans and advances/ Investments:		
Substandard	5%-20%	5%-20%
Doubtful	5%-50%	5%-50%
Bad or Loss	100%	100%

d) Commission and discount on bill purchased and discounted are recognized at the time of realization.

2.11.3 Investments

Investments have been initially recognized at cost, including acquisition charges associated with the investment. Government treasury bills and bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no. 05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The Valuation Methods of Investment Used are:

a) Held to Maturity (HTM)

Investments which are intended to be held to maturity are classified as "Held to Maturity". These are measured at amortized cost at each year end by taking into account any discount or premium in acquisition. Amortized amount of such premium are booked into profit and loss account or discount is booked to reserve until maturity or disposal.

b) Held for Trading (HFT)

Investments primarily held for selling or trading is classified in this category. After initial recognition, investments are mark to market weekly. Decrease in the book value is recognized in the profit and loss account and any increase is transferred to revaluation reserve account.

Value of investments has been enumerated as follows:

Investment Class	Initial Recognition	Measurement After Initial Recognition	Recording of Changes
Treasury Bill/Bond (HFT)	Cost	Market value	Loss to Profit and Loss Account, gain to revaluation reserve.
Treasury Bill/Bond (HTM)	Cost	Amortized value	Increase in value to equity and decrease in value to Profit and Loss Account.
Prize Bond	Cost	None	None

c) Investment in Listed Securities

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

d) Investment in Unquoted Securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

e) Investment in Subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in bank's financial statements in accordance with the International Accounting Standard (IAS) – 27. Accordingly investment in subsidiary is stated in the bank's balance sheet at cost, less impairment losses if any.

2.11.4 Property, Plant and Equipment

Recognition and Measurement

All fixed assets are stated at historical cost as per IAS-16 "Property, Plant and Equipment". The cost of acquisition of asset comprises its purchase price and any directly attributable cost of bringing the assets to its working contribution for its intended use inclusive of inward freight, duties and non-refundable taxes.

Subsequent Cost

The cost of replacing part of such an item of fixed assets is recognized in the carrying amount of an item of property, plant and equipment if it is probable that the future economic benefits embodied with the part will flow to the company and the cost of the item can be measured reliably. The cost of day to day servicing of fixed asset is recognized in profit and loss as incurred.

Depreciation

Depreciation is charged for the year at the following rates on straight line method on all fixed assets:

Category of Fixed Assets	Rate of Depreciation
Furniture and Fixtures	10%
Machinery and Office Equipment	20%
Motor Vehicles	20%
Computer and Computer Peripherals	33%
Office Tools and Accessories	20%

a) For additions during the year, depreciation is charged for the remaining days of the period and for disposal, depreciation is charged up to the date of disposal.

b) On disposal of fixed assets the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account which is determined with reference to the net book value of the assets and net sale proceeds.

2.11.5 Intangible Assets

i. An Intangible asset is recognized if it is probable that future economic benefits associated with the assets will flow to the bank and the cost of the assets can be reliably measured.

ii. Software (especially Core Banking Software) is amortized using the straight line method over the estimated useful life of 05 (Five) years commencing from the date of the application software is available for use over the best estimate of its useful economic life.

2.11.6 Other Assets

Other asset include mainly advance office rent, investment in subsidiary, unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamps etc.

2.11.7 Receivables

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

2.11.8 Non-banking Assets

There are no assets acquired in exchange for loan during the period of financial statements.

2.12 Capital / Shareholders' Equity

A) Authorized Capital

Authorized capital is the maximum amount of share capital that the bank is authorized by its memorandum and article of associations to issue to shareholders.

B) Paid Up Capital:

Paid up capital represent total amount of shareholder's capital that has been paid in full by the ordinary shareholders. Holders of ordinary share are entitle to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.13 Statutory Reserve

As per Section 24 of Banking Companies Act, 1991, 20% of profit before tax (PBT) of the current year of the bank is required to be transferred to statutory reserve until such reserve together with share premium account equal to its paid up capital.

2.14 Non-Controlling Interest in Subsidiary

Non-controlling interest in business is an accounting concept that refers to the portion of a subsidiary, corporation, stock that is not owned by the parent corporation. The magnitude of the non-controlling interest in the subsidiary company is allows less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Non-controlling interest belongs to the other investors and is reported on the consolidated balance sheet of the owning company to reflect the claim on assets belonging to other, non-controlling shareholders also non-controlling interest is reported on the consolidated profit and loss account as a share of profit belonging to non-controlling shareholders.

2.15 Deposits and Other Accounts

Deposits are recognized when the bank enters into contractual arrangements with the counterparties, which are generally on trade date and initially measured at the amount of consideration received.

2.16 Borrowings from Other Banks, Financial Institutions and Agents

Borrowed funds include call money deposits, borrowings, refinance borrowing and other term borrowing from banks. These are stated in the balance sheet at amounts payable. Interest/ profit paid/ payable on these borrowings is charged to the profit and loss account.

2.17 Provision for Liabilities

Provision in respect of liability is recognized in the financial statements when the bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation. in accordance with the IAS 37 "Provision. Contingent Liabilities and Contingent Assets".

2.18 Retirement Benefits to the Employees

The bank provide following post employment benefits to the every permanent employee as per covenants mentioned in the relevant deed and rules.

a) Provident Fund

Provident fund benefits are given to the permanent employees of the bank in accordance with the bank's service rules, and accordingly a trust deed and provident fund rules were prepared. The Commissioner of Taxes, LTU, dhaka has approved the provident fund as a recognized provident fund within the meaning of section 2 (52), read with the provisions of part – B of the first schedule of Income Tax Ordinance, 1984. The recognition took effect from 31 May, 2014. The fund is operated by a board of trustees consisting five members (all members from management) of the bank. All confirmed employees of the bank are contributing 10% of their basic salary as subscription to the fund. The bank also contributes equal amount of the employees' contribution. Interest/ profit earned from the investments is credited to the members' account on yearly basis.

b) Gratuity Fund

Gratuity benefits are given to the employees of the bank in accordance with the approved gratuity fund rules. National Board of Revenue has approved gratuity fund as a recognized gratuity fund on 29th June, 2014. The fund is managed by a Board of Trustees are consisting five members of the bank. Adequate contributions have been made as per provision of gratuity fund deed and rules.

2.19 Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the temporary differences relating to the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

2.20 Contingent Asset & Contingent Liability

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

2.21 Statement of Cash Flows

The statement of cash flows is presented in compliance with the provisions of the International Accounting Standard (IAS) - 7 and format provided by the Bangladesh Bank vide BRPD Circular No. 14 dated 25 June 2003. To make the cash flow statement more understandable and user friendly about the constitution of figures inserted into the Cash Flow Statement, a number of notes have been given in the notes to the financial statements.

2.22 Statement of Changes in Equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. The statement also shows item-wise movement along with the description of charges from the end of last year to the end of current year.

2.23 Liquidity Statement

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

- a) Balance with other Banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances are on the basis of their repayment/maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity/repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the
- h) Provisions and other liabilities are on the basis of their payment/adjustment schedule.

2.24 Events after the Balance Sheet Date

All known material events after the balance sheet date have been considered and appropriate adjustments/disclosures have been made in the financial statements, wherever necessary up to the date of preparation of financial statements as per IAS-10.

2.25 Earnings Per Share

The company calculates earnings per share (EPS) in accordance with IAS 33 "Earnings Per Share (EPS)" the Bank has been reporting 'Basic EPS' as there has been no dilution possibilities during the year. Basic EPS is computed by dividing the profit or loss after tax by the total number of ordinary shares outstanding at the end of the year. Bonus shares issued in current period are considered for number of ordinary shares outstanding for preceding period to present comparative EPS with retrospective adjustment (restated)

2.26 Reconciliation of Books of Account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled and found no material differences, which may affect the financial statements significantly.

2.27 Materiality and Aggregation

Each material item as considered significant by the management has been presented separately in the financial statements. No amount has been set off unless the bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis when permitted by the relevant accounting standards.

2.28 Memorandum Items

Memorandum items are maintained to have control over all items of importance and for such transactions where the bank has only a business responsibility and no legal commitment. Bills for collection, stock of savings certificates and all other fall under the memorandum items. However, bills for collection is shown under contingent liabilities as per Bangladesh Bank's format.

2.29 Credit Rating

As per BRPD Circular no. 6 dated 5th July 2006, the bank has done its credit rating by Alpha Credit Rating Limited based on the audited financial statements. The following ratings have been awarded:

Particulars	Periods	Date of Rating	Long Term	Short Term
Entity Rating	January to December 2021	26 th June 2022	AA-	ST - 2
Entity Rating	January to December 2020	27 th June 2021	AA-	ST - 2
Entity Rating	January to December 2019	27 th June 2020	A+	ST - 2

2.30 Risk Management

Risk is an inherent part of the business activities and risk management is pivotal for the sustainability of business. This era of globalization enables hefty expansion of business activities that ultimately increases competition level for organizations drastically. Financial crisis and volatility in economic growth in some developed countries set the example of imperativeness towards comprehensive risk management. Types of risk, however, vary from business to business, but preparing a risk management plan involves a conjoint process. A comprehensive risk management plan must enumerate strategies for dealing with risks specific to any business but should not be limited to those.

When it comes to banking business, risk management is in the heart of this business. Banks are to strive for a prudent risk management discipline to combat unpredictable situation. These days, it is transparent that banking organizations are in need of setting up systematic and vigilant way to monitor the activities that are major influencers of this particular business.

Bangladesh Bank issued guidelines which forms the basis of risk management of all scheduled banks in Bangladesh. The guidelines require that the banks adopt enhanced policies and procedures of risk management. The risk management of banks broadly cover 6 (six) core risk areas of banking i.e. a. Credit Risk Management, b. Foreign Exchange Risk Management, c. Asset liability Risk Management, d. Money Laundering & Terrorist Financing Risk Management, e. Internal Control and Compliance, and f. Information & Communication Technology Risk as specified by Bangladesh Bank.

MGBL's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment, measurement procedures and continuous monitoring. MGBL continues to focus on improving its risk management systems not only to ensure compliance with regulatory requirements but also to ensure better risk-adjusted return and optimal capital utilization keeping in mind of the business objectives. For sound risk management, MGBL manages risk in strategic layer, managerial layer, and operational layer. The assets and liabilities of Meghna Bank Limited is managed so as to minimize, to the degree prudently possible, the bank's exposure to risk, while at the same time attempting to provide a stable and steadily increasing flow of net interest income, an attractive rate of return on an appropriate level of capital and a level of liquidity adequate to respond to the needs of depositors and borrowers and earnings enhancement opportunities. These objectives are accomplished by setting in place a planning, control and reporting process, the key objective of which is the coordinated management of the Bank's assets and liabilities, current banking laws and regulations, as well as prudent and generally acceptable banking practices.

The risks are defined as the possibility of losses, financial or otherwise. The risk management of the bank covers 6 (six) core risk areas of banking as defined by the Bangladesh Bank. The areas are as follows:

- 1) Credit Risk Management
- 2) Foreign Exchange Risk Management
- 3) Asset Liability Risk Management
- 4) Money Laundering & Terrorist Financing Risk Management
- 5) Internal Control & Compliance
- 6) Information & Communication Technology Risk

In light of the risk management, bank takes well calculative business risks for safeguarding its capital, financial resources and profitability. In this context, the bank took steps to implement the guidelines of Bangladesh Bank as under:

2.30.1 Credit Risk Management

Credit risk is most simply defined as the potential that a bank's borrower or counter party will fail to meet its obligations in accordance with agreed terms. This includes non-repayment of capital and/or interest within the agreed time frame, at the agreed rate of interest and in the agreed currency. The goal of credit risk management at the Meghna Bank Ltd. is to maximize the bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters.

The bank has designed credit risk management activities by addressing major risks. Credit risk is of the major risks, which can be assumed as potential loss arising from the failure of a counter party to perform contractual responsibility. This may happen due to unwillingness of the counter party or declining his / her financial abilities for adverse environment.

The officers/ executives involved in credit related activities have been segregated. A separate CRM division has been established at head office, which is entrusted with the responsibilities of maintaining effective relationship with customers, making of credit products, exploring new business opportunities.

An effective assessment is made before sanction of any credit facility at credit risk management division, which includes borrower risk analysis, historical performance of the customer, security of the proposed credit facility etc. The process starts by a relationship manager and approved/discharged by the competent authority. Credit approval authority has been delegated to the individual executives. Proposal beyond their delegation are approved /declined by the Executive Committee and the Board of Directors.

In determining single borrower/large loan limit, the instructions of Bangladesh Bank are strictly followed.

2.30.2 Foreign Exchange Risk Management

Foreign exchange risk is defined as the potential change in earnings arising due to change in market prices. The front office of the treasury department of the bank independently conducts the transactions and the back office is responsible for recording of the transactions and passing of their entries in books of accounts. All foreign exchange transactions are revalued periodically at market rate as determined by Bangladesh Bank. The reconciliation of NOSTRO accounts are done regularly and outstanding entries reviewed by the management for its settlement.

2.30.3 Asset Liability Risk Management

The bank formed an Asset Liability Committee (ALCO) for monitoring balance sheet risk and liquidity risk of the bank. The balance sheet risk is defined as potential change in earnings due to change in rate of interest, foreign exchange rates which are not in trading nature. ALCO reviews liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.

2.30.4 Money Laundering & Terrorist Financing Risk Management

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. In line with the international standards and initiatives, Bangladesh has passed Money Laundering Prevention Act (MLPA), 2002. Afterwards several amendments were made and a new Money Laundering Prevention Act, 2012 has been passed and this act was also amended in 2015. The Government has also enacted Anti-Terrorism Act (ATA) in 2009 aiming to combat terrorism and terrorism financing and this act was also amended in 2012 and in 2013. Both the acts have empowered Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Bank to perform the anchor role in combating ML/TF through issuing instructions and directives for reporting agencies and building awareness in the financial sectors.

For prevention of Money Laundering and Terrorist Financing, the bank has a comprehensive policy which is approved by the Board. The Bank has an organizational set up in place to implement and monitor its AML & CFT Program. The Bank has a Central Compliance Committee (CCC) headed by the Chief Anti Money Laundering Compliance Officer at Head Office and BAMLCOs at the branches. The CCC is supported by AML Division headed by Deputy CAMLCO for discharging day to day activities while the branches have Branch Compliance Unit (BCU) to support BAMLCOs. The regulatory requirements are being complied with and the guidelines are being followed by the bank properly. Branch Anti Money Laundering Compliance officer (BAMLCO) at branches reviews and verifies the transactions of accounts to make Suspicious Transactions Reports (STR), and ensure AML & CFT compliance culture throughout the bank. Training is being conducted continuously for all the officers of the bank to create awareness and develop the skill for ensuring KYC (Know Your Clients) compliance and identifying suspicious activities/transactions.

2.30.5 Internal Control and Compliance

Internal control is fundamental to the successful operation and day-to-day running of a business and it assists the bank in achieving its business objectives. It encompasses all controls incorporated into the strategic, governance and management processes, covering the bank's entire range of activities and operations, and not just those directly related to financial operations and reporting. Its scope is not confined to those aspects of a business that could broadly be defined as compliance matters, but extends also to the performance aspects of a business.

Meghna Bank Ltd has established a system of internal control, which is designed to manage all the risks of failure to a reasonable level, achieve aims and objectives/goals of the bank and this system provides reasonable assurance of effective & efficient operations covering all controls including financial & operational controls, reliability of the financial information, compliance with applicable laws & regulations, adherence to management policies, safeguarding of bank's assets, prevention & detection of fraud & errors, and accuracy & completeness of the accounting records.

The Board of Directors of Meghna Bank Ltd regularly reviews the effectiveness of internal control process through its Audit Committee and the Audit Committee plays an effective role amongst the Board of Directors, Management, Shareholders, Depositors and develops an efficient, powerful and a safe banking system. The committee also performs a very important role for publishing bank's financial statements, developing an appropriate internal control system and maintains an effective communication with internal and external auditors. It significantly contributes in controlling and monitoring various risks factors that arise from the business activities of the bank. Board Audit Committee reviews the actions taken on internal control issues identified in the reports prepared by the internal & external auditors and regulatory authorities. It has active oversight on the internal audit's independence, scope of work and resources and it also reviews the functions of internal control & compliance division of head office, particularly the scope of the annual audit plan and frequency of the internal audit activities.

2.30.6 Information & Communication Technology Risk

The bank has established an appropriate Information Technology Department (ITD) by placing officials with adequate knowledge and skills to play a major role in the bank for smooth running of online banking system and delivery of its service to all the units of the bank for operations of necessary hardware and software. The branch network is upgraded to high speed, which provides better information sharing management at the branch as well as at the head office.

2.30.7 Market Risk

Market risk is the risk of loss resulting from changes in interest rates, foreign currency exchange rates, equity prices and commodity prices. Meghna bank's exposure to market risk is a function of its trading and asset and liability management activities and its role as a financial intermediary in customer related transactions. The objective of market risk management is to minimize the impact of losses due to market risks on earnings and equity.

2.30.8 Operation Risk

Business volume risk is defined as the volatility in revenue and profitability arising from adverse fluctuations from business volume. Business volumes may adversely fluctuate due to competitor activities, new entrants, competition from substitute financial products and services, changes in banking preferences of the customers resulting in the importance of the process of financial intermediation being reduced, natural disasters, etc.

2.30.9 Reputation Risk

This is the potential damage to the reputation and image of the Bank, emanating from events such as drop in performance levels or service quality, compliance, corporate governance and management failures and deviations from business ethics, etc.

2.31 Fraud and Forgeries

Adequate control system is in place to detect and prevent fraud and forgeries in the operations. IT has been gradually emphasizing in the modernization of operating system and making auto preventive in the detection of fraud and forgeries. However, management is proactive in establishing sound operating system and its preventive measure.

2.32 Compliance report on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

Name of IAS	IAS No.	Status
Presentation of Financial Statements	IAS 1	Applied
Inventories	IAS 2	Applied
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Applied
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	Applied

Employee Benefits	IAS 19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS 21	Applied
Borrowing Costs	IAS 23	Applied
Related Party Disclosures	IAS 24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS 26	Applied
Separate Financial Statements	IAS 27	Applied
Investment in Associates & Joint Ventures	IAS 28	Not Applicable
Financial Reporting in Hyperinflationary Economies	IAS 29	Not Applicable
Financial Instruments: Presentation	IAS 32	Applied
Earnings per share	IAS 33	Applied
Interim Financial Reporting	IAS 34	Applied
Impairment of Assets	IAS 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	Applied
Investment Property	IAS 40	Applied
Agriculture	IAS 41	Not Applicable
Name of IFRS	IFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	IFRS 1	Not Applicable
Share Based Payment	IFRS 2	Not Applicable
Business Combinations	IFRS 3	Not Applicable
Insurance Contracts	IFRS 4	Not Applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	Applied
Exploration for and Evaluation of Mineral Resources	IFRS 6	Not Applicable
Financial Instruments: Disclosures	IFRS 7	Applied
Operating Segments	IFRS 8	Applied
Financial Instruments	IFRS 9	Applied
Consolidated Financial Statements	IFRS 10	Applied
Joint Agreements	IFRS 11	Not Applicable
Disclosure of Interest in other Entities	IFRS 12	Applied
Fair Value Measurement	IFRS 13	Applied
Regulatory Deferral Accounts	IFRS 14	Not Applicable
Revenue from Contracts with Customers	IFRS 15	Applied
Leases	IFRS 16	Applied

2.33 Audit Committee of the Board

An Audit Committee of the Board (ACB) was formed and its roles and responsibilities were defined in line BRPD Circular No.11 issued by Bangladesh Bank (BB) on 27 October 2013. Main objectives of Audit Committee of the Board (ACB) are:

- To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank.
- To review the financial reporting process, the system and effectiveness of internal control process, compliance status of inspection report from Bangladesh Bank and assessment of the overall processes and procedures for monitoring compliance with laws and regulations and its own code of business conduct.

2.33.1 Composition and Qualifications

The Board of Directors as its 147th Board Meeting held on November 23, 2022 constituted with the following Board Members:

Sl No.	Name of Committee Members	Status with the Bank	Position in the Committee	Educational Qualification	Meeting Attendance
1	Ms. Uzma Chowdhury	Director	Chairperson	CPA	4 of 4
2	Mr. Mohammed Mamun Salam*	Director	Member	Graduate	1 out of 1
3	Ms. Nuran Fatema*	Director	Member	MSS	0 out of 1
4	Dr. Syed Ferhat Anwar	Independent Director	Member	MBA, CMC, Ph.D	4 out of 4
5	Md. Ahsan Ullah	Independent Director	Member	MBA (IBA, DU) M. A in Economics (USA)	4 out of 4

* Mr. Md. Mamun Salam & Ms. Nuran Fatema has been nominated as a member on November 30, 2022

2.33.2 Meetings of the Audit Committee

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of MGBL held 04 (four) meetings in 2022 and had detailed discussions and review sessions with the In Charge of Internal Control & Compliance, External Auditors regarding their findings and remedial suggestions on various issues that need improvement. The Audit Committee of the Board (ACB) instructed management to follow those remedial suggestions and monitored accordingly. Meeting dates are as follows:

Sl No.	Name of Meeting	Date of Meeting
1	35 th Audit Committee Meeting	February 24, 2022
2	36 th Audit Committee Meeting	April 3, 2022
3	37 th Audit Committee Meeting	June 23, 2022
4	38 th Audit Committee Meeting	December 14, 2022

2.33.3 Major areas focused by Audit Committee in 2022

- Reviewed and approved the 'Risk Based Audit Plan 2022' ;
- Reviewed Submitted Self Assessment of Anti Fraud Internal Control;
- Reviewed Annual Financial Statements of the Bank for the year ended 31 December 2021 as certified by the External Auditors, Khan Wahab Shafique Rahman & Co., Chartered Accountants, before submission to the Board of Directors for approval;
- Reviewed Management Report on the Bank for the year ended 31 December 2021 submitted by the External Auditors, Khan Wahab Shafique Rahman & Co., Chartered Accountants, and its subsequent compliance;
- Reviewed summary of Financial Statements (Unaudited) for the Half-year ended on June 30, 2022;
- Reviewed the Annual Health report of the Bank-2021;
- Reviewed Summary of major findings from Internal Audit Report of Branches for the year 2021;
- Reviewed the Internal audit Report on Branches, Head Office Divisions and compliance thereof;
- Reviewed the reported issues of Bangladesh Bank Inspection Report and compliance thereof;
- Reviewed the Report on Quarterly Operation of the MGBL Branches;
- Reviewed the Report on Loan Documentation Checklist (LDCL);



2.34 Related Party Disclosures

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence over the other party in making financial and operating decisions. Related party information is given below:

SL No.	Name of the Director	Status with the Bank	Name of the Firms /Companies in which they are interested as proprietor, partner, Director, Managing Agent, Guarantor, Employee etc.		Percentage (%) holding in the company	Remarks
1.	Mr. H. N. Ashequr Rahman	Chairman	1	Meghna Bank Ltd.	2.78%	Chairman
			2	Diesel Motors & Services (BD) Limited	20.00%	Managing Director
			3	Bangladesh Consortium Ltd.	15.00%	Managing Director
2	Ms. Imrana Zaman Chowdhury	Vice Chairman	1	Meghna Bank Ltd.	4.16%	Vice Chairman
			2	Navana Pharmaceuticals Limited	3.74%	Director
			3	Lighthouse Navigation Ltd.	50.00%	Director
			4	Manticore Technology Ltd.	15.00%	Director
3	Mr. Md. Kamal Uddin	Director	1	Meghna Bank Ltd.	4.47%	Director
			2	Stoll Bangladesh Ltd.	5.00%	Managing Director
			3	Diganta Packaging & Accessories Ltd.	60.00%	Managing Director
4	Mr. Tanveer Ahmed Representative of Cassiopea Fashion Ltd.	Director	1	Cassiopea Appearles Ltd.	52.63%	Managing Director
			2	Cassiopea Fashion Ltd.	3.83%	Managing Director
			3	Elegant Washing Plant Ltd.	99.09%	Managing Director
			4	Cassiopea Clothing Ltd.	50.00%	Managing Director
			5	Cassiopea Garments Ltd.	50.00%	Managing Director
			6	Elegant Accessories Ltd.	50.00%	Managing Director
			7	Lavender Convenience Store Ltd.	20.00%	Managing Director
			8	Cassiopea Dress Ltd.	50.00%	Managing Director
			9	Cassiopea Sweaters Ltd.	96.00%	Managing Director
			10	Elegant Stock & Securities Ltd.	20.81%	Managing Director
			11	Elegant Spinning & Textiles Ltd.	40.00%	Managing Director
			12	Dongbang Facilities BD Ltd.	10.00%	Managing Director
			13	Elegant Coal & mining Company	100.00%	Proprietor
			14	Elegant Fashion	100.00%	Proprietor
			15	Elegant Construction Ltd.	50.00%	Managing Director

5	Mr. Mohammed Mamun Salam Representative of Salim & Brothers Ltd.	Director	1	Salim & Brothers Ltd.	99.40%	Managing Director
			2	Salam Apparel Ltd.	85.00%	Managing Director
			3	Fashion Craft Ltd.	60.00%	Managing Director
			4	Reliance Apparel Ltd.	50.00%	Managing Director
			5	Reliance Denim Ind. Ltd.	50.00%	Managing Director
			6	Reliance Box Ind. Ltd.	50.00%	Managing Director
			7	Reliance Washing Ind. Ltd.	50.00%	Managing Director
			8	Bengal Synthetic Fibres Ltd.	53.64%	Managing Director
			9	Four Seasons Resorts Ltd.	50.00%	Managing Director
6	Ms. Nuran Fatema Representative of Bismillah Marine Services JAS Ltd.	Director	1	Bismillah Marine Services J.A.S Limited	50.00%	Partnership
7	Mr. S.M. Jahangir Alam (Manik)	Director	1	Meghna Bank Ltd.	4.23%	Director
			2	Sanji Stainless Steel Ind Ltd.	99.93%	Managing Director
			3	Sanji Property Development Ltd.	75.00%	Chairman & Managing Director
			4	Panama CNG Conversion	100.00%	Proprietor
			5	Lion Jahangir Alam Manik Mohila College	100.00%	Founder Chairman
			6	Bir Bikrom Shahid Tariquillah Foundation	100.00%	Chairman
8	Ms. Rehana Ashequr Rahman	Director	1	Meghna Bank Ltd.	2.42%	Director
			2	Buraq International Ltd.	65.00%	Chairman
			3	Diesel Motor Services (BD) Ltd.	20.00%	Director
9	Ms. Tarana Ahmed	Director	1	Meghna Bank Ltd.	2.61%	Director
			2	Arwa Electrical	100.00%	Proprietor
			3	Navana Pharmaceuticals Limited	2.33%	Director
			4	Goodie Accessories (Pvt) Ltd.	20.00%	Chairman
			5	Arimate Goodie Electrical Industries Ltd.	20.79%	Chairman
			6	Arimate Lighting and Electrical Solutions (Pvt) Ltd.	20.00%	Managing Director
10	SM Rezaur Rahman Representative of Steadfast Management Trading Ltd-	Director	1	United Corporation Advisory Services Ltd	15.00%	Director

11	Ms. Uzma Chowdhury	Director	1	Meghna Bank Ltd.	4.17%	Director
			2	Agricultural Marketing Co Ltd (AMCL)	0.41%	Executive Director
			3	Property Development Ltd.	0.03%	-
			4	PRAN Foods Ltd.	1.99%	Director
			5	PRAN Agro Ltd.	0.005%	Director
			6	PRAN Exports Ltd.	0.00%	Director
			7	PRAN Beverage Limited	0.00%	Director
			8	Rangpur Foundry Ltd	0.40%	Executive Director
			9	Kaliganj Agro Processing Ltd.	0.005%	Director
			10	RFL Plastics Ltd.	0.02%	Director
			11	Banga Building Material	0.126%	Director
			12	Chorka Textile Ltd.	0.013%	Director
			13	Packmat Industries Ltd.	2.16%	Director
			14	Rangpur Metal industries Ltd.	0.001%	Director
			15	Durable Plastic Ltd.	0.03%	Director
			16	Allplast Bangladesh Ltd.	0.04%	Director
			17	Banga Millers Ltd.	0.0008%	Director
			18	Banga Bakers Ltd.	0.0001%	Director
			19	Habiganj Agro Ltd.	0.0001%	Director
			20	Get Well Ltd.	0.001%	Director
			21	Sylvan Agriculture Ltd.	0.199%	Director
			22	Sylvan Technologies Ltd.	0.0002%	Director
			23	Gonga Foundry Ltd.	0.000%	Director
			24	Advance Personal Care Ltd.	0.14%	Director
			25	RFL Electronic Ltd.	0.001%	Director
12	Mr. Syed Ferhat Anwar	Independent Director		N/A	N/A	
13	Ar. Md. Ahsan Ullah	Independent Director		N/A	N/A	

2.35 The Significant Related Party Transactions During the Year Were as Follows
Credit Card Facilities

Name of Director of MGBL	Approved Limit	Type of Securities	Value of Eligible Securities	Outstanding as on December 31, 2021
Mr. H N Ashequr Rahman	BDT 10,00,000	Unsecured	-	0.88 Credit
Mrs. Rehana Ashequr Rahman	BDT 10,00,000	Unsecured	-	265 Debit
Md. Mamun Salam	BDT 10,00,000	Unsecured	-	2530.44 Credit

2.36 Covid-19

During the period, 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 disease, Government of Bangladesh has also taken a number of measures such as declaration of lock down, social distancing etc. As a result of these measures all business and economic activities are affected which also make huge impact to the economy. The business operation and profitability of the Bank is also impacted due to COVID-19.

2.37 Approval of Financial Statements

These financial statements were reviewed by the audit committee of the Board of the bank in its 39th meeting held on March 13, 2023 and was subsequently approved by the Board of Directors in its 154th meeting held on March 16, 2023.

2.38 Reporting Period

These financial statements cover the period from 1 January 2022 to 31 December 2022.

2.39 General

- a) These financial statements are presented in Taka, which is the bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) The expenses, irrespective of capital or revenue nature, accrued/due not paid have been provided for in the books of the Bank.
- c) Figures of previous year have been re-arranged whenever necessary to conform to the current year's presentation.



		Amount in Taka	
		2022	2021
3	Consolidated Cash in hand (Including foreign currencies)		
	Meghna Bank Limited (Note-3a)	899,992,595	736,254,159
	Meghna Bank Securities Ltd	-	4,268
		899,992,595	736,258,427
3a	Cash in hand (Including foreign currencies)		
	In local currency	891,589,424	732,300,667
	In foreign currencies	8,403,171	3,953,492
		899,992,595	736,254,159
4	Consolidated Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		
	Meghna Bank Limited (Note-4a)	3,020,097,923	2,394,291,512
	Meghna Bank Securities Ltd	-	-
		3,020,097,923	2,394,291,512
4a	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		
	In local currency	2,847,393,060	2,321,901,264
	In foreign currencies	172,704,863	72,390,248
		3,020,097,923	2,394,291,512
	Balance with Sonali Bank Ltd as agent of Bangladesh Bank		
	In local currency	-	-
	In foreign currencies	-	-
		3,020,097,923	2,394,291,512

4a.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Company Act, 1991 (amended up to 2018) and DOS Circular No.01 dated January 19, 2014 & MPD circular no. 03, dated April 09, 2020 for Domestic Banking Operation (DBU) and BRPD circular No. 31 dated June 18, 2020 for Offshore Banking Unit (OBU) issued by Bangladesh Bank.

The bank has been maintaining 3.50% as CRR on daily basis and 4.00% as CRR on bi-weekly basis for Domestic Banking Operation (DBU) & Islamic Banking Unit and 1.50% as CRR on daily basis & 2.00% on bi-weekly basis for Offshore Banking Unit (OBU). CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2022 is maintained on the basis of weekly ATDTL of October 2022) and maintained with Bangladesh Bank. The bank also maintaining 13% as SLR on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2022 is maintained on the basis of weekly ATDTL of October 2022) for conventional banking & Offshore banking unit and 5.50% as SLR on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2022 is maintained on the basis of weekly ATDTL of October 2022) for Islamic Banking Unit. Both the reserves maintained by the bank are in excess of the statutory requirements, as shown below:

4a.2 Cash Reserve Requirement (CRR): Base on Average Total Demand and Time Liabilities on bi-weekly basis.

For Domestic Banking Unit (DBU)

Required Reserve

Actual Reserve held with Bangladesh Bank (In local currency)

CRR Surplus

2,016,503,000	1,845,016,000
2,768,360,506	2,275,751,564
751,857,506	430,735,564

For Offshore Banking Unit (OBU)

Required Reserve

Actual Reserve held with Bangladesh Bank (In local currency)

CRR Surplus

-	-
-	-
-	-

For Islamic Banking Unit (IBU)

Required Reserve

Actual Reserve held with Bangladesh Bank (In local currency)

CRR Surplus

28,371,000	11,237,004
71,766,600	39,235,424
43,395,600	27,998,420

4a.3 Statutory Liquidity Ratio (SLR): Base on Average Total Demand and Time Liabilities on daily basis.

For Domestic Banking Unit (DBU)

Required Reserve

Actual Reserve held

SLR Surplus

6,553,633,000	5,996,302,910
12,207,435,636	14,056,145,393
5,653,802,636	8,059,842,483



	Amount in Taka	
	2022	2021
Held for Statutory Liquidity Ratio		
Cash in hand (Note-3a)	895,653,111	734,457,567
Government Securities - Treasury Bills (Note-7a)	490,595,854	108,669,783
Government Treasury Bond (HTM & HFT) (Note-7a)	10,069,329,165	12,782,282,479
Excess Reserve of CRR (Note-4a.2)	751,857,506	430,735,564
	12,207,435,636	14,056,145,393
For Offshore Banking Unit (OBU)		
Required Reserve	-	-
Actual Reserve held	-	-
SLR Surplus	-	-
Held for Statutory Liquidity Ratio		
Cash in hand (Note-3a)	-	-
Government Securities - Treasury Bills (Note-7a)	-	-
Government Treasury Bond (HTM & HFT) (Note-7a)	-	-
Excess Reserve of CRR (Note-4a.2)	-	-
	-	-
For Islamic Banking Unit (IBU)		
Required Reserve	39,010,000	15,451,403
Actual Reserve held	105,285,084	87,345,012
SLR Surplus	66,275,084	71,893,609
Held for Statutory Liquidity Ratio		
Cash in hand (Note-3a)	4,339,484	1,796,592
Government Securities - Treasury Bills (Note-7a)	-	-
Government Treasury Bond (HTM & HFT) (Note-7a)	57,550,000	57,550,000
Excess Reserve of CRR (Note-4a.2)	43,395,600	27,998,420
	105,285,084	87,345,012
5 Consolidated Balance with Other Banks and Financial Institutions		
In Bangladesh		
Meghna Bank Limited (Note-5a)	4,015,412,854	2,173,632,706
Meghna Bank Securities Ltd	64,429,257	104,250,103
	4,079,842,110	2,277,882,809
Less: Inter Company Transaction	45,750,238	72,533,195
	4,034,091,872	2,205,349,614
Outside Bangladesh		
Meghna Bank Limited (Note-5a)	344,608,597	550,004,585
Meghna Bank Securities Ltd	-	-
	344,608,597	550,004,585
	4,378,700,469	2,755,354,199
5a Balance with Other Banks and Financial Institutions		
In Bangladesh (Note-5a.1)		
	4,015,412,854	2,173,632,706
Outside Bangladesh (Note-5a.2)	344,608,597	550,004,585
	4,360,021,451	2,723,637,291
5a.1 In Bangladesh		
5a.1a Current Account		
Trust Bank Limited, Gulshan Branch	448,227	567,900
Trust Bank Limited, Shathibari Branch	100,177	50,867
AL-Arafah Islami Bank Ltd, Bormi Bazar Branch	3,039	4,075
Southeast Bank Limited, Bandura Branch	7,342	7,342
Eastern Bank Limited, Gulshan Branch	514,700	394,874
Social Islami Bank Ltd, Sirajgonj Branch	20,390	20,425
Meghna Bank Limited, Principal Branch TCS	150	-
Jamuna Bank Limited, Kalampur Branch	14	14
Agrani Bank Limited, Munshirhat Branch	23,441	57,805



BRAC Bank Limited, Gulshan Branch
 Sonali Bank Limited, Local Office
 Bank Asia Limited, Bogra Branch
 Sonali Bank Limited, Feni Branch
 Sonali Bank Limited, Sirajganj Branch
 Sonali Bank Limited, Kishoreganj Branch
 Sonali Bank Limited, Munshiganj Corporate Branch 2
 Sonali Bank Limited, Kushtia Corporate Branch
 Sonali Bank Limited, Rangpur Corporate Branch
 Sonali Bank Limited, Jashore Corporate Branch
 Sonali Bank Limited, Chehelgazi Branch

Amount in Taka	
2022	2021
409,902,155	537,995
44,514,759	39,516,023
1	1
38,980	30,284,497
3,350	4,040
21,545	4,178,316
34,906	43,228
10,043,919	542,148
6,992,032	7,765,475
45,007,671	-
61,256	64,833
517,738,054	84,039,858

5a.1b Special Notice Deposits

Mercantile Bank Ltd, Agrabad Branch
 Meghna Bank Limited, Special Fund
 NCC Bank Limited, Laldighirpar Branch
 Sonali Bank Limited, Nalchity Branch
 Sonali Bank Limited, Mithapukur Branch

11,989,373	3,891,746
15,372,165	-
5,165,023	59,168,965
10,830	2,009
26,685,346	53,716,611
59,222,737	116,779,331

5a.1c FDR with Other Banks & Financial Institutions

FDR with Other Banks (Note-5a.1c.i)
 FDR with Financial Institutions (Note-5a.1c.ii)

795,000,000	400,000,000
2,643,452,063	1,572,813,517
3,438,452,063	1,972,813,517

5a.1c.i FDR with Other Banks

Padma Bank Limited
 Modhumoti Bank Limited
 EXIM Bank Limited

295,000,000	300,000,000
300,000,000	-
200,000,000	100,000,000
795,000,000	400,000,000

5a.1c.ii FDR with Financial Institutions

IDLC Finance Limited
 FAS Finance & Investment Ltd
 International Leasing Financial Service Limited
 GSP Finance Company (Bangladesh) Limited
 IPDC Finance Limited
 Lanka Bangla Finance Limited

1,250,000,000	750,000,000
53,776,250	53,522,500
74,675,813	74,291,017
295,000,000	295,000,000
500,000,000	400,000,000
470,000,000	-
2,643,452,063	1,572,813,517
4,015,412,854	2,173,632,706

5a.2 Outside Bangladesh (NOSTRO Account)

Current Account

AB Bank Ltd, Mumbai, ACU
 Mashreq Bank p.s.c. New York, USD
 Habib American Bank, New York, USD
 MCB Bank Limited, Karachi, Pakistan, ACU
 BANCA Popolare Di Sondrio, Sondrio, Italy, EURO
 Kookmin Bank, Seoul Korea, USD
 Kookmin Bank, Seoul Korea, GBP
 Kookmin Bank, Seoul Korea, CAD
 National Bank of Pakistan, Tokyo, Japan., JPY
 HDFC Bank Limited, Mumbai, India, ACU
 Bank Al Jazira, KSA, SAR
 AXIS Bank Ltd. Kolkata, India, ACU
 BMCE Bank International, Madrid, Spain, EURO
 BMCE Bank International, GBP
 Bhutan National Bank, ACU
 Sonali Bank UK, USD
 Punjab National Bank, Kolkata, ACU

19,870,006	32,515,509
189,958,483	210,304,780
70,599,378	72,970,113
1,473,389	8,796,234
2,209,057	3,040,185
3,875,610	1,238,950
2,659,819	148,724
324,263	67,008
8,569,742	9,921,808
11,100,880	10,492,900
4,539,113	4,022,917
18,128,476	138,870,565
-	950,141
-	898,855
4,921,964	14,113,414
893,373	6,612,164
5,485,044	35,040,318
344,608,597	550,004,585

Amount in Taka	
2022	2021

Currency wise Distribution:

Foreign Currency

USD/ACU
GBP
EUR
JYP
SAR
CAD

BDT	Composition
326,306,603	94.69%
2,659,819	0.77%
2,209,057	0.64%
8,569,742	2.49%
4,539,113	1.32%
324,263	0.09%
344,608,597	100%

5a.3 In accordance with Bangladesh Bank Foreign Exchange Policy Department, Circular FEPD (DEMO/01/2005-677) dated 13 September 2005, the quarterly review of NOSTRO Accounts for the quarter ended 31 December 2022 reflect the true state of the NOSTRO Account entries which are correctly recorded. A separate audit certificate after review have also been given by the External auditor. Details of foreign currency amounts with exchange rates are presented in Annexure - C.

	As per Bank's Book				As per Correspondents' Book			
	Debit entries		Credit entries		Debit entries		Credit entries	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 3 months	3	15,634.09	33	1,229,692.68	13	149,707.28	27	396,040.44
From 03 months to 06 months	-	-	-	-	-	-	1	2,975.00
From 06 months to 09 months	-	-	-	-	-	-	-	-
From 09 months to 12 months	-	-	-	-	-	-	-	-
More than 12 months	-	-	-	-	-	-	-	-
	3	15,634.09	33	1,229,692.68	13	149,707.28	28	399,015.44

5a.4 Maturity-wise Groupings of Balance with Other Banks and Financial Institutions

On Demand	921,569,388	750,823,774
Not more than 3 months	2,468,452,063	1,972,813,517
More than 3 months but less than 1 year	970,000,000	-
More than 1 year but less than 5 years	-	-
More than 5 years	-	-
	4,360,021,451	2,723,637,291

6 Consolidated Money at Call and Short Notice

Meghna Bank Limited (Note-6a)	1,010,000,000	100,000,000
Meghna Bank Securities Ltd	-	-
	1,010,000,000	100,000,000

6a Money at Call and Short Notice

With Bank

Modhumoti Bank Limited	410,000,000	-
United Commercial Bank Limited	400,000,000	-
Midland Bank Limited	200,000,000	-
South Bangla Agriculture and Commerce Bank Limited	-	100,000,000
	1,010,000,000	100,000,000

7 Consolidated Investment:

Government Securities

Meghna Bank Limited (Note-7a,ii,a)	10,617,914,619	12,891,788,462
Meghna Bank Securities Ltd	-	-
	10,617,914,619	12,891,788,462

Other Investments

Meghna Bank Limited (Note-7a,ii,b)	2,766,233,315	2,700,368,858
Meghna Bank Securities Ltd	412,011,501	408,355,030
	3,178,244,816	3,108,723,888
	13,796,159,435	16,000,512,350

		Amount in Taka	
		2022	2021
7a Investment:			
i) Investment Classified as per Bangladesh Bank Circular:			
Held for Trading (HFT)		1,744,364,277	4,174,827,594
Held to Maturity (HTM)		8,873,110,742	8,716,124,668
Other Investment		2,766,672,915	2,701,205,058
		13,384,147,934	15,592,157,320
ii) Investment Classified as per Nature:			
a) Government Securities:			
1) Treasury Bills (HFT)			
91 Days Treasury Bills		-	-
182 Days Treasury Bills		-	-
364 Days Treasury Bills		490,595,854	108,669,783
		490,595,854	108,669,783
2) Government Bond (HTM & HFT)			
2,5,10,15 & 20 Years Bonds (Note-7a.2)		10,126,879,165	12,782,282,479
Prize Bond in Hand		439,600	836,200
		10,127,318,765	12,783,118,679
Total (1+2)		10,617,914,619	12,891,788,462
b) Other Investment			
1) Trust Bank Limited Subordinate Bond-II		-	-
2) Investment in MAXCAP DPA-IDLC (Note - 7a.3)		441,517	4,411
3) Investment in Shares at cost (Note - 7a.4)		2,304,359,768	2,439,910,353
4) Investment in Shares at cost under Special Fund (Note - 7a.5)		461,432,030	260,454,094
		2,766,233,315	2,700,368,858
		13,384,147,934	15,592,157,320
7a.1 Maturity-wise Grouping of Investment:			
On demand		-	-
Not more than 3 months		280,482,183	836,200
More than 3 months but less than 1 year		1,843,617,286	995,651,371
More than 1 year but less than 5 years		3,008,258,093	3,707,550,227
More than 5 years		8,251,790,372	10,888,119,522
		13,384,147,934	15,592,157,320
7a.2 Government Bond			
HTM			
2 Years Bangladesh Government Treasury Bonds		-	-
5 Years Bangladesh Government Treasury Bonds		-	-
10 Years Bangladesh Government Treasury Bonds		1,276,290,599	1,322,699,575
15 Years Bangladesh Government Treasury Bonds		1,617,274,150	1,663,291,568
20 Years Bangladesh Government Treasury Bonds		5,921,995,993	5,672,583,525
HFT			
2 Years Bangladesh Government Treasury Bonds		19,576,040	10,112,730
5 Years Bangladesh Government Treasury Bonds		716,164,638	763,176,423
10 Years Bangladesh Government Treasury Bonds		204,128,934	176,170,993
15 Years Bangladesh Government Treasury Bonds		313,898,811	1,225,629,000
20 Years Bangladesh Government Treasury Bonds		-	1,891,068,665
SUKUK BOND			
5 Years Sukuk Bonds		57,550,000	57,550,000
Total		10,126,879,165	12,782,282,479
7a.3 Investment in MAXCAP DPA-IDLC			
Ordinary Share		441,517	4,411
Cash Balance		441,517	4,411

Amount in Taka	
2022	2021

7a.4 Investment in Shares at cost

Quoted

British American Tobacco Company Limited
BSRM Steels Limited
C and A Textiles Limited
City Bank Limited
Eastern Bank Limited
Grameen Phone Limited
Global Islami Bank Limited
Heidelberg Cement Bangladesh Limited
IDLC Finance Limited
IFAD Autos Limited
Islami Commercial Insurance Company Limited
Jamuna Oil Company Limited
Jamuna Bank Limited
MJL Bangladesh Limited
Olympic Industries Limited
Robi Asiata Limited
Square Pharmaceuticals Limited
Square Textile Limited
Summit Power Limited
Titas Gas Transmission & Dist. Co. Limited
United Commercial Bank Limited

4,405,269	-
8,676,634	6,926,260
-	2,620,440
5,634,995	3,551,148
8,007,181	8,007,181
9,456,812	9,456,812
13,173,680	-
9,291,098	9,291,098
7,087,500	7,087,500
1,927,117	1,927,117
87,990	-
15,840,873	15,840,873
4,851,611	2,479,880
11,537,652	10,558,727
20,203,202	14,604,102
1,500,000	2,000,000
11,784,594	9,569,770
-	7,151,302
18,130,495	14,223,919
5,702,317	8,553,476
16,060,748	16,060,748
2,304,359,768	2,439,910,353

Unquoted - Preference Share

Karnaphuli Power Limited
Summit Gazipur II Power Limited
Baraka Shikalbaha Power Limited
Flamingo Fashions Limited
Jinnat Knitwears Limited
City Seed Crushing Industries Limited
Confidence Power Bogra Limited

7a.5 Investment in Shares at cost under Special Fund

Quoted

British American Tobacco Company Limited
IPDC Finance Limited
City Bank Limited
Grameen Phone Limited
IDLC Finance Limited
Jamuna Bank Limited
Prime Bank Limited
Renata Limited
Square Pharmaceuticals Limited
Summit Power Limited

128,910,465	9,496,839
-	22,169,995
15,094,136	14,243,246
75,139,846	38,021,076
60,707,730	47,368,612
12,300,298	12,300,297
11,721,231	11,721,231
40,739,613	-
48,227,860	48,227,860
68,590,851	56,904,938
461,432,030	260,454,094

Details of investment in share with market value are presented in Annexure - A.



		Amount in Taka	
		2022	2021
8 Consolidated Loans and Advances/ Investments			
Meghna Bank Limited (Note-8a)		39,697,755,406	41,358,715,235
Meghna Bank Securities Ltd		34,107,161	54,573,247
		39,731,862,568	41,413,288,482
Less: Inter Company Transaction		99,065,830	113,519,216
		39,632,796,738	41,299,769,266
Bills purchased and discounted			
Meghna Bank Limited (Note-8a)		275,827,253	517,395,097
Meghna Bank Securities Ltd		-	-
		275,827,253	517,395,097
		39,908,623,991	41,817,164,363
8a Loans and Advances/ Investments			
i) Loans, Cash Credits, Overdraft, etc.			
Inside Bangladesh			
Cash Credit		4,383,968,083	4,826,843,024
Secured overdraft		739,264,133	750,891,074
General overdraft		4,143,047,619	4,805,672,249
Import finance		2,856,852,646	2,636,241,265
Export finance		-	54,239,487
Other Demand Loans		10,134,322,592	12,494,949,048
Hire Purchase Finance		439,998,907	186,154,633
Demand Loan (Forced Loan)		101,637,304	101,637,304
Consortium/Syndicate Finance		883,349,913	581,533,050
House Building Loan		2,560,722,440	2,518,533,061
Credit Card A/C		831,392,557	470,277,546
General Term Loans		11,697,880,055	10,637,375,697
Agricultural and Rural Credit Scheme		315,765,743	845,594,980
SME Loans and Advances		95,511,875	44,624,492
Personal/Professionals Loan Scheme		514,041,539	404,148,325
		39,697,755,406	41,358,715,235
Outside Bangladesh		-	-
		39,697,755,406	41,358,715,235
ii) Bills purchased and discounted			
Payable Inside Bangladesh			
Inland bills purchased and discounted		154,633,478	487,883,795
Payable outside Bangladesh			
Foreign bills purchased and discounted		121,193,775	29,511,302
		275,827,253	517,395,097
		39,973,582,659	41,876,110,332
8a.1 Net Loans and Advances/ Investments			
Gross performing loans and advances/ Investments		39,973,582,659	41,876,110,332
Less:			
Interest Suspense (Note-14a)		1,029,797,712	788,064,947
Provision for loans and advances/ Investments (Note-14a)		1,750,494,107	1,576,350,000
Special General Provision - Covid-19 (Note-14a)		100,392,009	104,056,333
		2,880,683,828	2,468,471,280
		37,092,898,831	39,407,639,052
8a.2 Residual Maturity Grouping of Loans and Advances/ Investments Including Bills Purchased and Discounted			
Re-payable on Demand		-	-
Not more than 3 months		15,601,676,226	36,295,030,514
Over 3 months but not more than 1 year		11,247,319,732	2,775,263,057
Over 1 year but not more than 5 years		9,331,687,283	2,743,144,721
Over 5 years		3,792,899,418	62,672,040
		39,973,582,659	41,876,110,332

8a.3 Residual Maturity Grouping of Bills Purchased and Discounted

Re-payable:-

Within 1 month

Over 1 month but less than 3 months

Over 3 months but less than 6 months

6 months or more

Amount in Taka	
2022	2021
3,102,778	3,525,884
82,681,481	81,060,276
190,042,994	432,808,937
-	-
275,827,253	517,395,097

8a.4 Loans and Advances/ Investments on the Basis of Significant Concentration:

(a) Advances to allied concern of Directors

(b) Advances to Chief Executives and Other Senior Officers

(c) Advances to Customer Groups:

i) Commercial Lending

ii) Export Financing

ii) House Building Loan

iii) Retail Loan

iv) Small and Medium Enterprises

vi) Special Program Loan

v) Industrial Loans Details (Note-8a.4a)

vi) Others Loan

vii) Other Loans and Advances/ Investments (SOD)

-	-
268,829,684	233,641,101
4,877,857,618	7,257,564,322
986,776,398	80,772,594
2,440,628,645	2,047,044,153
1,194,290,697	2,869,628,532
7,762,386,920	7,263,864,423
-	-
21,164,487,563	20,185,324,061
1,023,480,117	1,683,755,746
254,845,017	254,515,400
39,704,752,975	41,642,469,231
39,973,582,659	41,876,110,332

8a.4a Details of Industrial Loans and Advances/ Investments

i) Agricultural industries

ii) Textile industries

iii) Food and allied industries

iv) Pharmaceutical industries

v) Leather, Chemical, Cosmetics etc

iv) Tobacco industries

v) Cement and Ceramic industries

vi) Service industries

vii) Transport and Communication Industries

viii) Other industries including bills purchased and discounted

	449,223,856
2,005,804,525	2,754,583,966
1,623,039,741	1,050,269,255
496,663,458	631,726,966
228,454,626	1,012,448,311
-	-
373,521,030	-
1,418,029,402	3,107,179,558
856,906,380	463,355,973
14,162,068,401	10,716,536,176
21,164,487,563	20,185,324,061

8a.5 Details of Large Loans and Advances/ Investments**Advances allowed to individual customer exceeding 10% of Bank's total capital:**

Total outstanding amount to customers at end of the year

Number of such types of customers

Amount of Classified Advances thereon

Measures taken for recovery

1,827.59 Crore	1,699.15 Crore
38	43
-	70.51
-	Under Litigation

Each of the forty three customers exceeds the limit of 10% of Bank's total capital in the year 2022. 10% of Bank's total capital stood as on December 31, 2022 Tk. 86.34 crore.

A schedule of details large loans and advances is given in Annexure-D

8a.6 Sector-wise Classification of Loans and Advances/ Investments Including Bills Purchased and Discounted:

Public Sector

Co-Operative Sector

Private Sector

-	-
-	-
39,973,582,659	41,876,110,332
39,973,582,659	41,876,110,332

Amount in Taka	
2022	2021

8a.7 Geographical Location-wise Loans and Advances/ Investments:

Area	As at 31 December 2022		As at 31 December 2021	
	Amount	Composition	Amount	Composition
i) Inside Bangladesh (Note-8a.8)				
a) In Rural Areas	3,241,494,565	8.11%	3,370,321,636	8.05%
b) In Urban Areas	36,732,088,094	91.89%	38,505,788,696	91.95%
Sub-total	39,973,582,659	100.00%	41,876,110,332	100.00%
ii) Outside Bangladesh	-	-	-	-
Total	39,973,582,659	100.00%	41,876,110,332	100.00%

8a.8 Inside Bangladesh

Division	As at 31 December 2022		As at 31 December 2021	
	Amount	Composition	Amount	Composition
Dhaka	31,247,813,157	78.17%	31,822,736,027	75.99%
Chittagong	6,254,539,972	15.65%	6,916,921,413	16.52%
Sylhet	321,832,913	0.81%	373,812,387	0.89%
Rajshahi	926,583,811	2.32%	1,407,892,132	3.36%
Rangpur	623,204,857	1.56%	679,168,500	1.62%
Khulna	400,501,359	1.00%	420,868,462	1.01%
Barisal	199,106,590	0.50%	254,711,411	0.61%
Total	39,973,582,659	100.00%	41,876,110,332	100.00%

8a.9 Grouping of Loans and Advances/ Investments as per Classification Rules of Bangladesh Bank:

Status	As at 31 December 2022		As at 31 December 2021	
	Amount	Composition	Amount	Composition
a) Unclassified				
Unclassified (including staff Loans)	36,283,323,297	90.77%	39,206,795,658	93.63%
Special Mention Account (SMA)	999,430,837	2.50%	322,866,996	0.77%
	37,282,754,134		39,529,662,654	
a) Classified				
Substandard	303,247,532	0.76%	16,577,171	0.04%
Doubtful	156,199,490	0.39%	275,519,839	0.66%
Bad or loss	2,231,381,503	5.58%	2,054,350,668	4.91%
	2,690,828,525		2,346,447,678	
Total	39,973,582,659	100.00%	41,876,110,332	100.00%

8a.10 Particulars of provision for Loans and Advances/ Investments:

Status	Rate	Basis for Provision		
Unclassified (Excluding staff Loans)	1%	25,963,942,634	259,639,426	282,021,520
Staff Loans	0%	-	-	-
Consumer Financing (Credit Card)	2%	818,781,808	16,375,636	8,572,734
Consumer Financing (Other than HF & LP)	2%	376,325,934	7,526,519	8,264,410
Small & Medium Enterprise	0.25%	6,773,290,629	16,933,227	8,070,119
Housing Finance	1%	2,256,298,477	22,562,985	21,403,007
Loan for professionals	2%	85,884,303	1,717,686	186,224
Share Business	2%	266,660,286	5,333,206	14,116,426
Short Term Agri. Credit	1%	303,460,543	3,034,605	8,051,918
Special Mention Account	Applicable Rate			
			333,123,290	350,686,358
Substandard	20%	91,535,511	18,307,102	10,194,946
Doubtful	50%	23,863,017	11,931,509	49,643,911
Bad or loss	100%	1,383,109,852	1,383,109,852	1,165,095,030
			1,413,348,463	1,224,933,887
Required provision for Loans and Advances/ Investments			1,746,471,753	1,575,620,245
Total provision maintained (Note-14a.1 (a) & (b))			1,750,494,107	1,576,350,000
Surplus Provision			4,022,354	729,755



Amount in Taka	
2022	2021

The Bank has maintained provision on loans and advances/ Investments amounting to Tk. 1,751,594,107 {note - 14a.1(a) & (b)}. The bank has also maintained special general provision for COVID 19 of Tk. 100,392,009 as per Bangladesh Bank circular (note - 14a).

8a.11 Particulars of provision for Off-Balance Sheet

Status	Basis for	Rate	Rate
	Provision	1%	1%
Acceptances and Endorsements	1,598,586,059	15,985,861	16,911,957
Bills	1,225,462,527	-	-
Letters of Guarantee	4,950,174,711	49,501,747	63,415,892
Irrevocable Letters of Credit	1,424,119,061	14,241,190	15,271,586
Required provision for Off Balance Sheet Items	9,198,342,358	79,728,798	95,599,435
Provision maintained {Note-14a.1(c)}		79,728,798	95,599,435
Surplus Provision		-	-

8a.12 Particulars of Loans and Advances/ Investments:

(i) Loans and Advances/ Investments considered good in respect of which the banking company is fully secured.	739,264,133	24,123,178,373
(ii) Loans and Advances/ Investments considered good for which the banking company holds no other security than the debtor's personal guarantee.	1,064,345,727	1,408,511,605
(iii) Loans and Advances/ Investments considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	38,169,972,799	16,344,420,354
(iv) Loans and Advances/ Investments adversely classified; provision not maintained there against.	-	-
	39,973,582,659	41,876,110,332
(v) Loans and Advances/ Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons.	268,829,684	233,641,101
(vi) Loans and Advances/ Investments due from companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies as members.	297,767	2,350,219,354
(vii) Maximum total amount of advances, including temporary advance made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	-	-
(viii) Maximum total amount of advances including temporary advances granted during the period to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies as members.	-	-
(ix) Due from Banking Companies	-	-
(x) Classified Loans and Advances/ Investments	2,690,828,525	2,346,447,678
a) Amount of classified loans and advances/ investments on which interest/ profit has not been charged	2,231,381,503	2,054,350,668
b) Provision on classified loans and advances/ investments	1,415,282,906	1,224,950,000
c) Provision kept against loans and advances/ investments classified as bad loss	1,383,109,852	1,165,095,030
d) Interest credited to Interest suspense Account	1,029,797,712	788,064,947
(xi) Cumulative amount of written off Loans and Advances/ Investments	-	-

8a.13 Preservation of Audited Financial Statements in Loan/Investments' File:

In compliance with BRPD circular no. 04 dated January 04, 2021, BRPD circular no. 35 dated July 06, 2021 and FRC letter no. 178/FRC/APR/2021/27(27), the bank are needed to preserve audited financial statements in respective loans & advance/ investments file. A summary of scenario has been given below:

Particulars	No. of File Approved in 2022	Preserved Audited FS	Rate of Compliance
New Loans & Advances/ Investments	36	32	89%
Loans & Advances/ Investments Renewal	90	76	84%

		Amount in Taka	
		2022	2021
9 Consolidated Fixed Assets including Premises, Furniture & Fixtures			
Cost:			
Meghna Bank Limited (Note-9a)	1,584,988,222	1,389,577,497	
Meghna Bank Securities Ltd	17,102,069	16,026,565	
	<u>1,602,090,291</u>	<u>1,405,604,062</u>	
Accumulated Depreciation:			
Meghna Bank Limited (Note-9a)	895,782,406	697,316,061	
Meghna Bank Securities Ltd	8,538,060	6,270,047	
	<u>904,320,466</u>	<u>703,586,108</u>	
Carrying value	<u>697,769,825</u>	<u>702,017,954</u>	
9a Fixed Assets including Premises, Furniture & Fixtures			
A. Cost:			
Opening balance	1,389,577,497	730,736,123	
Add: Addition during the year	202,983,937	669,553,231	
Less: Disposal during the year	7,573,212	10,711,857	
Closing balance at cost	<u>1,584,988,222</u>	<u>1,389,577,497</u>	
B. Depreciation:			
Opening balance	697,316,061	512,160,060	
Add: Addition during the year	204,342,253	194,370,602	
Less: Adjustment / disposal during the year	5,875,908	9,214,601	
Accumulated Depreciation	<u>895,782,406</u>	<u>697,316,061</u>	
Carrying value	<u>689,205,816</u>	<u>692,261,436</u>	
A schedule of fixed assets is given in Annexure-B			
10 Consolidated Other Assets			
Meghna Bank Limited (Note-10a)	1,199,949,048	1,170,068,031	
Meghna Bank Securities Ltd	4,881,768	26,498,765	
	<u>1,204,830,816</u>	<u>1,196,566,796</u>	
Less: Inter Company Transaction	<u>355,693,253</u>	<u>392,359,956</u>	
	<u>849,137,563</u>	<u>804,206,840</u>	
10a Other Assets			
Stock of Stationery, Stamps and Printing Materials etc. (valued at cost)	15,004,855	6,716,119	
Advance Rent	127,530,738	134,066,198	
Suspense Account (Note-10a.1)	109,749,701	133,043,298	
Interest receivable (Note-10a.2)	194,889,278	203,374,195	
Security Deposit	225,955	125,955	
Advance against proposed Branch	8,930,000	8,067,000	
Cash Remittance	10,000,000	-	
Interest on Sanchaypatra	15,316,504	21,115,761	
Receivable from MGBL Islamic Banking Project	39,000	39,000	
Receivable from MGBL OBU-USD	(2,436,277)	806,516	
Meghna Bank Securities Ltd	1,569,596	7,610,127	
Meghna Bank Securities Ltd - Special Fund	4,123,757	3,249,938	
Prepaid Expenses	22,120,200	9,480,984	
Investment in Subsidiary (Note-10a.3)	349,999,900	349,999,900	
Deferred Tax Assets (Note-10a.4)	58,851,477	55,956,241	
BEFTN Adjustment Account	43,446	94,641	
S/D RFA SEBL - Western Union	445,215	377,414	
Payment of Investment Bond- Customer	-	4,074,000	
Interest on Investment Bond- Customer	0.02	4,377,017	
Chargeback Account for VISA Cards	1,516,732	255,132	
Receivable from MiTP	123,387,999	123,387,999	
Trans-Fast-Remittance Payment Account	143,271	-	
Advance against Assets	84,267,000	-	
Accrued Income	74,230,702	103,850,596	
	<u>1,199,949,048</u>	<u>1,170,068,031</u>	



10a.1 Suspense Account:

Sundry Debtors
Advance against TA/DA
Advance against Petty Cash
Advance Against Suits/ Cases for NPL A/C
Encashment of Sanchaypatra
Settlement A/C for Credit Card Fund Transfer Through I-Banking
IBFT Other Bank Account to MGBL Account NPSB
IBFT Other Bank Account to MGBL Account QCASH
IBFT Other Bank Account/Card to MGBL Card NPSB
Premature Encashment of Sanchaypatra

Amount in Taka	
2022	2021
52,178,467	71,000,990
121,600	242,025
35,000	34,964
8,217,078	4,810,910
39,125,000	52,550,000
119,484	1,202,425
8,739,228	1,686,407
264,027	-
949,816	255,927
1	1,259,650
109,749,701	133,043,298

The detail breakup of unadjusted suspense accounts are given below:

Amount in Taka						
Sl	Breakup	Less than 03 months	03 months to less than 06 months	06 months to less than 09 months	09 months to less than 12 months	12 months and more
1	Sundry Debtors	13,738,664	8,399,624	694,980	45,000	29,300,199
2	Advance against TA/DA	111,300	10,300	-	-	-
3	Advance against Petty Cash	35,000	-	-	-	-
4	Advance Against Suits/ Cases for NPL A/C	433,050	437,809	2,153,600	561,920	4,630,699
5	Encashment of PSP/BSP/BG	33,225,000	700,000	5,200,000	-	1
6	Others	10,072,555	-	-	-	-
	Grand Total	57,615,569	9,547,733	8,048,580	606,920	33,930,899

10a.2 Interest Receivable:

Receivable from Other Banks and NBFIs
Accrued Income on SND
Accrued Income on Call Loan
Accrued Interest on Loans & Advances/ Investments
Interest Receivable from Bangladesh Bank
Accrued Income on Treasury Bills, Bonds & Others

59,528,778	5,687,564
55,000	55,000
483,958	13,889
	272,249
16,891,625	46,858,077
117,929,917	150,487,416
194,889,278	203,374,195

10a.3 Investment in Subsidiary:

Meghna Bank Limited holds 34,99,999 number of ordinary shares of Meghna Bank Securities Limited with a face value of Tk. 100 each which is equivalent to 99.99% of total shares of the company.

10a.4 Deferred Tax Assets:

Balance at the beginning of the year
Add: Addition during the year (Note-10a.4.i)
Balance at the end of the year

55,956,241	51,930,976
2,895,236	4,025,265
58,851,477	55,956,241

Deferred Tax on Fixed Assets

Carrying Amount
Tax Base
Deductible Temporary Difference
Effective Tax Rate
Deferred Tax Assets

182,718,286	182,601,500
329,846,978	322,492,101
147,128,692	139,890,601
40.00%	40.00%
58,851,477	55,956,241

10a.4.i Deferred Tax Income

Closing Balance of Deferred Tax Assets
Opening Balance of Deferred Tax Assets
Deferred Tax Income

58,851,477	55,956,241
55,956,241	51,930,976
2,895,236	4,025,265



10a.5 Non-Income Generating Other Assets:

Stock of Stationery, Stamps and Printing Materials etc. (valued at cost)
Advance Rent
Suspense Account (Note-10a.1)
Interest receivable (Note-10a.2)
Security Deposit
Advance against proposed Branch
Cash Remittance
Interest on Sanchaypatra
Receivable from MGBL Islamic Banking Project
Receivable from MGBL OBU-USD
Meghna Bank Securities Ltd
Meghna Bank Securities Ltd - Special Fund
Prepaid Expenses
Deferred Tax Assets (Note-10a.4)
BEFTN Adjustment Account
S/D RFA SEBL - Western Union
Payment of Investment Bond- Customer
Interest on Investment Bond- Customer
Chargeback Account for VISA Cards
Receivable from MiTP
Trans-Fast-Remittance Payment Account
Advance against Assets
Accrued Income

Amount in Taka	
2022	2021

15,004,855	6,716,119
127,530,738	134,066,198
109,749,701	133,043,298
194,889,278	203,374,195
225,955	125,955
8,930,000	8,067,000
10,000,000	-
15,316,504	21,115,761
39,000	39,000
(2,436,277)	806,516
1,569,596	7,610,127
4,123,757	3,249,938
22,120,200	9,480,984
58,851,477	55,956,241
43,446	94,641
445,215	377,414
-	4,074,000
0.02	4,377,017
1,516,732	255,132
123,387,999	123,387,999
143,271	-
84,267,000	-
74,230,702	103,850,595
849,949,148	820,068,130

11 Consolidated Borrowings from other Banks & Financial Institutions and Agents

Meghna Bank Limited (Note-11a)
Meghna Bank Securities Ltd

1,620,218,321	2,105,164,693
-	-
1,620,218,321	2,105,164,693

11a Borrowings from other Banks & Financial Institutions and Agents

In Bangladesh (Note-11a.1)
Outside Bangladesh

1,620,218,321	2,105,164,693
-	-
1,620,218,321	2,105,164,693

11a.1 In Bangladesh

Refinance from Bangladesh Bank
Jamuna Bank Limited
One Bank Limited
Basic Bank Limited
National Credit and Commerce Bank Limited
Mutual Trust Bank Limited
Modhumoti Bank Limited

1,310,425,721	1,504,564,693
-	171,600,000
-	171,600,000
309,792,600	-
-	85,800,000
-	85,800,000
-	85,800,000
1,620,218,321	2,105,164,693

11a.2 Security against Borrowings from other Banks & Financial Institutions and Agents

Secured
Unsecured

-	-
1,620,218,321	2,105,164,693
1,620,218,321	2,105,164,693

11a.3 Maturity grouping of Borrowings from other Banks & Financial Institutions and Agents

Payable on demand
Up to 1 Month
Over 1 Month but within 3 Months
Over 3 Months but within 1 Year
Over 1 Year but within 5 Years
Over 5 Years

-	-
344,502,162	600,600,000
258,556,524	703,499,990
939,263,200	801,064,703
77,896,435	-
-	-
1,620,218,321	2,105,164,693



12 Consolidated Deposits and Other Accounts

Current/AI-Wadeeah Current Accounts & Other Accounts:

Meghna Bank Limited (Note-12a)
Meghna Bank Securities Ltd

Less: Inter Company Transaction

Bills Payable:

Meghna Bank Limited (Note-12a)
Meghna Bank Securities Ltd

Savings/Mudaraba Saving Deposits:

Meghna Bank Limited (Note-12a)
Meghna Bank Securities Ltd

Fixed Deposits/ Mudaraba Term Deposit:

Meghna Bank Limited (Note-12a)
Meghna Bank Securities Ltd

Less: Inter Company Transaction

12a Deposits and Other Accounts

1) Deposits from banks
2) Deposits from customers

1) Deposits from banks

i) Current/AI-Wadeeah Current Accounts & Other Accounts

Current/AI-Wadeeah Current Accounts
Foreign Currency Deposits
Sundry Deposits [Note Y]

ii) Bills Payable:

Payable inside Bangladesh
Payable outside Bangladesh

iii) Savings/Mudaraba Saving Deposits:

Savings/Mudaraba Saving Deposits

iv) Fixed Deposits/ Mudaraba Term Deposit:

Fixed Deposits/ Mudaraba Term Deposit
Short Notice Deposits
Scheme Deposit [Note-X]

2) Deposits from customer

i) Current/AI-Wadeeah Current Accounts & Other Accounts:

Current/AI-Wadeeah Current Accounts
Foreign Currency Deposits
Sundry Deposits [Note Y]

ii) Bills Payable:

Payable inside Bangladesh
Payment Order Issued
Payable outside Bangladesh

Amount in Taka	
2022	2021

6,136,680,593	3,283,314,890
-	-
6,136,680,593	3,283,314,890
-	-
6,136,680,593	3,283,314,890

239,912,885	244,480,062
-	-
239,912,885	244,480,062

3,581,095,585	3,594,145,026
-	-
3,581,095,585	3,594,145,026

39,578,235,182	45,615,930,308
-	-
39,578,235,182	45,615,930,308
45,750,238	72,533,195
39,532,484,944	45,543,397,113
49,490,174,007	52,665,337,091

3,394,064	5,106,145,596
49,532,530,181	47,631,724,689
49,535,924,245	52,737,870,285

-	-
-	-
3,394,064	2,823,903
3,394,064	2,823,903

-	-
-	-
-	-
-	-

-	-
-	-

-	5,100,000,000
-	3,321,693
-	-
-	5,103,321,693
3,394,064	5,106,145,596

3,902,139,820	2,466,557,094
9,578,772	13,697,171
2,221,567,937	800,236,721
6,133,286,529	3,280,490,986

239,536,900	244,167,750
239,536,900	244,167,750
375,985	312,312
375,985	312,312
239,912,885	244,480,062

		Amount in Taka	
		2022	2021
iii) Savings/Mudaraba Saving Deposits:			
Savings/Mudaraba Saving Deposits		3,581,095,585	3,594,145,026
		3,581,095,585	3,594,145,026
iv) Fixed Deposits/ Mudaraba Term Deposit:			
Fixed Deposits/ Mudaraba Term Deposit		28,658,476,402	28,284,571,169
Short Notice Deposits		3,995,463,420	4,300,849,321
Scheme Deposit [Note-X]		6,924,295,360	7,927,188,125
		39,578,235,182	40,512,608,615
		49,532,530,181	47,631,724,689
X Scheme Deposits:			
Deposit Pension Scheme/ Mudaraba Deposit Pension Scheme		3,393,681,666	3,214,769,365
Meghna Millionaire Scheme		27,863,680	6,407,833
Meghna Kotipoti Scheme		8,783,836	2,177,741
Meghna Child Education Plan		65,756,898	58,543,116
Monthly Income Scheme Deposit		2,794,926,660	3,689,203,860
Mudaraba Super Saving Scheme		1,960,000	280,000
Mudaraba Bibaho Scheme		20,000	-
Mudaraba Hajj Scheme		63,000	-
Meghna Money Builder Scheme		1,320,655	851,812
Meghna Multiplier Scheme		629,918,965	954,954,398
		6,924,295,360	7,927,188,125
12a.1 Deposits and Other Accounts:			
Current/Al-Wadeeah Current Accounts & Other Accounts:			
a) Deposits from banks		3,394,064	2,823,903
b) Deposits from customers		6,133,286,529	3,280,490,986
		6,136,680,593	3,283,314,889
Bills Payable			
a) Deposits from banks		-	-
b) Deposits from customers		239,912,885	244,480,062
		239,912,885	244,480,062
Savings/Mudaraba Saving Deposits:			
a) Deposits from banks		-	-
b) Deposits from customers		3,581,095,585	3,594,145,026
		3,581,095,585	3,594,145,026
Fixed Deposits/ Mudaraba Term Deposit:			
a) Deposits from banks		-	5,103,321,693
b) Deposits from customers		39,578,235,182	40,512,608,615
		39,578,235,182	45,615,930,308
Y. Sundry Deposits			
Margin on letter of guarantee		169,925,873	253,743,708
Margin on letter of credit		823,616,328	162,956,969
VAT/Tax/Excise duty payable to Government Authority		197,020,687	175,129,365
Others		1,034,399,113	211,230,582
		2,224,962,001	803,060,624
12a.2 Maturity wise classification of Deposits are as under with a residual maturity of:			
Repayable on demand		529,191,969	1,060,935,320
Within 1 month		5,529,075,856	8,282,985,822
Over 1 month but not more than 6 months		17,571,640,711	13,386,150,355
Over 6 months but not more than 1 year		5,099,124,737	6,206,852,774
Over 1 year but not more than 5 years		15,793,436,579	15,559,664,852
Over 5 years		5,013,454,393	8,241,281,162
		49,535,924,245	52,737,870,285

13 Non-Convertible Subordinated Bonds

Balance at the beginning of the year
Add: Issue during the year
Less: Redemption during the year

Amount in Taka	
2022	2021
-	
2,000,000,000	
-	
2,000,000,000	-

The Bank issued Non-Convertible Fully Redeemable Unsecured Subordinated Coupon Bearing Bonds of Tk. 200 crore after obtaining approval from Bangladesh Securities and Exchange Commission and Bangladesh Bank which is strengthen the capital base of the bank and inclusion of Tier-II capital under BASEL-III.

Features of 1st MGBL Non-Convertible Subordinated Bonds

Particulars	Features of 1st MGBL Non-Convertible Subordinated Bonds														
Issuer	Meghna Bank Limited														
Lead Arranger	RSA Advisory Limited														
Trustee	MTB Capital Limited														
Tenure of Bond	5 years from the date of issuance														
Issue Size	BDT 200 Crore (Two Hundred Crore)														
Totals Bonds to be issued	200 (Two Hundred only)														
Coupon Rate	Reference Rate + Coupon Margin														
Reference Rate	Latest average 6-month FDR rate of all private commercial banks excluding Islamic banks & foreign banks as published by Bangladesh Bank on the quotation day.														
Coupon Margin	2.50%														
Range of Coupon Rate	7.00% to 9.00%, at all times														
Coupon Payment	Semi-annually starting after 6 months from the drawdown date														
Repayment Schedule	Face Value (principal) redemptions will be in 5 (five) equal annual tranches commencing at the end of 1 st year from the date of drawdown in the following manner. <table border="1"> <thead> <tr> <th>Year</th> <th>Redemption</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>10%</td> </tr> <tr> <td>2</td> <td>15%</td> </tr> <tr> <td>3</td> <td>20%</td> </tr> <tr> <td>4</td> <td>25%</td> </tr> <tr> <td>5</td> <td>30%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table>	Year	Redemption	1	10%	2	15%	3	20%	4	25%	5	30%	Total	100%
Year	Redemption														
1	10%														
2	15%														
3	20%														
4	25%														
5	30%														
Total	100%														
Prepayment, Call Refunding, Conversion Features	The Bond is non-convertible and not-callable in nature and has no prepayment option.														

List of Investors

Name of the Investor	Issued Date	Issued Amount	Outstanding	
			December 31, 2022	December 31, 2021
Janata Bank Limited	6-Jan-22	1,000,000,000	1,000,000,000	-
Sonali Bank Limited	6-Jan-22	500,000,000	500,000,000	-
Brac Bank Limited	17-Jan-22	200,000,000	200,000,000	-
Agrani Bank Limited	3-Mar-22	300,000,000	300,000,000	-
Total		2,000,000,000	2,000,000,000	-

14 Consolidated Other Liabilities

Meghna Bank Limited (Note-14a)
Meghna Bank Securities Ltd
Less: Inter Company Transaction

4,842,913,209	4,247,980,806
162,223,895	246,719,970
5,005,137,104	4,494,700,776
104,759,183	155,879,273
4,900,377,921	4,338,821,503



14a Other Liabilities

Amount in Taka	
2022	2021

Interest Payable on Deposits & Borrowings	684,442,524	492,880,140
Provision for Loans and Advances/ Investments {Note-14a.1 (a) & (b)}	1,750,494,107	1,576,350,000
Special General Provision-COVID-19	100,392,009	104,056,333
Provision for Off-Balance Sheet items {Note-14a.1 (c)}	79,728,798	95,599,435
Provision for other Assets {Note-14a.1 (d)}	162,894,438	93,394,438
Provision for Investment in Securities {Note-14a.1 (e)}	41,600,000	27,750,000
Interest Suspense A/C {Note-14a.1 (f)}	1,029,797,712	788,064,947
Provision for Taxation {Note-14a.2}	337,739,941	393,231,524
Lease Obligation on ROU Assets	474,542,547	479,857,873
Start-Up Fund {Note-14a.3}	9,949,368	8,090,661
Non-Resident Accounts	2,065,854	2,574,000
Settlement with NPSB	50,445	50,445
BEFT Settlement Account	350,550	470,396
RTGS Settlement Account	100	-
Agent Monitoring & Collection Account	100,500	100,500
Payable against CPV	9,650	-
MGBL General Account	39,656	13,936
Payable to B-KASH	475,839	-
Payable against Gift Solution	20,159	-
Agent Payable for Commission	26	-
MGBL MFS Payable Accounts	1,623,755	1,623,755
Adjusting Account Credit	166,595,231	183,872,423
	4,842,913,209	4,247,980,806

14a.1 Provision for Loans and Advances/ Investments:

(a) Provision on Classified Loans and Advances/ Investments:

Provision held at the beginning of the year	1,224,950,000	844,250,000
Less: Fully provided debt written off	-	-
Add: Recoveries of amounts previously written off	-	-
Add: Specific Provision made/(released) during the year	190,332,906	380,700,000
Provision held at the end of the year	1,415,282,906	1,224,950,000

(b) General Provision on Unclassified Loans and Advances/ Investments

Provision held at the beginning of the year	351,400,000	318,200,000
Provision transferred to provision on Classified Loans and Advances/ Investments	-	-
Provision made/ (released) during the year	(16,188,799)	33,200,000
Balance at the end of the year	335,211,201	351,400,000
Total Provision for Loans and Advances/ Investments (a+b)	1,750,494,107	1,576,350,000

(c) General Provision on Off-Balance Sheet items:

Provision held at the beginning of the year	95,599,435	49,250,000
Provision made/ (released) during the year	(15,870,636)	46,349,435
Balance at the end of the year	79,728,798	95,599,435

(d) Provision for other Assets:

Provision held at the beginning of the year	93,394,438	37,385,000
Provision made/ (released) during the year	69,500,000	56,009,438
Balance at the end of the year	162,894,438	93,394,438

(e) Provision for Investment in Securities:

Provision held at the beginning of the year	27,750,000	37,700,000
Provision made/ (released) during the year	13,850,000	(9,950,000)
Balance at the end of the year	41,600,000	27,750,000

(f) Interest Suspense Account:

Balance at the beginning of the year	788,064,947	576,203,650
Amount transferred to interest suspense account during the year	241,732,765	211,861,297
Amount written off/ waived during the year	-	-
Balance at the end of the year	1,029,797,712	788,064,947

14.2 Consolidated Provision for Taxation

Provision for Current tax

Meghna Bank Limited (Note-43a.2)
Meghna Bank Securities Ltd

Amount in Taka	
2022	2021

538,951,197	504,174,152
19,098,812	16,885,079
558,050,009	521,059,231

Advance tax

Meghna Bank Limited (Note-14a.2)
Meghna Bank Securities Ltd

201,211,256	110,942,628
22,755,649	18,772,515
223,966,905	129,715,143
334,083,104	391,344,088

Balance at the end of the year

Consolidated Provision for Taxation Addition

Meghna Bank Limited (Note-14a.2)
Meghna Bank Securities Ltd

330,000,000	250,000,000
2,213,733	9,000,000
332,213,733	259,000,000

14a.2 Provision for Taxation

Provision for Current tax

Balance at the beginning of the year
Less : Settlement of Income tax for the Income year 2013
Less : Settlement of Income tax for the Income year 2015
Less : Settlement of Income tax for the Income year 2016
Less : Settlement of Income tax for the Income year 2017
Less : Settlement of Income tax for the Income year 2018
Less : Settlement of Income tax for the Income year 2019
Less : Settlement of Income tax for the Income year 2020
Less : Settlement of Income tax for the Income year 2021
Add: Provision made during the year

504,174,152	440,748,707
-	4,293,229
-	24,742,176
-	7,229,011
-	44,643,988
14,827,868	-
47,324,568	-
-	105,666,151
233,070,519	-
330,000,000	250,000,000
538,951,197	504,174,152

Advance tax

Balance at the beginning of the year
Add: Paid during the year
Less : Settlement of Income tax for the Income year 2020
Less : Settlement of Income tax for the Income year 2021
Less : Settlement of Income tax for the Income year 2017

110,942,628	101,231,942
323,339,147	128,154,633
-	105,666,151
233,070,519	-
-	12,777,796
201,211,256	110,942,628
337,739,941	393,231,524

Balance at the end of the year

14a.3 Start-Up Fund

Opening balance
Add: Addition for the year 2020
Add: Addition for the year

8,090,661	-
-	5,011,512
1,858,707	3,079,149
9,949,368	8,090,661

15a Capital

15a.1 Authorized Capital:

200,00,00,000 ordinary shares of Tk. 10 each

20,000,000,000	20,000,000,000
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15a.2 Issued, Subscribed and Paid up Capital:

The Paid-up Capital of the Bank is Tk. 5,027,908,600 divided into 502,790,860 Ordinary Shares of Tk. 10 each

5,437,274,500	5,027,908,600
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Issued for cash: shares of Tk. 10 each in the year 2013
Issued other than cash: bonus shares of Tk. 10. each for the year 2017
Issued other than cash: bonus shares of Tk. 10. each for the year 2020
Issued for cash: shares of Tk. 10 each in the year 2022

4,433,000,000	4,433,000,000
265,980,000	265,980,000
328,928,600	328,928,600
409,365,900	-
5,437,274,500	5,027,908,600

Sponsor Shareholders Group-A

Holding
100%

5,437,274,500	5,027,908,600
5,437,274,500	5,027,908,600



Amount in Taka	
2022	2021

15.3 Consolidated Capital Adequacy:

Position of capital adequacy are given below:-

a) Core Capital (Tier-I):

- i) Paid-up Capital (Note-15a.2)
- ii) Statutory Reserve (Note-16)
- iii) Retained Earnings (Note-18)
- iv) Non-Controlling Interest (Note-19)
- v) Adjustment of Goodwill and all other Intangible Assets

5,437,274,500	5,027,908,600
983,696,846	877,380,313
125,840,992	293,966,438
103	102
(16,593,087)	(11,217,098)
6,530,219,354	6,188,038,355

b) Supplementary Capital (Tier-II):

- i) General Provision (Note 14a)
- ii) Non-Convertible Subordinated Bonds

525,827,108	559,692,160
1,600,000,000	-
2,125,827,108	559,692,160
8,656,046,462	6,747,730,515
40,669,845,278	39,261,715,191
5,083,730,660	4,907,714,399
3,572,315,802	1,840,016,116

c) Total Capital (a +b)

- d) Total Risk Weighted Assets (Note-15.4)
- e) Required Capital
- f) Total Capital Surplus (c-e)

Capital Adequacy Ratio:

Particulars	2022 (Under Basel III)		2021 (Under Basel III)	
	Requirement	Maintained	Requirement	Maintained
Core Capital	6.00%	16.06%	6.00%	15.76%
Supplementary Capital		5.23%		1.43%
Total	12.50%	21.28%	12.50%	17.18%

15.4 Consolidated Risk Weighted Assets (RWA) for

1. Credit Risk

- On-Balance Sheet
- Off-Balance Sheet

2. Market Risk

3. Operational Risk

Total Consolidated Risk Weighted Assets (1+2+3)

32,629,368,623	31,551,928,113
4,485,795,296	3,661,786,354
434,127,372	630,299,045
3,120,553,987	3,417,701,679
40,669,845,278	39,261,715,191

15a.5 Capital Adequacy:

Position of capital adequacy are given below:-

a) Core Capital (Tier-I):

- i) Paid-up Capital (Note-15a.2)
- ii) Statutory Reserve (Note-16)
- iii) Retained Earnings (Note-18a)
- iv) Adjustment of Goodwill and all other Intangible Assets

5,437,274,500	5,027,908,600
979,023,897	876,428,809
118,744,143	288,199,983
(16,013,881)	(11,049,821)
6,519,028,659	6,181,487,571

b) Supplementary Capital (Tier-II):

- i) General Provision (Note 14a)
- ii) Non-Convertible Subordinated Bonds

515,332,009	559,146,428
1,600,000,000	-
2,115,332,009	559,146,428
8,634,360,667	6,740,633,999
40,528,362,524	39,360,087,334
5,066,045,315	4,920,010,917
3,568,315,352	1,820,623,082

c) Total Capital (a +b)

- d) Total Risk Weighted Assets (Note-15a.6)
- e) Required Capital
- f) Total Capital Surplus (c-e)

Capital Adequacy Ratio:

Particulars	2022 (Under Basel III)		2021 (Under Basel III)	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Core Capital	6.00%	16.09%	6.00%	15.70%
Supplementary Capital		5.22%		1.42%
Total	12.50%	21.30%	12.50%	17.12%

		Amount in Taka	
		2022	2021
15a.6 Risk Weighted Assets (RWA) for			
1. Credit Risk			
On-Balance Sheet		32,629,368,623	31,688,910,634
Off-Balance Sheet		4,485,795,296	3,661,786,354
2. Market Risk		349,988,246	579,472,859
3. Operational Risk		3,063,210,359	3,429,917,487
Total Risk Weighted Assets (1+2+3)		40,528,362,524	39,360,087,334
16 Consolidated Statutory Reserve			
Meghna Bank Ltd (Note-16a)		979,023,897	876,428,809
Meghna Bank Securities Ltd		4,672,949	951,504
		983,696,846	877,380,313
16.1 Consolidated Statutory Reserve Addition During the Year			
Meghna Bank Ltd (Note-16a)		102,595,088	110,777,918
Meghna Bank Securities Ltd		3,721,445	951,504
		106,316,533	111,729,422
16a Statutory Reserve			
Opening balance		876,428,809	765,650,891
Add: Addition during the year (20% of Pre-tax profit)		102,595,088	110,777,918
		979,023,897	876,428,809
17 Other Reserve (Revaluation of HFT & HTM Securities)			
HTM Securities (Note 17.1)		-	-
HFT Securities (Note 17.2)		2,899,111	1,226,905
		2,899,111	1,226,905
17.1 HTM Securities			
Opening balance		-	367,841
Add: Gain from revaluation on investment		-	-
Less: Adjustment for sale/maturity of securities		-	367,841
		-	-
17.2 HFT Securities			
Opening balance		1,226,905	104,383,703
Add: Gain from revaluation on investment		-	-
Less: Adjustment for sale/maturity of securities		1,672,206	(103,156,798)
		2,899,111	1,226,905
18 Consolidated Retained Earnings			
Meghna Bank Ltd (Note-18a)		118,744,143	288,199,983
Meghna Bank Securities Ltd		7,096,852	5,766,457
		125,840,995	293,966,440
Less: Non-controlling Interest		3	2
		125,840,992	293,966,438
18.1 Consolidated Current year retained Earnings			
Current Year			
Meghna Bank Ltd (Note-18a)		81,416,880	194,057,787
Meghna Bank Securities Ltd		1,330,395	37,214,452
		82,747,275	231,272,239
Less: Non-Controlling Interest		1	11
		82,747,273	231,272,228
18a Retained Earnings of the Bank			
Opening balance		288,199,983	428,082,308
Add: Foreign Exchange Rate Changes Gain for Opening Retained Earnings		522,710	-
Less: Dividend Paid		251,395,430	328,928,600
Less: Transfer to Start-Up Fund for the year 2020		-	5,011,512
Add: Transfer from Profit & Loss Account		81,416,880	194,057,787
		118,744,143	288,199,983



		Amount in Taka	
		2022	2021
Consolidated Retained Earnings Brought Forward from Previous Year			
Balance of 01 January		293,966,438	443,085,813
Less: Transfer to Start-Up Fund		3,079,149	5,011,512
Less: Dividend paid		251,395,430	342,928,596
		<u>39,491,860</u>	<u>95,145,705</u>
Retained Earnings Brought Forward from Previous Year			
Balance of 01 January		288,199,983	428,082,308
Less: Dividend paid		251,395,430	328,928,600
Less: Transfer to Start-Up Fund		-	5,011,512
Balance at 31 December		<u>36,804,553</u>	<u>94,142,196</u>
19 Non-Controlling Interest			
Share Capital		100	100
Retained Earnings		3	2
		<u>103</u>	<u>102</u>
20 Acceptance and Endorsements			
Accepted Bills (Foreign)		1,406,794,624	1,601,053,696
Accepted Bills (Inland)		81,809,159	88,453,670
Endorsements (Shipping Guarantee)		109,982,276	1,688,283
		<u>1,598,586,059</u>	<u>1,691,195,649</u>
Less: Margin		-	-
		<u>1,598,586,059</u>	<u>1,691,195,649</u>
21 Letters of Guarantees			
Letters of Guarantee		4,950,174,711	6,341,589,194
Less: Margin {Note-12.a(i) Y}		169,925,873	253,743,708
		<u>4,780,248,838</u>	<u>6,087,845,486</u>
a) Claims against the Bank not acknowledged as debts			
b) Money for which the Bank is contingently liable in respect of guarantees given favoring:			
Directors or Officers		-	-
Government		639,369,008	2,041,251,171
Banks and other financial institutions		814,216,434	1,623,732,555
Others		3,496,589,269	2,676,605,468
		<u>4,950,174,711</u>	<u>6,341,589,194</u>
Less: Margin {Note-12.a(i) Y}		169,925,873	253,743,708
		<u>4,780,248,838</u>	<u>6,087,845,486</u>
22 Irrevocable Letters of Credit			
Letters of credit		1,424,119,061	1,527,158,618
Less: Margin {Note-12.a(i) Y}		823,616,328	162,956,969
		<u>600,502,733</u>	<u>1,364,201,649</u>
23 Consolidated Profit & Loss Account			
Income:			
Interest/ Profit, discount and similar income (Note-24 & 26)		4,398,953,228	3,919,003,992
Dividend income (Note-26)		228,451,753	190,053,609
Fees, Commission and Brokerage (Note-27)		106,545,071	127,663,334
Gains less losses arising from dealing securities		6,034,536	50,525,261
Gains less losses arising from investment securities		(2,603,617)	358,406,294
Gains less losses arising from dealing in foreign currencies (Note-27)		346,535,459	72,276,225
Income from non-banking assets		-	-
Other operating income (Note-28)		193,091,805	196,039,908
Profit less losses on interest rate changes		-	-
Nominal value of bonus share received		-	-
		<u>5,277,008,235</u>	<u>4,913,968,624</u>
Expenses:			
Interest/ Profit paid on Deposits, borrowings etc. (Note-25)		3,026,484,658	2,581,234,261
Losses on Loans and Advances/ Investments		-	-
Administrative expenses		938,976,604	778,286,190
Other operating expenses		342,105,487	268,049,359
Depreciation on banking assets		206,610,266	196,219,775
		<u>4,514,177,015</u>	<u>3,823,789,585</u>
Income over expenditure		<u>762,831,220</u>	<u>1,090,179,040</u>

23a Profit & Loss Account of the Bank

Income:

Interest/ Profit, discount and similar income (Note-24a & 26a)
Dividend income (Note-26a)
Fees, Commission and Brokerage (Note-27a)
Gains less losses arising from dealing securities
Gains less losses arising from investment securities
Gains less losses arising from dealing in foreign currencies (Note-27a)
Income from non-banking assets
Other operating income (Note-28a)
Profit less losses on interest rate changes
Nominal value of bonus share received

Amount in Taka	
2022	2021

4,401,921,940	3,920,000,497
218,679,632	185,447,203
90,270,698	92,144,636
4,177,778	26,793,419
(2,603,617)	358,406,295
346,535,459	72,276,225
-	-
192,548,153	194,136,861
-	-
-	-
5,251,530,043	4,849,205,136

Expenses:

Interest/ Profit paid on Deposits, borrowings etc. (Note-25a)
Losses on Loans and Advances
Administrative expenses
Other operating expenses
Depreciation on banking assets (Annexure-B)

3,029,082,180	2,582,720,355
-	-
930,020,761	767,697,449
337,150,263	260,997,873
204,342,253	194,370,602
4,500,595,457	3,805,786,279
750,934,586	1,043,418,857

Income over expenditure**24 Consolidated Interest Income:**

Meghna Bank Ltd (Note-24a)
Meghna Bank Securities Ltd

3,390,262,755	3,178,068,647
9,408,622	8,495,957
3,399,671,377	3,186,564,604
12,377,334	9,492,462
3,387,294,043	3,177,072,142

Less: Inter Company Transaction

24a Interest Income/ Profit on Investments:

Interest/ Profit on Loans and Advances/ Investments: (Note-24a.1)
Interest/ Profit on balance with other Banks & Financial Institutions

3,221,138,571	3,041,308,247
169,124,184	136,760,400
3,390,262,755	3,178,068,647

24a.1 Interest/ Profit on Loans and Advances/ Investments:

Interest Income/ Profit on Cash Credit
Interest Income/ Profit on Secured Over Draft
Interest Income/ Profit on General Over Draft
Interest Income/ Profit on Inland Bill Purchased/Discount
Interest Income/ Profit on Foreign Bill Purchased/Discount
Interest Income/ Profit on Import Finance
Interest Income/ Profit on Export Finance
Interest Income/ Profit on Demand Loan (General)
Interest Income/ Profit on Consortium/Syndicate Finance
Interest Income/ Profit on Hire Purchase Finance
Interest Income/ Profit on House Building Loan/ Investments
Interest Income/ Profit on General Term Loan/ Investments
Interest Income/ Profit on SME Loan & Advance/ Investments
Interest Income/ Profit on Personal Loan/ Investments
Interest Income/ Profit on Credit Card
Interest Income/ Profit on Agricultural and Rural Loan/ Investments

340,822,834	393,686,588
60,933,038	59,862,293
429,097,387	499,660,803
12,367,104	3,265,890
26,226,196	6,266,211
137,630,813	120,764,886
11,247,235	6,748,795
978,100,523	796,992,236
55,443,716	30,435,688
18,211,394	3,985,335
224,678,394	211,422,028
748,945,221	743,876,921
5,873,812	528,467
35,515,477	33,446,097
75,645,159	35,479,168
60,400,268	94,886,841
3,221,138,571	3,041,308,247

25 Consolidated Interest/ Profit Paid on Deposits, Borrowing, etc.:

Meghna Bank Ltd (Note-25a)
Meghna Bank Securities Ltd

3,029,082,180	2,582,720,355
9,779,812	8,006,368
3,038,861,992	2,590,726,723
12,377,334	9,492,462
3,026,484,658	2,581,234,261

Less: Inter Company Transaction



		Amount in Taka	
		2022	2021
25a Interest/ Profit Paid on Deposits, Borrowing, etc:			
a) Interest/ Profit on Deposits			
Interest/ Profit Paid on Meghna Supreme Account	152,769,647	21,489,868	
Interest/ Profit Paid on Savings Deposit	81,000,739	95,004,817	
Interest/ Profit Paid on Short Notice Deposit	101,048,143	156,071,825	
Interest/ Profit Paid on Fixed Deposit Receipt	1,880,118,257	1,642,336,456	
Interest/ Profit Paid on Deposit Pension Scheme	285,494,449	265,098,087	
Interest/ Profit Paid on Deposit Millionaire Scheme	1,038,036	89,672	
Interest/ Profit Paid on Mudaraba Bibaho Scheme	78	-	
Interest/ Profit Paid on Mudaraba Hajj Scheme	664	-	
Interest/ Profit Paid on Deposit Kotipoti Scheme	355,032	36,783	
Interest/ Profit Paid on Meghna Child Education Plan	6,236,460	5,472,671	
Interest/ Profit Paid on Monthly Income Scheme	191,599,855	248,259,595	
Interest/ Profit Paid on Meghna Multiplier Scheme	67,032,765	107,797,315	
Interest/ Profit Paid on Hajj Scheme	-	-	
Interest/ Profit Paid on Mudaraba Super Savings Scheme	58,281	-	
Interest/ Profit Paid on Money Builder Scheme	51,823	8,157	
	2,766,804,229	2,541,665,246	
b) Interest/ Profit Paid on Borrowings	262,277,951	41,055,109	
	3,029,082,180	2,582,720,355	
26 Consolidated Investment Income:			
Meghna Bank Ltd (Note-26a)	1,231,912,978	1,312,578,767	
Meghna Bank Securities Ltd	11,628,879	28,338,249	
	1,243,541,857	1,340,917,016	
26a Investment Income:			
Interest Income/ Profit from Treasury Bills	15,665,793	548,977	
Interest Income/ Profit from Treasury Bonds	995,993,392	739,670,544	
Gain/ (Loss) on Revaluation against Govt. Bills/ Bonds	(2,603,617)	358,406,294	
Income from Investment in Bond & Others	-	1,712,329	
Dividend Income from Investment in Preference Share	196,178,228	129,066,468	
Dividend Income	22,501,404	56,380,735	
Gain/ (Loss) on Sale of Shares	4,177,778	26,793,419	
	1,231,912,978	1,312,578,767	
27 Consolidated Commission, Exchange & Brokerage:			
Meghna Bank Ltd (Note-27a)	436,806,157	164,420,861	
Meghna Bank Securities Ltd	16,274,373	35,518,697	
	453,080,530	199,939,558	
27a Commission, Exchange & Brokerage:			
Income from Commission	90,270,698	92,144,636	
Exchange Earnings	346,535,459	72,276,225	
	436,806,157	164,420,861	
28 Consolidated Other Operating Income:			
Meghna Bank Ltd (Note-28a)	192,548,153	194,136,861	
Meghna Bank Securities Ltd	1,023,652	2,558,887	
	193,571,805	196,695,748	
Less: Inter Company Transaction	480,000	655,840	
	193,091,805	196,039,908	
28a Other Operating Income:			
Income From Fees & Charges	141,319,963	147,874,458	
Income From Services	38,779,792	34,928,844	
Postage, Telex, Swift etc.	3,813,994	3,641,302	
Gain/(Loss) on Sale of Bank's Property	(1,436,153)	635,918	
Other charges (Note-28a.1)	10,070,557	7,056,339	
	192,548,153	194,136,861	



		Amount in Taka	
		2022	2021
32a Postage, Stamps, Telecommunication etc:			
Postage		1,956,216	2,326,203
Internet charge		83,292	79,750
SWIFT Charges		756,575	698,937
Telephone charges		394,614	325,682
Mobile phone charges		5,348,601	4,575,389
Network Connection Expense		9,654,906	9,266,188
Online Communication Expense		157,219	31,445
Bloomberg Charges		3,703,029	2,503,847
		22,054,452	19,807,441
33 Consolidated Stationery, Printing & Advertisements etc:			
Meghna Bank Ltd (Note-33a)		17,120,757	15,144,956
Meghna Bank Securities Ltd		181,714	145,967
		17,302,471	15,290,923
33a Stationery, Printing & Advertisements etc:			
Petty Stationery		3,219,091	3,067,187
Printing Stationery		5,350,132	4,148,528
Security Stationery		3,161,504	3,606,090
Computer Stationery		4,402,569	3,269,969
Publicity and Advertisement		987,461	1,053,182
		17,120,757	15,144,956
34 Chief Executive's Salary & Fees:			
Basic Salary		9,000,000	9,000,000
Allowances		6,493,487	6,706,420
Bonus		1,500,000	1,500,000
Bank's Contribution to Provident Fund		900,000	900,000
		17,893,487	18,106,420
35 Consolidated Directors' Fees:			
Meghna Bank Ltd (Note-35a)		1,927,200	1,784,000
Meghna Bank Securities Ltd		72,000	72,000
		1,999,200	1,856,000
35a Directors' Fees:			
Directors Fees		1,927,200	1,784,000
Other Benefits		-	-
		1,927,200	1,784,000
Each director of the bank is provided for Tk. 8,000.00 per board or board committee meeting attended in 2021 as per BRPD circular no. 11 dated 4 October 2015.			
36 Consolidated Auditors' Fees:			
Meghna Bank Ltd (Note-36a)		398,475	379,500
Meghna Bank Securities Ltd		60,000	60,000
		458,475	439,500
36a Auditors' Fees:			
Auditors Fees		398,475	379,500
		398,475	379,500
37 Consolidated Depreciation, Amortization and Repair on Bank's Assets:			
Meghna Bank Ltd (Note-37a)		212,586,939	204,912,335
Meghna Bank Securities Ltd		2,321,630	2,087,836
		214,908,569	207,000,171

		Amount in Taka	
		2022	2021
37a Depreciation, Amortization and Repair on Bank's Assets:			
a) Depreciation on Bank's Assets (Annexure-B):			
Land & Building	-	-	
Vehicles	4,414,245	4,274,097	
Machinery & Equipment	12,271,402	14,590,135	
Furniture & Fixtures	28,208,163	26,570,220	
Computer and Peripherals	16,083,672	18,665,010	
Office Tools & Accessories	1,405,450	2,133,192	
Right of Use - Lease Assets under IFRS 16	137,042,881	125,048,842	
	199,425,813	191,281,496	
b) Amortization (Annexure-B):			
Software	4,916,440	3,089,106	
c) Repair on Bank's Assets:			
Fitting and Replacement	602,190	706,399	
Vehicles	65,545	11,000	
Machinery & Equipment	3,902,968	4,480,825	
Furniture & Fixtures	1,230,762	1,801,022	
Computer and Peripherals	471,768	1,837,862	
Maintenance Expense	1,971,453	1,704,625	
	8,244,686	10,541,733	
	212,586,939	204,912,335	
38 Consolidated Other Expenses:			
Meghna Bank Ltd (Note-38a)	337,150,263	260,997,873	
Meghna Bank Securities Ltd	4,955,224	7,051,486	
	342,105,487	268,049,359	
38a Other Expenses:			
Wasa Bill	1,343,687	1,288,656	
Drinking water Expenses	806,437	727,354	
Car Expenses	78,125,134	63,591,493	
Software Maintenance Expenses	30,109,711	31,601,204	
Entertainment	6,732,820	4,984,343	
Training, Seminar, Workshop Expenses	1,691,805	759,533	
Travelling and Conveyance	9,875,137	7,798,930	
Subscription	6,147,375	2,607,452	
Corporate Social Responsibility	31,253,928	16,225,750	
Office Maintenance	2,285,134	2,918,563	
Bank Charges	4,674,077	4,108,664	
Complain Box	4,140	8,280	
NPSB Charges	521,915	440,800	
Charges From VISA	11,859,098	5,503,491	
Credit Card CIB Charge	1,108,800	728,800	
NID Verification Charges	359,265	231,879	
Card Maintenance Expenses, ETC	6,954,017	4,585,562	
Debit Card ATM Transaction Fee	4,331,622	2,481,616	
IBFT Transaction Fee	105,854	34,835	
Agent Commission Expenses	5,892,649	-	
Board and EC Meeting Expenses	1,069,925	921,211	
Professional & Consultancy Fees	8,287,457	7,834,539	
Business development & Promotion	17,562,220	11,756,966	
Cash Carrying Charges	1,451,287	1,633,821	
Leverage and Uniform	721,165	219,318	
Washing & Cleaning	2,156,595	1,507,793	
Leave Fare Assistance	49,150,299	44,699,658	

	Amount in Taka	
	2022	2021
Security Service-Outsourcing	18,840,294	16,930,578
Crockeries Expenses	238,782	156,699
Newspaper & Magazine Expenses (Office)	171,839	82,520
Priority Banking Expenses	4,431,346	-
Expenses for Bond	3,253,408	-
Branch Inauguration Expenses	44,865	-
AGM Expenses	429,506	23,205
Interest Charge for ROU Lease Assets under IFRS 16	25,158,670	24,401,223
Miscellaneous Expenses	-	203,137
	337,150,263	260,997,873
39 Consolidated Provision for Loans, Investments, Off-Balance Sheet & Others Assets		
Meghna Bank Ltd (Note-39a)	237,959,147	489,529,268
Meghna Bank Securities Ltd	4,631,062	545,732
	242,590,209	490,075,000
39a Provision for Loans, Investments, Off-Balance Sheet & Others Assets		
Provision for Unclassified Loans and Advances/ Investments	(16,188,799)	33,200,000
Provision for Classified Loans and Advances/ Investments	190,332,906	380,700,000
Provision for Off-Balance Sheet Exposure	(15,870,636)	46,349,435
Special General Provision - Covid-19	(3,664,323)	(16,779,605)
Provisions for Diminution in Value of Investments	13,850,000	(9,950,000)
Provision for Other Assets	69,500,000	56,009,438
	237,959,147	489,529,268
40 Consolidated Earning Per Share (EPS)		
Net Profit after Tax	190,922,513	345,129,295
Number of Ordinary Shares outstanding (Denominator)	543,727,450	543,727,450
Consolidated Earning Per Share (EPS) (Restated if Required)	0.35	0.63
40a Earning Per Share (EPS)		
Net Profit after Tax	185,870,675	307,914,854
Number of Ordinary Shares outstanding (Denominator)	543,727,450	543,727,450
Earning Per Share (EPS) (Restated if Required)	0.34	0.57
Earning per share has been calculated in accordance with IAS - 33: "Earnings Per Share (EPS)".		
41 Consolidated Interest/ Profit Receipts in Cash		
Meghna Bank Ltd (Note-41a)	4,410,406,858	3,755,327,535
Meghna Bank Securities Ltd	9,408,622	8,495,957
	4,419,815,480	3,763,823,492
Less: Inter Company Transaction	12,377,334	9,492,462
	4,407,438,146	3,754,331,030
41a Interest/ Profit Receipts in Cash		
Interest income/ Profit receipt (Note-24a & 26a)	4,401,921,940	3,539,580,421
Add: Opening Interest/ Profit Receivable (Note-10a.2)	203,374,195	419,121,309
Less: Closing Interest/ Profit Receivable (Note-10a.2)	194,889,278	203,374,195
	4,410,406,858	3,755,327,535
42 Consolidated Interest/ Profit Payments		
Meghna Bank Ltd (Note-42a)	2,837,519,796	2,539,863,513
Meghna Bank Securities Ltd	9,779,812	8,006,368
	2,847,299,607	2,547,869,881
Less: Inter Company Transaction	12,377,334	9,492,462
	2,834,922,273	2,538,377,419
42a Interest/ Profit Payments		
Interest/ Profit Paid on Deposits & Borrowings (Note-25a)	3,029,082,180	2,582,720,355
Add: Opening Interest/ Profit Payable on Deposit (Note-14a)	492,880,140	450,023,298
Less: Closing Interest/ Profit Payable on Deposit (Note-14a)	684,442,524	492,880,140
	2,837,519,796	2,539,863,513



		Amount in Taka	
		2022	2021
43 Consolidated Cash Receipts from Other Operating Activities			
Meghna Bank Ltd (Note-43a)		195,558,468	959,120,733
Meghna Bank Securities Ltd		2,880,409	23,608,965
		198,438,877	982,729,698
43a Cash Receipts from Other Operating Activities			
Income From Fees & Charges		141,319,963	147,874,458
Income From Services		38,779,792	34,928,844
Postage, Telex, Swift etc.		3,813,994	3,641,302
Gain on Sale of Treasury Bonds and Shares		1,574,162	765,619,790
Other charges (Except Income from Sale of Fixed Assets)		10,070,557	7,056,339
		195,558,468	959,120,733
44 Consolidated Cash Payments for other Operating activities			
Meghna Bank Ltd (Note-44a)		598,786,393	504,429,941
Meghna Bank Securities Ltd		6,973,910	9,358,348
		605,760,303	513,788,289
44a Cash Payments for other Operating activities			
Rent, Taxes, Insurance, Lighting etc. (Note-30a)		228,654,895	209,780,592
Legal Expenses (Note-31a)		356,422	1,138,802
Postage, Stamp, Telegram & Telephone (Note-32a)		22,054,452	19,807,441
Directors' Fees (Note-35a)		1,927,200	1,784,000
Auditors' Fees (Note-36a)		398,475	379,500
Repair & Maintenance of Bank's Assets (Note-37a.c)		8,244,686	10,541,733
Other Expenses		337,150,263	260,997,873
		598,786,393	504,429,941
45 Consolidated Cash Increase/ Decrease in Other Assets			
Meghna Bank Ltd (Note-45a)		877,671,102	813,648,067
Meghna Bank Securities Ltd		1,116,970	26,498,764
		878,788,072	840,146,831
Less: Inter Company Transaction		355,693,253	392,359,956
		523,094,819	447,786,875
Consolidated Cash (Increase)/ Decrease in Other Assets		(75,307,944)	(173,342,702)
45a Cash Increase/ Decrease in Other Assets			
Stock of Stationery and Stamps		15,004,855	6,716,119
Advance Rent		127,530,738	134,066,198
Suspense Account		109,749,701	133,043,298
Security Deposits		225,955	125,955
Advance Against Proposed Branch		8,930,000	8,067,000
Cash Remittance		10,000,000	-
Interest on Sanchaypatra		15,316,504	21,115,761
Receivable from MGBL Islamic Banking Project		39,000	39,000
Receivable from MGBL OBU-USD		(2,436,277)	806,516
Meghna Bank Securities Ltd		1,569,596	7,610,127
Meghna Bank Securities Ltd - Special Fund		4,123,757	3,249,938
Prepaid Expenses		22,120,200	9,480,984
Investment in Subsidiary		349,999,900	349,999,900
BEFTN Adjustment Account		43,446	94,641
S/D RFA SEBL - Western Union		445,215	377,414
Payment of Investment Bond-Customer		-	4,074,000
Interest on Investment Bond-Customer		0.02	4,377,017
Trans-Fast-Remittance Payment Account		143,271	-
Receivable from MiTP		123,387,999	123,387,999
Advance Against Assets		84,267,000	-
Accrued Income		5,693,510	6,761,068
Chargeback Account for VISA Cards		1,516,732	255,132
		877,671,102	813,648,067
Cash (Increase)/ Decrease in Other Assets		(64,023,035)	(201,321,622)



	Amount in Taka	
	2022	2021
46 Consolidated Cash Increase/ Decrease in Other Liabilities		
Meghna Bank Ltd (Note- 46a)	1,201,129,477	976,770,402
Meghna Bank Securities Ltd	159,747,315	210,430,817
	1,360,876,791	1,187,201,219
Less: Inter Company Transaction	104,759,183	155,879,273
	1,256,117,609	1,031,321,946
Cash Increase/ (Decrease) in Other Liabilities	224,795,663	213,739,805
46a Cash Increase/ Decrease in Other Liabilities		
Non-Resident Accounts	2,065,854	2,574,000
Interest Suspense A/C	1,029,797,712	788,064,947
Settlement with NPSB	50,445	50,445
BEFT Settlement Account	350,550	470,396
Agent Monitoring & Collection Account	100,500	100,500
MGBL MFS Payable Accounts	1,623,755	1,623,755
MGBL General Account	39,656	13,936
Payable to B-Kash	475,839	-
Payable against Gift Solution	20,159	-
Agent Payable for Commission	26	-
RTGS Settlement Account	100	-
Payable against CPV	9,650	-
Adjusting account credit	166,595,231	183,872,423
	1,201,129,477	976,770,402
Consolidated Cash Increase/ (Decrease) in Other Liabilities	224,359,075	189,025,767
47 Consolidated Cash and Cash Equivalent		
Meghna Bank Ltd (Note-47a)	9,290,551,569	5,955,019,162
Meghna Bank Securities Ltd	64,429,257	104,254,371
	9,354,980,825	6,059,273,533
Less: Inter Company Transaction	45,750,238	72,533,195
	9,309,230,587	5,986,740,338
47a Cash and Cash Equivalent		
Cash in Hand	899,992,595	736,254,159
Balance with Bangladesh Bank & Sonali Bank Ltd (as agent of Bangladesh Bank)	3,020,097,923	2,394,291,512
Balance with Other Banks & Financial Institutions	4,360,021,451	2,723,637,291
Money at Call on Short Notice	1,010,000,000	100,000,000
Prize Bond in Hand	439,600	836,200
	9,290,551,569	5,955,019,162

48 Number of Employees

The number of employees engaged for the whole period or part thereof who received a total remuneration of Tk.36,000 p. a. or above were 1222.


Chairman


Director


Director


Managing Director & CEO



MEGHNA BANK LIMITED
INVESTMENT IN SHARES - QUOTED & UNQUOTED
AS AT DECEMBER 31, 2022

Annexure-A

Sl No	Name of the Company	No. of Shares/ Securities	Market Price per Share	Market Value December 31, 2022	Cost Price December 31, 2022	Unrealized Gain/(Loss)
Quoted: Regular Investment						
1	British American Tobacco Company Limited	7,000	518.70	3,630,900	4,405,269	(774,369)
	BSRM Steels Limited	100,000	63.90	6,390,000	8,676,634	(2,286,634)
2	Eastern Bank Limited	225,000	31.80	7,155,000	8,007,181	(852,181)
3	Global Islami Bank Limited	1,317,368	9.00	11,856,312	13,173,680	(1,317,368)
4	City Bank Limited	225,000	21.80	4,905,000	5,634,995	(729,995)
5	Grameenphone Limited	25,000	286.60	7,165,000	9,456,812	(2,291,812)
6	Jamuna Bank Limited	200,000	21.30	4,260,000	4,851,611	(591,611)
7	Heidelberg Cement Bangladesh Limited	16,805	179.10	3,009,776	9,291,098	(6,281,322)
8	IDLC Finance Limited	105,000	46.50	4,882,500	7,087,500	(2,205,000)
9	IFAD Autos Limited	17,671	44.10	779,291	1,927,117	(1,147,825)
10	Jamuna Oil Company Limited	75,000	167.30	12,547,500	15,840,873	(3,293,373)
11	Summit Power Limited	400,000	34.00	13,600,000	18,130,495	(4,530,495)
12	MJL Bangladesh Limited	100,000	86.70	8,670,000	11,537,652	(2,867,652)
13	Olympic Industries Limited	100,000	124.00	12,400,000	20,203,202	(7,803,202)
14	Robi Axiata Limited	150,000	30.00	4,500,000	1,500,000	3,000,000
15	Square Pharmaceuticals Limited	50,000	209.80	10,490,000	11,784,594	(1,294,594)
16	Islami Commercial Insurance Company Limited	8,799	28.10	247,252	87,990	159,262
17	Titas Gas Transmission & Dist. Co. Limited	100,000	40.90	4,090,000	5,702,317	(1,612,317)
18	United Commercial Bank Limited	867,115	13.00	11,272,495	16,060,748	(4,788,253)
Sub Total				131,851,026	173,359,768	(41,508,742)
Unquoted: Preference Share						
19	Confidence Power Bogra Limited	7,500,000	10.00	75,000,000	75,000,000	-
20	Karnaphuli Power Limited	48,000,000	10.00	480,000,000	480,000,000	-
21	Baraka Shikalbaha Power Limited	44,800,000	10.00	448,000,000	448,000,000	-
22	Plamingo Fashions Limited	36,800,000	10.00	368,000,000	368,000,000	-
23	Jinnat Knitwears Limited	36,000,000	10.00	360,000,000	360,000,000	-
24	City Seed Crushing Industries Limited	40,000,000	10.00	400,000,000	400,000,000	-
Sub Total				2,131,000,000	2,131,000,000	-
Quoted: Special Fund						
25	British American Tobacco Bangladesh	225,000	518.70	116,707,500	128,910,464	-
26	City Bank Limited	600,000	21.80	13,080,000	15,094,136	-
27	Grameenphone Limited	225,000	286.60	64,485,000	75,139,846	-
28	IDLC Finance Limited	1,000,000	46.50	46,500,000	60,707,730	-
29	Renata Limited	32,100	1,217.90	39,094,590	40,739,613	-
30	Jamuna Bank Limited	500,000	21.30	10,650,000	12,300,297	-
31	Prime Bank Limited	500,000	19.20	9,600,000	11,721,231	-
32	Square Pharmaceuticals Limited	200,000	209.80	41,960,000	48,227,860	-
33	Summit Power Limited	1,500,000	34.00	51,000,000	68,590,851	-
Sub Total				393,077,090	461,432,030	-
Grand Total				2,524,077,090	2,592,432,030	(41,508,742)

Provision Requirement as on December 31, 2022.

Provision Maintained as on December 31, 2022.

Provision Surplus/Shortage at the end of December 31, 2022.

Taka
41,508,742
41,600,000
91,258

Note: As per DOS circular no. 01 dated February 10, 2020, no provision is required to maintained for investment in shares under special fund.



MEGHNA BANK LIMITED
SCHEDULE OF FIXED ASSETS
AS AT DECEMBER 31, 2022

Annexure-B

Particulars	COST			Rate of Dep./ Amort.	DEPRECIATION / AMORTIZATION				WDV as on December 31, 2021
	Balance as on January 1, 2022	Additions during the year	Disposal/ Transfer during the year		Balance as on December 31, 2022	Transfer/ Adjustment during the year	Charge for the year	Balance as on December 31, 2022	
A) Tangible Assets :									
Vehicles	35,932,017	7,142,920	-	43,074,937	-	4,414,245	29,094,801	13,980,136	11,251,461
Machinery and Equipment	176,157,767	10,170,740	1,162,518	185,165,989	1,162,513	12,271,402	157,289,157	27,876,832	29,977,499
Furniture & Fixtures	271,002,352	25,616,488	5,299,359	291,319,481	3,602,063	28,208,163	163,488,449	127,831,032	132,120,003
Computer & Computer Peripherals	192,856,633	17,121,290	1,111,335	208,866,588	1,111,332	16,083,672	182,656,038	26,210,550	25,172,935
Office Tools & Accessories	23,386,894	1,324,444	-	24,711,338	-	1,405,450	21,960,500	2,750,838	2,831,844
Sub Total (A)	699,335,663	61,375,882	7,573,212	753,138,333	5,875,908	62,382,932	554,488,945	198,649,388	201,353,742
B) Intangible Assets :									
Software	85,335,119	9,880,500	-	95,215,619	-	4,916,440	79,201,738	16,013,881	11,049,821
Sub Total (B)	85,335,119	9,880,500	-	95,215,619	-	4,916,440	79,201,738	16,013,881	11,049,821
C) ROU - Assets for Lease Rent :									
ROU - Assets for Lease Rent	604,906,715	131,727,555	-	736,634,270	-	137,042,881	262,091,723	474,542,547	479,857,873
Sub Total (C)	604,906,715	131,727,555	-	736,634,270	-	137,042,881	262,091,723	474,542,547	479,857,873
Total (A+B+C)	1,389,577,497	202,983,937	7,573,212	1,584,988,222	5,875,908	204,342,253	895,782,406	689,205,816	692,261,436



MEGHNA BANK LIMITED
BALANCE WITH OTHER BANKS-OUTSIDE BANGLADESH (NOSTRO ACCOUNT)
AS AT DECEMBER 31, 2022

Annexure-C

SL No.	Name of the Banks	Currency Name	2022			2021		
			Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT
1	AB Bank Ltd, Mumbai, ACU	ACUD	192,366.02	103.29	19,870,005.60	378,968.64	85.80	32,515,509.31
2	Mashreq Bank p.s.c. New York, USD	USD	1,839,143.46	103.29	189,958,483.27	2,451,104.66	85.80	210,304,779.83
3	Habib American Bank, New York, USD	USD	683,488.55	103.29	70,599,377.75	850,467.52	85.80	72,970,113.22
4	MCB Bank Limited, Karachi, Pakistan, ACU	ACUD	14,264.21	103.29	1,473,388.76	102,520.21	85.80	8,796,234.02
5	BANCA Popolare Di Sondrio, Sondrio, Italy, EURO	EURO	20,135.93	109.71	2,209,056.50	31,251.90	97.28	3,040,184.83
6	Kookmin Bank, Seoul Korea, USD	USD	37,520.66	103.29	3,875,610.27	14,439.98	85.80	1,238,950.28
7	Kookmin Bank, Seoul Korea, GBP	GBP	21,396.18	124.31	2,659,819.05	1,285.13	115.73	148,724.24
8	Kookmin Bank, Seoul Korea, CAD	CAD	4,265.32	76.02	324,263.28	998.95	67.08	67,007.97
9	National Bank of Pakistan, Tokyo, Japan., JPY	JPY	11,103,578.00	0.77	8,569,741.50	13,303,578	0.75	9,921,808.47
10	Bank Al Jazira, KSA, SAR	SAR	165,186.00	27.48	4,539,113.06	175,986.00	22.86	4,022,916.77
11	AXIS Bank Ltd. Kolkata, India, ACU USD	ACUD	175,505.88	103.29	18,128,476.21	1,618,538.05	85.80	138,870,564.69
12	BMCE Bank International, Madrid, Spain	EURO	-	-	-	9,767.07	97.28	950,140.57
13	BMCE Bank International, GBP	GBP	-	-	-	7,767.03	115.73	898,855.08
14	Bhutan National Bank, ACU	ACUD	47,650.65	103.29	4,921,964.30	164,492.00	85.80	14,113,413.60
15	HDFC Bank Ltd., Mumbai, India, ACU	ACUD	107,470.13	103.29	11,100,879.90	122,294.87	85.80	10,492,899.85
16	Sonali Bank UK, USD	USD	8,648.95	103.29	893,373.40	77,064.85	85.80	6,612,164.13
17	Punjab National Bank, Kolkata, ACU	NZD	53,101.95	103.29	5,485,043.79	408,395.32	85.80	35,040,318.46
	Total				344,608,597			550,004,585



MEGHNA BANK LIMITED

DETAILS INFORMATION OF LOANS AND ADVANCES MORE THAN 10% OF BANK'S TOTAL CAPITAL (FUNDED & NON-FUNDED)
AS AT DECEMBER 31, 2022

(Tk. In Crore)

SL. No.	Name of Customers	Outstanding		% of Loans to Total Capital			
		Funded	Non-funded	Total	Funded	Non-funded	Total
1	AKOTA SOTOTA GROUP	36.98	45.62	82.59	4.25%	5.25%	9.50%
2	ABUL KHAIR GROUP	-	10.58	10.58	0.00%	1.22%	1.22%
3	RSRM GROUP	99.18	-	99.18	11.41%	0.00%	11.41%
4	BAIZID STEEL INDUSTRIES LTD.	99.25	-	99.25	11.42%	0.00%	11.42%
5	NITOL-NILOY GROUP	16.44	-	16.44	1.89%	0.00%	1.89%
6	M/S. KHOKAN TRADING AGENCY	31.91	11.35	43.26	3.67%	1.31%	4.98%
7	ANWAR LANDMARK LIMITED AND OTHERS	5.24	-	5.24	0.60%	0.00%	0.60%
8	MEGHNA GROUP OF INDUSTRIES (MGI)	88.93	1.03	89.96	10.23%	0.12%	10.35%
9	BSRM GROUP	-	-	-	0.00%	0.00%	0.00%
10	SUPER PETROCHEMICAL(PVT)LTD.	93.62	13.94	107.56	10.77%	1.60%	12.38%
11	ACME GROUP	-	-	-	0.00%	0.00%	0.00%
12	CITY GROUP	20.27	0.69	20.96	2.33%	0.08%	2.41%
13	BANGLADESH PETROLEUM CORPORATION	-	26.67	26.67	0.00%	3.07%	3.07%
14	UNITED GROUP	-	190.51	190.51	0.00%	21.92%	21.92%
15	SUMMIT GROUP	-	-	-	0.00%	0.00%	0.00%
16	CONFIDENCE GROUP	91.16	69.89	161.06	10.49%	8.04%	18.53%

MEGHNA BANK LIMITED

**DETAILS INFORMATION OF LOANS AND ADVANCES MORE THAN 10% OF BANK'S TOTAL CAPITAL (FUNDED & NON-FUNDED)
AS AT DECEMBER 31, 2022**

(Tk. In Crore)

SL. No.	Name of Customers	Outstanding		% of Loans to Total Capital			
		Funded	Non-funded	Total	Funded	Non-funded	Total
17	ACI GROUP	71.53	21.14	92.67	8.23%	2.43%	10.66%
18	AHMED GROUP	-	-	-	0.00%	0.00%	0.00%
19	ANANTA GROUP	-	-	-	0.00%	0.00%	0.00%
20	SEACOM GROUP	37.35	23.71	61.07	4.30%	2.73%	7.03%
21	DEBONAIR GROUP	41.08	0.22	41.30	4.73%	0.03%	4.75%
22	EON GROUP	78.42	9.89	88.31	9.02%	1.14%	10.16%
23	BUTTERFLY MANUFACTURING CO. LTD.	50.71	-	50.71	5.83%	0.00%	5.83%
24	BASHER GROUP	-	1.40	1.40	0.00%	0.16%	0.16%
25	IPDC FINANCE LTD.	14.82	-	14.82	1.70%	0.00%	1.70%
26	NEW ASIA GROUP	76.47	-	76.47	8.80%	0.00%	8.80%
27	BARAKA GROUP	-	54.88	54.88	0.00%	6.31%	6.31%
28	MEGHNA EXECUTIVE HOLDINGS	90.36	0.54	90.90	10.40%	0.06%	10.46%
29	NOMAN GROUP	95.26	-	95.26	10.96%	0.00%	10.96%
30	APEX GROUP	-	-	-	0.00%	0.00%	0.00%
31	CROWN GROUP	13.43	-	13.43	1.55%	0.00%	1.55%
32	NORTHERN TOSRIFA GROUP	18.94	6.12	25.06	2.18%	0.70%	2.88%

MEGHNA BANK LIMITED

DETAILS INFORMATION OF LOANS AND ADVANCES MORE THAN 10% OF BANK'S TOTAL CAPITAL (FUNDED & NON-FUNDED)
AS AT DECEMBER 31, 2022

(Tk. In Crore)

SL. No.	Name of Customers	Outstanding		% of Loans to Total Capital		
		Funded	Non-funded	Funded	Non-funded	Total
33	BANGLALINK	30.70	-	30.70	3.53%	3.53%
34	ABA GROUP	4.11	-	4.11	0.47%	0.47%
35	BANGLADESH-INDIA FRIENDSHIP POWER COMPANY (PVT.) LIMITED	-	-	-	0.00%	0.00%
36	AKIJ GROUP	25.08	3.05	28.13	2.89%	3.24%
37	RENATA LIMITED (RL)	-	41.36	41.36	0.00%	4.76%
38	GPH ISPAT LIMITED	63.76	-	63.76	7.34%	7.34%
	Total	1,294.99	532.60	1,827.59		

Bank's total Capital as on 31 December 2022 is Tk. 863.44 Crore



**MEGHNA BANK LIMITED
FINANCIAL HIGHLIGHTS**

(Amount in Taka)

SL	PARTICULARS	2022	2021
1	Paid up Capital	5,437,274,500	5,027,908,600
2	Total Capital (Core + Supplementary)	8,634,360,667	6,740,633,999
3	Capital Surplus	3,568,315,352	1,820,623,082
4	Total Assets	64,536,997,426	65,284,780,081
5	Total Deposit	49,535,924,245	52,737,870,285
6	Total Loans & Advances/ Investments	39,973,582,659	41,876,110,332
7	Total Contingent Liabilities and Commitments	9,198,342,358	10,134,622,729
8	Credit Deposit Ratio (%) *	76%	75%
9	Percentage of Classified Loans against total Loans and Advances/ Investments	6.73%	5.60%
10	Profit after Tax and Provision	185,870,675	307,914,854
11	Amount of Classified Loans & Advances/ Investments	2,690,828,525	2,346,447,678
12	Provisions kept against Classified Loans & Advances/ Investments	1,415,282,906	1,224,950,000
13	Provisions Surplus	4,022,354	729,755
14	Cost of Fund	8.63%	8.23%
15	Interest Earning Assets	58,514,360,000	60,518,094,964
16	Non-Interest Earning Assets	6,022,637,425	4,766,685,117
17	Return on Investment (ROI)	7.66%	11.26%
18	Return on Assets (ROA)	0.29%	0.52%
19	Income from Investment	1,231,912,978	1,312,578,767
20	Earning Per Share	0.34	0.57
21	Net Income Per Share	0.34	0.57
22	Price Earning Ratio	N/A	N/A

* Credit Deposit Ratio (%) calculation is made as per Bangladesh Bank guidelines.

