



ANNUAL REPORT 2023





In an era of digital transformation, innovation and instant connectivity of the financial industry, Meghna Bank is at the forefront of revolutionizing banking experiences. With our theme, "**BANKING AT YOUR FINGERTIPS**," we aim to highlight the seamless integration of technology into our services, empowering customers with unparalleled access and control over their finances.

MeghnaPay, our proprietary digital wallet and payment solution, is seamlessly integrated into our "**BANKING AT YOUR FINGERTIPS**" ecosystem. With MeghnaPay, customers can easily send and receive money, pay bills & fees, and make purchases from their mobile devices offering a convenient and secure way to transact digitally, putting financial control at customers' fingertips. Our Internet Banking platform serves as a central hub for customers to access a wide range of banking services from the comfort of their homes or offices. The platform's intuitive interface and robust security features ensure a seamless and secure banking experience, empowering customers to bank anytime, anywhere, with just a few clicks. Both MeghnaPay and Internet Banking Apps are available in iOS and Android Platforms.

In line with our commitment to enhancing convenience, Meghna Bank offers seamless integration with popular digital wallets, including Nagad, bKash and Rocket. This integration streamlines the payment process, offering customers a frictionless and hassle-free way to transact digitally. Ensuring customer satisfaction is our top priority. That's why we offer 24/7 customer support services to assist customers with any banking-related queries. Whether through phone, email, or live chat, our dedicated support team is always available to provide personalized assistance and guidance, ensuring a seamless banking experience.

"BANKING AT YOUR FINGERTIPS" epitomizes Meghna Bank's commitment to leveraging technology to enhance customer experiences and redefine the future of banking. Through our integrated suite of digital solutions, including MeghnaPay, Internet Banking, and digital wallet integration, we empower customers with instant access, control, and peace of mind over their finances. As we continue to innovate and adapt to evolving customer needs, we remain dedicated to delivering seamless, secure, and convenient banking solutions that empower individuals and businesses to thrive in the digital age.

Table of CONTENTS

OVERVIEW

Performance Highlights	04
Non-financial Highlights	05
About The Report	06
Vision, Mission & Core Values	08
Corporate Profile	09
Corporate Directory	10
Product & Services	11
Code of Conduct	15
Milestones	20
Awards and Achievements	22
Sponsors	24
Shareholders	28
Board of Directors	30
Committees of the Board	44
Management Committee	48
Extended Management Committee	54

STAKEHOLDERS' INFORMATION

Five-Year Financial Summary	55
Value Added Statement	56
Horizontal Analysis	57
Graphical Presentation of Performance	59
Credit Rating of MGBPLC	61

STRATEGIC OVERVIEW

Message from the Chairman	63
Managing Director & CEO's Round up	66

RISK & GOVERNANCE

Directors' Report	70
Risk Management Framework & Functions	79
Disclosures on Risk Based Capital Adequacy (Basel III)	84
Report of the Audit Committee	96
Directors' Responsibility Statement	98
Report of the Shari'ah Supervisory Committee	99
Responsibility Statement of CEO & CFO's	100

MANAGEMENT DISCUSSION

Corporate Banking	102
Retail & SME Banking	110
Islamic Banking	113
Treasury Management	114
Agent Banking	119
Cards	120
Credit Risk Management	124
Special Asset Management	127

Liability & Wealth Management	129
Digital Financial Services	130
Human Resource	138
Operations	139
Information Technology	143
Internal Control & Compliance	145
Finance Division	146



FINANCIAL STATEMENTS OF MEGHNA BANK PLC.

Independent Auditor's Report	149
Consolidated Balance Sheet	155
Consolidated Profit and Loss Account	157
Consolidated Cash Flow Statement	158
Consolidated Statement of Changes in Equity	159
Balance Sheet	160
Profit and Loss Account	162
Cash Flow Statement	163
Statement of Changes in Equity	164
Liquidity Statement	165
Notes to the Financial Statements	166
Financial Highlights	242
Financial Statements of Islamic Banking	243
Financial Statements of Off-Shore Banking Unit	255



MEGHNA BANK SECURITIES LIMITED

Board of Directors	261
Profile of Chairperson	262
Report of the Directors	264
Independent Auditor's Report	266
Statement of Financial Position	268
Statement of Comprehensive Income	269
Statement of Changes in Equity	270
Statement of Cash Flow	271
Notes to the Financial Statements	272
Fixed Asset Schedule	284



SUPPLEMENTARY INFORMATION

Event Highlights	286
Glimpses of 10 th AGM	292
Branch Network	293
Notice of the 11 th AGM	298
Proxy Form	299



PERFORMANCE HIGHLIGHTS

BDT in Million



TOTAL ASSETS

2023	2022
83,451	64,537
GROWTH	
Amount	%
18,914	29%



LOANS & ADVANCES

2023	2022
52,042	39,974
GROWTH	
Amount	%
12,068	30%



DEPOSITS

2023	2022
65,029	49,536
GROWTH	
Amount	%
15,493	31%



TOTAL INVESTMENT

2023	2022
18,704	13,384
GROWTH	
Amount	%
5,320	40%



TOTAL BORROWING

2023	2022
4,220	1,620
GROWTH	
Amount	%
2,600	160%



SHAREHOLDERS' EQUITY

2023	2022
7,306	6,538
GROWTH	
Amount	%
768	12%



TOTAL REGULATORY CAPITAL

2023	2022
9,413	8,634
GROWTH	
Amount	%
779	9%



OPERATING PROFIT

2023	2022
1,597	751
GROWTH	
Amount	%
846	113%



NET PROFIT AFTER TAX

2023	2022
778	186
GROWTH	
Amount	%
592	318%



EARNINGS PER SHARE

2023	2022
1.43	0.34
GROWTH	
Amount	%
1.09	321%



RETURN ON ASSETS

2023	2022
1.05%	0.29%
GROWTH	
Amount	%
0.76%	262%



RETURN ON EQUITY

2023	2022
11.24%	2.92%
GROWTH	
Amount	%
8.32%	285%



NET NPL

2023	2022
1,357	1,276
GROWTH	
Amount	%
81	6%



CLASSIFIED LOANS

2023	2022
2,359	2,691
GROWTH	
Amount	%
(332)	-12%



CAPITAL ADEQUACY RATIO

2023	2022
18.41%	21.30%
GROWTH	
Amount	%
-2.89%	-14%



COST TO INCOME RATIO

2023	2022
53.26%	66.21%
GROWTH	
Amount	%
-12.95%	-20%

NON – FINANCIAL HIGHLIGHTS



CUSTOMER CAN PLACE SERVICE REQUEST DIGITALLY

24X7 DIGITAL SERVICE PROVIDING PLATFORM



DIGITALIZATION IN SERVICE

NO PHYSICAL BRANCH VISIT IS REQUIRED FOR SERVICE REQUEST



SELF-REGISTRATION THROUGH CREDIT & DEBIT CARD

INSTANT FUND TRANSFER FROM CREDIT CARD/ ACCOUNT TO ANY BANK



INSTANT FUND RECEIVE FACILITY FROM ANY BANK

UTILITY BILL PAYMENT



MOBILE RECHARGE

CARD ACTIVATION/BLOCK



INSTANT PIN GENERATION/RESET

ABOUT THE REPORT

Our Approach to Reporting

Presenting the eleventh integrated Annual Report, Meghna Bank PLC. seeks to provide an overview of the integrated nature of the bank's business strategy and operations combining economic, environment and social facets during the financial year 2023. As a fourth generation bank in Bangladesh, the bank fully recognizes its responsibility towards society. Long term sustainability of the bank depends on the successful ties and engagement with shareholders, customers, employees, community, environment and other stakeholders. This forms the basis for integrated thinking and integrated reporting of the bank.

The integrated approach seeks to enable stakeholders to make informed assessments and decision on MGBPLC, inter alia, its strategy, operational and financial performance, social and environment responsibility, corporate stewardship and future prospects. Towards this end, the bank has progressively moved towards transparency and cohesiveness in its reporting efforts, combining financial reporting including statutory reporting requirements with management commentary and sustainability reporting.

Report Scope

This integrated Annual Report of MGBPLC presents financial and non-financial information of the bank for the financial year ended 31st December 2023 which was derived from the economic, social and environmental performance of the bank. It has been prepared in line with the Integrated Reporting Framework issued by the International Integrated Reporting Council.

Financial Statements that appear in this report have been prepared in accordance with the International Accounting Standards and International Financial Reporting Standards (IASs & IFRSs).

Where applicable, the bank has followed the following rules and regulations of the country:

- The Companies Act, 1994 (amended in 2020)
- The Bank Companies Act, 1991 (amended in 2023)
- The Securities and Exchange Commission Act, 1993
- International Accounting Standards and International Financial Reporting Standards (IASs & IFRSs)
- The Income Tax Act, 2023
- The Value Added Tax and Supplementary Duty Act, 2012 and Subsequent amendment there on
- The Financial Reporting Act, 2015
- Relevant Rules, Regulations and Circular of Bangladesh Bank
- Any other applicable laws and regulations of the land

Reporting Boundary and Materiality

The Annual Report this year comprises reports covering the bank's operations spanning the head office and the branch network for the financial year ended 31st December 2023. Wherever relevant, the preceding years' performance and indicators have been reflected for comparative analysis. In addition, the report also provides summary reviews on the performance of MGBPLC's subsidiary named Meghna Bank Securities Limited for the year ended 31st December 2023.

External Assurance and Test of Compliance

The Consolidated and Separate Financial Statements together with related notes are audited by M/s. Hoque Bhattacharjee Das & Co., Chartered Accountants, Bangladesh and their assurance is given on page 149 of this Report.

SL	Description of Report	External Assurer
1	Consolidated and Separate Financial Statements of Meghna Bank PLC.	M/s. Hoque Bhattacharjee Das & Co. Chartered Accountants
2	Financial Statements of Meghna Bank Securities Limited	Basu Banarjee Nath & Co. Chartered Accountants
3	Financial Statements of Provident Fund & Gratuity Fund of Meghna Bank PLC.	M A Fazal & Co. Chartered Accountants

Forward- looking statements

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Presentation

Printed copies of this report will be posted to shareholders and regulatory bodies are in line with MGBPLC's commitment towards Green banking for reducing the corporate's carbon footprint. However, this report will be made available on the official website at www.meghnabank.com.bd in PDF formats.

Contact

Questions and inquiries on this Integrated Annual Report 2023 and information presented therein are to be directed to:

The Chief Financial Officer
Meghna Bank PLC.
Head Office
Suvastu Imam Square (3rd Floor)
65, Gulshan Avenue, Gulshan – 1
Dhaka – 1212, Bangladesh
PABX: +8802 222297329
FAX: +880 29857128
Email: info@meghnabank.com.bd



MISSION, VISION CORE VALUES



MISSION

To be recognized as an essential Institution for the unbanked through zealous participation in the financial inclusion process.



VISION

To be among the best service provider in the industry by ensuring complete customer satisfaction through the application of technology, professionalism & nursing.



VALUES

- To remain, at all times, a completely compliant financial institution and a responsible corporate citizen.*
- To ensure a sustained growth of the Institution and meet the desired tangible as well as intangible expectations of the Shareholders.*
- Customer needs customer care and customer satisfaction to be central to all our operating activities.*
- To foster a healthy work-environment and a pleasant in-house culture in order that Meghna Bank is considered an ideal Institution to be associated with.*

CORPORATE PROFILE

Meghna Bank PLC. (MGBPLC) is a scheduled commercial bank established as a public limited company in Bangladesh in March 2013. It officially commenced banking operations on May 9, 2013, holding a license from Bangladesh Bank. The bank currently operates 51 branches, 9 sub - branches, 10 Islamic banking windows, 36 agent banking points and 12 own ATM booths strategically located across the country, with free access to 12,000 ATM booths nationwide. In February 2020, Meghna Bank obtained permission to operate an Islamic Banking Unit, and in October 2020, it established an Off-shore Banking Unit (OBU) for foreign currency services. The bank also has subsidiary investments in Meghna Bank Securities Limited.

H. N. Ashequr Rahman is a prominent figure in Bangladeshi business, politics, and academia. Born on December 11, 1941, he pursued his academic journey at Rajshahi University. Later in 1972, he played a vital role as the Administrator of Dhaka Municipality. Beyond his career, Mr. Rahman is a successful businessman, co-

founder of East West University and is the founder and Chairman of Meghna Bank PLC. Mr. Rahman has had a noteworthy political career, serving in multiple parliamentary sessions, including as State Minister for Environment and Forests, and as Treasurer of the Bangladesh Awami League since 1993.

The bank provides a wide range of services catering to different industries, such as RMG and Textiles, Food and agro business, Infrastructure and Energy, Technology Financing, and more. Deposits, loans, and credit card services for different consumer segments are classified according to different needs and preferences. With 51 branches spread across Bangladesh, including key locations in Dhaka, Meghna Bank is also currently expanding its branches, sub-branches, agent banking outlets/ Mobile Financial Service MeghnaPay's cash-in, cash and out points. Our Pay-Off line **"Together We Sail"** exemplifies our commitment to contribute building up an enlightened and prosperous nation.



CORPORATE DIRECTORY

Registered Name	Meghna Bank PLC.
Legal Status	Public Limited Company
Date of Incorporation	March 20, 2013
Date of Commence of Business	March 20, 2013
License issued by Bangladesh Bank	March 28, 2013
Enlistment as a Schedule Bank	April 03, 2013
Chairman	H N Ashequr Rahman
Vice Chairperson	Imrana Zaman Chowdhury
Chairman, Executive Committee	Javed Kaiser Ally
Chairman, Audit Committee	S. M. Rezaur Rahman
Chairman, Risk Management Committee	Shareq Rahman
Managing Director & CEO (CC)	Kimiwa Saddat
Chief Financial Officer	Sajib Kumar Saha, FCA
Company Secretary	Md. Rafiqul Islam Khan, FCS
Authorized Capital	Tk.2,000.00 Crore
Paid Up Capital	Tk.543.73 Crore
Number of Branches	51
Number of Sub-Branche	09
Number of own ATM Booths	12
Agent Banking Point	36
Name of Subsidiary	Meghna Bank Securities Limited
Auditor	M/s. Hoque Bhattacharjee Das & CO., Chartered Accountants Jebun Index Trade Centre (8th Floor) 191 Shaheed Syed Nazrul Islam Sarani, 04 Bijoy Nagar, Dhaka - 1000, Bangladesh
Telephone	+8802 222297329
Fax	+880 29857128
Email	info@meghnabank.com.bd
Website	www.meghnabank.com.bd
SWIFT	MGBLBDDH



PRODUCTS & SERVICES

CORPORATE BANKING PRODUCTS

Product Type		Product Name		
Working Capital Loan Solutions	Funded facilities:	Import loan		
		Overdraft		
		Time loan / Short Term Loan		
		Packing credit		
		Local Documentary Bill Purchase (LDBP)		
		Foreign Documentary Bill Purchase (FDBP)		
		Export development fund		
		Export facilitation fund		
		Export facilitation pre-finance fund		
		Pre-shipment credit refinancing scheme		
	Non-Funded Facilities:	Letter of Credit	Sight LC	
			Usance/Deferred LC	
			Structured LC	
		Guarantee (Open ended/ Close ended)	Performance guarantee	
			Bid bond	
			Advanced payment guarantee	
Retention bond				
Security bond				
Bridge Financing	Financing for temporary funded requirement for onward long term loan solution.			
Mid/Long-term Financing	Term Loan under conventional/Islamic mode			
	Term Loan (Bangladesh Bank's Re-financing Scheme)			
Offshore Financing	Foreign Currency Financing			
	Import loan			
	Bill discounting/financing			
	Term loan			
Structured Financing Solution	Local & foreign currency syndicated term financing			
	Syndicated working capital financing			
	Advisory services			
	Trustee & agency services			
	Arranging debt (Bonds/Commercial Paper)			
	Special structuring/Export Credit Agency (ECA) Backed Financing			
	Preference share			
Digital Products & Cash Management Solutions	Nationwide Collection Service (NCS)			
	Virtual account solution			
	Utility bills collection			
	Automated Chalan System for tax payment			
	Bulk payments through RTGS and BEFTN			

RETAIL BANKING & SME

Product Type	Product Name
Retail and SME Deposit Product Name	Meghna Business Plus Account
	Meghna Business Current Account
	Meghna Supreme Account
	Meghna Supreme Plus Account
	Regular Savings Account
	Meghna Salary Account
	Fifty Plus Savings Account
	Youngster Savings Account For Students
	Sreyoshi Savings Accounts
	Platinum Savers
	Youngster Plus Savings Account For Students
	Fastremit Savings Account For NRB Families
	Special Notice Deposit Plus Account
	Short Notice Deposit Account
	Non-Resident Foreign Currency Deposit (N.F.C.D)
	Meghna Global-FC Current Account
	Meghna FC Current Account
	Resident Foreign Currency Deposit (RFCD)
	Exp. Retention Quota (ERQ) A/C
	Freelancer Retention Quota
	Insurance Backed Fixed Deposit
	Meghna Retail Flexi Dps For Individuals
	Meghna Retail Edu Dps For Individuals
	Meghna Child Eduplan
	Monthly Income Scheme Deposit
	Monthly Income Scheme For Non-Individuals
	Meghna Kotipoti Scheme
Retail and SME Loan Product Name	Meghna Home Loan
	Meghna Apon Aloy
	Meghna Nabarupa-Term
	Meghna Car Loan
	Meghna Bank Executive Loan
	Meghna Unnayan Loan
	Cash Credit-Hypo
	Express Loan OD
	Express Loan EMI
	Overdraft -Workorder
	Overdraft (General)

AL-MUSTAQUEEM MEGHNA ISLAMIC BANKING

Product Type	Product Name
Deposit Products	Al-Wadeeah Current Account
	Mudarabah Term Deposit Receipt Account (MTDRA)
	Mudarabah Short Notice Deposit Account
	Mudarabah Bibaho Savings Account (MBSA)
	Mudarabah Hajj Savings Account (MHSA)
	Mudarabah Mohor Savings Account (MMSA)
	Mudarabah Monthly Profit Deposit Scheme Account (MMPDSA)
	Mudarabah NRB Savings Bond (MNSB) Account
	Mudarabah Savings Account (MSA)
	Mudarabah Special Savings (Pension) Account (MSSA)
	Mudarabah Cash Waqf Deposit Account (MCWDA)
	Mudarabah Business DPS
	Mudarabah Supreme Account (MISA)
	Mudarabah Supreme Plus Account (MISPA)
	Al-Wadeeah Global FC Current Account (AWGFCA)
	Mudarabah RFC Savings Account (MRFCSA)
	Mudarabah Payroll Account (MPA)
	Mudarabah Fast Remit Savings Account (MFRSA)
	Mudarabah Fifty Plus Savings Account (MFPSA)
	Mudarabah Youngster Savings Account (MYSA)
Mudarabah Youngster Plus Savings Account (MYPSA)	
Mudarabah NFC Term Deposit Account (MNFCTDA)	
Mudarabah Islamic Business Plus Account	
Mudarabah Staff Salary Account	
Retail Investment Product	Meghna Islamic Home Finance
	Meghna Islamic Apon Aloy Finance
	Meghna Islamic Car Finance
	Meghna Islamic Household Investment
SME & Corporate Product	Hire Purchase Under Shirkatul Meelk (HPSM)
	Bai-Murabahah
	Bai-Salam
	Bank Guarantee
	Earnest Money Finance
	Istisna'a Investment
	Musharakah Export Finance - Inland (MEFI)
	Post Export Finance - Foreign (PEFF)
	Musharakah (General)
	Wakalah Letter of Credit

CARDS

Product Type	Product Name
Debit	VISA Debit International
Prepaid	VISA Prepaid International - Hoicho
	VISA Prepaid International - Ghuri
Credit	VISA Credit - Platinum
	VISA - Platinum RFCD
	VISA Credit - Gold
	VISA - Gold RFCD
	VISA - Gold ERQ
	VISA Credit - Silver

SERVICES



CODE OF CONDUCT

Our **Code of Conduct** is an important document designed to guide us in our decisions and actions. It defines how we do business—in an ethical, compliant manner that is consistent with customer expectations and legal and regulatory requirements. It lays out the expectations for each of us and provides information so that we are all aware of our obligations to be in compliance with all applicable laws and ethical standards.

Each one of us is accountable under the Code, and we must conduct ourselves in a manner that will maintain public trust at all times. Compliance with the Code is a condition of your employment. This means you must know the Code, act in accordance with it, and speak up when you believe there is a violation. It also means you must cooperate with any investigation or inquiry under the Code. This includes providing candor in dealing with auditors, legal systems, and the regulatory authorities.

Our Code applies to all employees of Meghna Bank PLC. and its subsidiaries. We take seriously any violations of our Code or related policies. Colleagues who violate our Code will be subject to disciplinary or other corrective action. If you believe a fellow colleague (including an employee, contractor, consultant, temporary worker, or agent of the Company) is violating the Code or otherwise acting in an illegal or unethical manner, you must report it. Doing so will not be considered an act of disloyalty, but rather an act demonstrating awareness and accountability.



1. CUSTOMER FOCUS

Our customers are at the center of everything we do, and should always be the focus of our thoughts. Our aim should be to win the trust and confidence of our customers at all times. Our role is to increase and strengthen the trust and confidence. Our activities are not driven by the prospect of short-term gains. Instead, we look to build ongoing relationships with our customers to support their long-term growth.

1.1 Honesty and Integrity

Our customers are at the center of everything we do. We carry out fair and transparent corporate activities with honesty and integrity. We treat customer assets with care and respect and strive always to ensure that our actions do not unjustly damage our customers' interests.

1.2 Ensuring Quality Service

All employees should give priority in customer complains quickly, fairly and record those accordingly. To build lasting

relationships of trust and confidence with our customers, we must listen carefully to what our customers are telling us, and maintain thoroughgoing quality control of all our products and services, from planning and development to provision and subsequent revisions, with a view to further enhancing quality.

1.3 Exceeding Customer Expectations

We aim to meet the diverse needs of our customers, and to provide services exceeding their expectations through the highest standards of professionalism, by leveraging our network and the consolidated strengths of the entire Bank.



2. RESPONSIBILITY AS A CORPORATE CITIZEN

As a financial institution, we do all we can to maintain stability and confidence in the financial system, and contribute to the sound and healthy growth of society. Aware of the responsibility each of us has as a member of Meghna Bank PLC., we carry out fair and transparent corporate activities with honesty and integrity.

2.1 Adherence to Laws and Regulations

All the employees of the Bank should strictly comply with all domestic and international laws and the rules of the Bank, everywhere they operate.

2.2 Prevention of Financial Crime

We have zero tolerance for financial crime or any attempt to circumvent the rules and procedures aimed at preventing financial crime. We take all necessary steps to prevent our products and services from being used by individuals or entities involved in illegal or improper activities such as money laundering and terrorist financing.

2.3 Misrepresenting and Mis-selling the Bank's product and Services

All employees should be aware about the products and services the Bank provides and they should be careful in selling these to customers. Employees should comply with the rules and regulations on mis-selling and misrepresenting including advertising.

2.4 Alcoholism and Drug Addiction

An employee must not take any alcoholic drinks during the office hour. It is also suggested that employee should not create any nuisance outside the bank after having alcoholic drinks which will damage the bank's image/ reputation. The Bank strictly prohibits any employee's use, distribution, sale, attempted sale or possession of unlawful drugs or drug paraphernalia.

2.5 Be open and honest with our Regulators

Employees communicating with the Regulators or stakeholders should demonstrate exemplary standard, governance and ethics at all times to show our compliant attitude.

2.6 Commitment to the Environment

We work to minimize the environmental impact of our corporate activities, as well as strive to develop and supply products and services that contribute to environmental conservation and protection, thus contributing to making a sustainable society a reality.



3. AVOIDING CONFLICTS & MANAGING INFORMATION

Our personal interests should never conflict – or appear to conflict – with Bank's interests. We should avoid activities or relationships that might affect our objectivity in making decisions on behalf of Bank or undermine our credibility. Conflicts may damage the Bank's reputation, cause loss of business, and lead to increased regulatory scrutiny or litigation risk.

3.1 Free Competition (sharing of policy & procedures)

Bank is facing competition from the similar banks operating in the market. It is expected that its employee should avoid collusive, anti-competitive discussions and/or agreements with the competitors.

3.2 Outside Interests and Other External Activities

Employees must not use their position in the bank for personal gain or to obtain benefits for themselves and members of their families or friends. Your Outside Interests and other external activities cannot restrict the Bank's business opportunities, reflect adversely on the Bank (e.g. create exposure to regulatory, reputational, or financial risk), or create a perceived or actual conflict of interest with the Bank, clients or suppliers. You are expected to put your job at the Bank ahead of other personal business opportunities or government services.

3.3 Personal Relationships

It is always important to remain objective in your business dealings. Personal relationships with someone you know inside or outside of work can create a conflict of interest or raise the appearance of a conflict. Personal conflicts of interest may occur when your interests (or the interest of someone you know personally) conflict with the interests of Meghna Bank PLC. or one of its clients. Don't engage in self-dealing or act for the Bank in any transaction or business relationship that involves yourself, members of your family, or other people or organizations where you or your family have a significant personal connection or financial interest.

If an employee of the Bank having loan sanctioning and/or recommending authority has any direct relationship with any borrower of the Bank or the employee is otherwise interested

in any loan/advance and other facility etc. given by the Bank, the employee must disclose the same.

Family members (father, mother, spouse, brother, sister, son or daughter) with whom an employee has close personal relationships (blood related) should not be employed in the bank at a time. If two employees become relatives (e.g. through matrimony) after joining in the Meghna Bank PLC. they should not be working in same department/branch or one cannot be the reporting officer of the other. New joiner should declare if they have any relative(s) working in Meghna Bank PLC.

3.4 Use of Bank's Name and Property

Employee should not use Meghna Bank PLC.'s name, logo or corporate letterhead for any purpose other than in the normal course of banking business. An employee must ensure that Service facilities, equipment and vehicles are used efficiently and economically in the course of performing his or her duties. Unless authorized, a member must not use Service facilities, equipment or vehicles for private or improper purposes except where such use is authorized by the Management.

If an employee is involved with Bank's intellectual property such as trademarks, copyrights, designs, products and PPGs, concept and ideas; he/she should be responsible to protect and administer it in the interest of the Bank. An employee shall not use intellectual property of the bank without valid authority and for any purpose other than the Bank's designated purposes.

3.5 Misappropriation and Bribery

Any employee of the Bank shall not convert to their own use and benefit any funds or property which are not rightfully theirs, nor knowingly assist another person (whether employee or not) in such misappropriation. No employee should give or accept bribes or involved in any form of corruption.

3.6 Gifts and Business Hospitality

While the exchange of gifts and business hospitality may be common in business practices, such activity can be misinterpreted or suggest the appearance of something improper, even when there is no improper intent. Avoid accepting or providing gifts and business hospitality to clients and business partners of the Bank it creates a perceived or actual conflict of interest, or violates laws, regulations, or our Bank's policies.

We may accept gifts, benefits, business hospitality offers where refusal to accept may offend the customer, provided that there is no possibility that the employee might be, might appear to be, compromised in the process.

We have to seek advice from our supervisor or manager, if we have doubts about the gifts or business hospitality. We as an employee must disclose the receipts of gifts or benefits to the Management. The value of such gift should not be more than Tk. 10,000.00 (Ten Thousand). We are not allowed to receive gifts in the form of cash.

3.7 Integrity of Records; Customer Privacy and Employer Information

All the Employees of the Bank should maintain books and records with integrity, reflecting in an accurate and timely manner in all transactions. They should uphold the privacy of the customers' affairs. Similar Employees must not share the Bank's plans, methods and activities is considered by the employer to be proprietary and confidential and members must not disclose such information without proper authorization.

3.8 Borrowings

No employee shall borrow money from any customer of the Bank or from person(s) likely to have dealings with the Bank and or from the money lenders.

3.9 External Employment

Employees shall not engage in any business or outside employment while they are with the Bank as full-time employee without written consent from concerned divisional head subject to such engagement must not adversely affect employee's performance. An employee also shall not engage in any activity which may conflict, directly or indirectly, with the interest of the Bank.

We may occasionally give services to Universities/Institutions but prior permission is required. We can give community services but should not charge remunerations. We are not allowed to join the management of any company or organization in order to avoid a conflict of interest.

Employees shall not, without prior approval of the Management, serve as a director, trustee or officer, or hold similar positions (paid or otherwise) in any business, other than with Meghna Bank PLC.

3.10 Speculation in Stocks

Employees and their dependent shall not speculate/trade in stocks, shares, securities or commodities of any description nor be connected with the formation of a joint-stock company.

We are not allowed to involve ourselves in any business activities such as trading of shares, securities and debentures. We are allowed to invest our savings into shares, securities, debentures and can apply for Initial Public Offerings (IPO).

3.11 Representation to Directors

An employee except immediate two tiers below Managing Director & CEO shall not make any personal representation to Directors of the Bank. All representations must be addressed to the Managing Director & CEO through proper channel.

3.12 Political Engagement

We respect employee's right to political opinion. Your political activities are personal endeavors, but you must be mindful of potential impact to the Bank's reputation. Your contributions and activities must be lawful, consistent with Bank's policies,

and may not involve the use of Bank's time or resources (including staff, facilities, equipment, stationery, email, phones, supplies or mailing lists).

3.13 Speaking on behalf of the Bank

Press release, interviews and other form of communications relating to Bank's affairs with press and media (online/offline) are to be done and given only by authorized person of Meghna Bank PLC. or with prior written approval of the Managing Director & CEO.

Any information given to Press and Media without due authority of the Management of the bank or in personal capacity shall neither bind Meghna Bank nor be treated as information of Meghna Bank and the employee shall be liable for any loss or consequences suffered by the bank thereof.

3.14 Social Media

Social media networks or websites (e.g., Facebook, Twitter, LinkedIn, personal websites, blogs etc.) are used by many to share insights, opinions, and information. In the course of employee's own personal use of these medias, if one chooses to post information related to Meghna Bank, government, local or international affairs; or regulatory authority, he/she shall be personally accountable for what he/she post online.



4. WINNING CULTURE

Establishing an environment that fosters collaboration, innovation, and excellence at every step lead to setting up a winning culture in a workspace. A culture where everyone wins.

Winning Culture is characterized by shared values, strong sense of purpose, and commitment to personal and organizational growth. It encourages individuals to bring their best selves to work, elevates their performance and contributes to success. All employees of Meghna Bank PLC. are responsible to undertake a feedback-driven approach, appreciation, and a growth-oriented mindset.

4.1 A Dynamic and Thriving Workplace

Nothing is more vital to the long-term growth of Meghna Bank PLC. than our ability to attract and retain talented and dedicated employees. You are our most valuable asset. Always treat each other, and our customers and suppliers, respectfully and fairly. Stay true to the values embedded in our culture: Result Driven, Integrity and Trustworthy, Customer Satisfaction, Courageous and Respectful, Inclusiveness and Diversity, Innovation and Adaptability towards change.

We are committed to a working environment free of threats, intimidation, and physical harm. A non-violent, safe, and healthy workplace is critical to our well-being. We rely on you to promptly report any acts or threats of violence, or situations that could pose a threat to others.

Always conduct yourself appropriately when acting on behalf of the Bank – both inside and outside of the office. Your conduct matters and can be perceived as a reflection of our Bank's standards.

4.2 Diversity and Equal Employment Opportunity

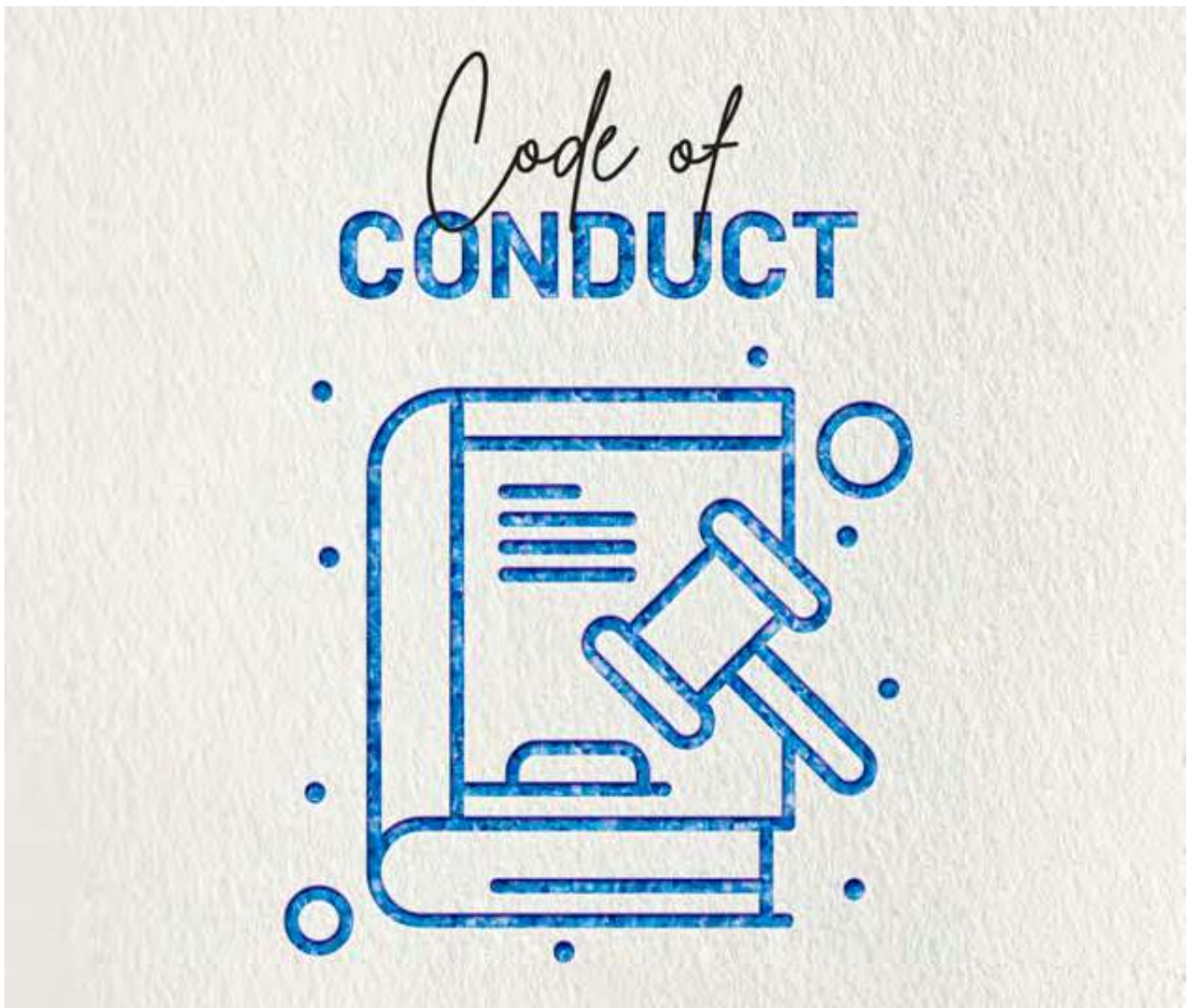
A diversity of colleagues means diverse ideas and a more inclusive work experience. It also means that our workforce reflects the diverse set of customers we serve and helps us to address - and respond to - a wide variety of needs and opportunities in the marketplace.

We prohibit discrimination, harassment, bias and prejudice in our workplace and against our workforce based on an individual's race, color, ethnic origin, citizenship status, religion, age, sex,

gender, pregnancy, maternity, paternity, caring responsibilities, marital status, relationship status, physical or mental disability, an individual having been a victim of domestic violence, sexual assault or abuse, an individual being the victim of a crime, or any other community group protected under applicable law.

We do not tolerate discrimination, harassment, or inappropriate or abusive conduct by or against employees, customers, suppliers, contractors, or any other individuals who conduct business or seek to do business with the Bank.

We take all allegations of discrimination or harassment seriously. It is each employee's responsibility to report any concern or conduct that is or may be unlawful, abusive, or otherwise violates Bank policies.



মেঘনা ব্যাংকের
গ্রাহকসেবা হটলাইন
এখন **বিনামূল্যে**



টোল ফ্রি
গ্রাহকসেবা **১৬৭৩৫**

MILESTONES

2013

MARCH

- Obtained Certificate of Incorporation and Commencement of Business
- BSEC issued Letter of Consent for raising of Paid-up capital
- Received banking License from Bangladesh Bank

APRIL

- Held First Board Meeting
- Gazetted as Schedule Bank in Bangladesh

MAY

- Bangladesh Bank issued 1st Branch License
- Inaugurated Principal Branch

SEPTEMBER

- Held Statutory Meeting

OCTOBER

- Inaugurated 1st Branch in Rangpur Division

2014

APRIL

- Inaugurated 1st Branch in Chittagong Division

JUNE

- Held 1st Annual General Meeting

AUGUST

- Inaugurated 1st Branch in Rajshahi Division

2015

MARCH

- Inaugurated 1st ATM at Gulshan

SEPTEMBER

- Obtained Stock Brokerage License in the name of Meghna Bank Securities Ltd

DECEMBER

- Inaugurated 1st Branch in Sylhet Division

DECEMBER

- Inaugurated 1st Branch in Barishal Division

2016

MARCH

- Launched VISA Credit Card

JUNE

- Launched VISA Debit Card

AUGUST

- Inaugurated 1st Branch in Khulna Division

MILESTONES



• Inaugurated Tap N Pay (Mobile Financial Services)

• Internet Banking launched



• Off-Shore Banking (OBU) operation started

• Islamic Banking Operation started

• e-KYC Service

• A Challan Launched

• Agent Banking Commercial Launched

• First International Award

• 24/7 Call Center Operations started



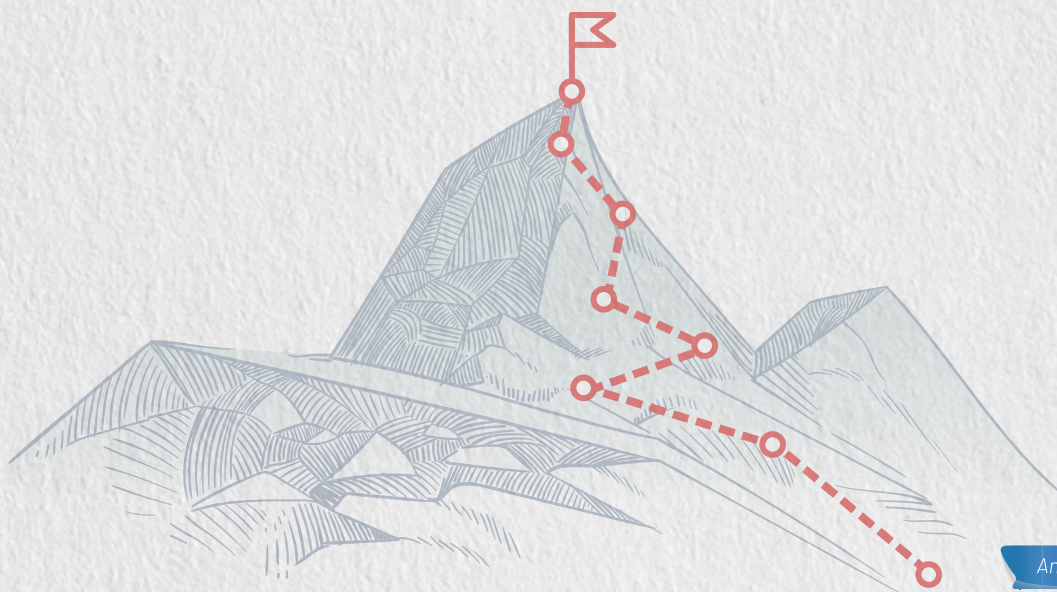
• Issued of 1st Subordinated Bond

• Corporate Internet Banking Launched

• MeghnaPay, Mobile Financial Service of Meghna Bank PLC.

• 1st Sub – Branch inaugurated

• Priority Banking Launched



Awards & Achievement



ISO 9001-2015 Certification

Meghna Bank PLC obtained the ISO 9001-2015 certificate on December 2023.

The ISO 9001-2015 certificate has been endowed to Meghna Bank PLC by Bureau Veritas (Bangladesh) Private Limited for its compliance with IOTA consulting BD. The ISO 9001-2015 certificate reflects our banks' dedication of maintaining the highest standards, in terms of Quality Management System (QMS). Our relentless effort to upgrade and update on every account of standardization is reflected in our ISO 9001-2015 certification of Operations, Retail Credit and Collection and General Services Division of the Bank.

Milestone of Digital Financial Services

IBSi Global FinTech Innovation Awards 2023: MeghnaPay

Meghna Bank has achieved the IBSi Global FinTech Innovation Awards 2023 in the category of 'Most Innovative Digital Wallets Deployment' for the Best Program Vision of "MeghnaPay" along with 'Modelfin', the software company that has implemented the solutions. This recognition highlights the bank's commitment in providing innovative and convenient financial solutions for its customers.



Meghna Bank achieved "ISO certificate

Meghna Bank Limited has achieved "International Organization for Standardization" (ISO 27001) certificate from British Standards Institution (BSI) on fulfilling standards requirements for Information Security Management Systems (ISMS).



Excellence in Credit Cards

Meghna Bank Limited Recognized for "EXCELLENCE IN CREDIT CARDS" by VISA

Meghna Bank Limited is proud to announce that it has received the prestigious "EXCELLENCE IN CREDIT CARDS" award from VISA as associate member, a globally recognized payment technology company. Recently, the award ceremony took place at a renowned 5-star hotel in Dhaka, where Mr. Sohail R. K. Hussain, Managing Director and CEO of Meghna Bank PLC had the privilege of accepting the award from Mr. M. A. Mannan MP, the Honorable Minister of Planning of Bangladesh.

SPONSORS



H N Ashequr Rahman



**Maj Gen Amjad Khan
Chowdhury (Retd.) (Late)**



Tanveer Ahmed
Represented Cassiopea Fashion Ltd.



Rasheq Rahman



**S.M. Jahangir Alam
(Manik)**



**Alhaj Md. Lokman Hakim
(Late)**



Rehana Ashequr Rahman



Mohammed Mamun Salam
Represented Salim & Brothers Ltd.



Nuran Fatema

SPONSORS



Md. Saidur Raman Sarker
Represented Lusaka Fashion Ltd.



Md. Rezaul Hossain
Represented Dishari Industries (Pvt.) Ltd.



Sajibe Kumar Singha
Represented Anokul Traders



AKM Mostafizur Rahman



Ishmam Raidah Rahman



Gazi A.Z.M Shamim



Shareq Rahman



Hafizur Rahman Sarker



Md. Nazrul Islam

SPONSORS



Abdul Alim Khan Selim



Md. Kamal Uddin



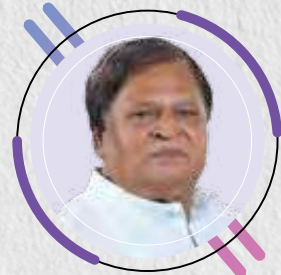
Shakhawat Hossain



**Md. Ali Azim Khan
(Late)**



**Md. Mazibur Rahman Khan
(Late)**



M.A Maleque



Alock Kumar Das



Taslima Islam



Md. Jashim Uddin

SPONSORS



Ziaul Haque



Md. Saiful Islam



Anita Haque
Represented Paramount Textile Ltd.



Shahriar Imtiaz Rahman



Bimal Kumar Chanda



Late Hasan Ahmed
Represented Popular Life Insurance Com. Ltd.

SHAREHOLDERS



Uzma Chowdhury



Dr. Tamanna Mostafiz



Julia Rahman



Ramisha Islam



Samiha Azim



Aniq Shama

SHAREHOLDERS



Shamsun Nahar



Md. Ferdous Wahid



Tarek Ferdous



Tahmina Sultana



Anika Rahman



Prof. Dr. Md. Jonaid Shafiq

BOARD OF DIRECTORS



H N ASHEQUR RAHMAN FOUNDER & CHAIRMAN

FIRST APPOINTMENT DATE
20 March 2013

LAST RE-ELECTION DATE
11 October 2023

H. N. Ashequr Rahman was born on the 11 December 1941 in a respectable Muslim Family. His father late Abdur Rahman was perhaps only Muslim student in M.Sc. in 1927 at the Dhaka University. He later obtained Diploma in Pathology from All India Institution of Health, Delhi, India. His mother late Mrs. Hamida Khatun, a housewife was a remarkably generous lady constantly engaged in philanthropic activities in her own domain. Mr. Ashequr Rahman obtained BA (Honours) degree in English and MA (English) degree from Rajshahi University in 1962. Thereafter he obtained Post-Graduate Diploma in "Social Urban Studies" from the Institute of Social Studies, The Hague, The Netherlands. He is equally at ease and proficient both in English and Bengali. After obtaining Masters Degree, he started his career as Assistant Professor of English at the Carmichael College, Rangpur and thereafter as Assistant Professor of English at the Rajshahi University. Through country-wide competitive examination, he joined Civil Service of Pakistan (CSP) in 1966 and served with success and reputation in many responsible positions like Sub Divisional Officer (SDO) Manikganj (now a District), Deputy Secretary, Govt. of Sind in Pakistan, Deputy Commissioner Greater Cumilla District, Member, Bangladesh Tea Board etc. During the tumultuous and trying period of turmoil at the early stage of post-liberation period in March 72, he was appointed Administrator of Dhaka Municipality. He brought order and financial stability in then chaotic Dhaka Municipality. In 1979, dissatisfied and from unwillingness to serve autocratic regime of General Zia, he

resigned from the coveted service voluntarily without pension and other benefits. At present, he is a businessman as well as an Industrialist, Founder Director of reputed private East West University a well-known institution of higher education of excellence and repute and Founder Chairman of Meghna Bank PLC. He is involved with Awami League politics and elected Treasurer of Bangladesh Awami League since 1993 for successive terms without break till date. He is the Secretary General of Awami Foundation. Mr. H N Ashequr Rahman was elected as a Member of 3rd, 7th, 9th, 10th and 11th National Parliament. During the 7th Parliament he served as a State Minister for Environment and Forests. During 7th, 9th, 10th and 11th Parliament, he served as Chairman of the Parliamentary Standing Committee on Estimates, Standing Committee on Ministry of Planning and Ministry of Public Administration. Mr. Rahman is connected with various social, cultural & philanthropic Institutions. He is the former Senate Member of Bangladesh Jatiya University, Rajshahi University and Hajee Mohammad Danesh Science & Technology University, Dinajpur. At present he is a Senate Member of Begum Rokeya University, Rangpur and of Bangladesh University of Professionals (BUP), a university run by Bangladesh Defense Forces. He is the Chief Advisor of "Kishore Bhuban"- a Juvenile Magazine since 1995. He is the Founder Chairman and Life Member of Cumilla Foundation. He was a member of Bangladesh Investment Board and Founder General Secretary of United Towns Organization, an organization affiliated to United Nations. He was a member

of the Executive Committee of Bangladesh Freedom Fighters' Welfare Trust. In 1972 invited by Reserve Bank of India he, as a member of industrial delegation, visited Industries at Kolkata, Delhi, Bangalore and Madras regions and discussed about possible collaboration with India on Industrial growth in Bangladesh on advantageous terms and special industrial loans at concessional rates. Sponsored by Government of Bangladesh under the aegis of "United Towns Organization" he under the leadership of Barrister Amirul Islam MP visited England, France, Bulgaria, Italy and other countries in Europe in early 1972 to introduce newly emerged Bangladesh and foster friendship with the people at the grass-roots. The team visited and participated in Seminars and met various discussion groups in the cities of Europe and could create in them a lot of goodwill, friendship and enthusiasm for Bangladesh.

Mr. Rahman in order to transform Dhaka Municipality into City Corporation visited Kolkata, New Delhi, Bangalore, Madras and Bombay City Corporations in 1974 and studied their administrative structure and constitutions. Later on Dhaka Municipality was turned into Dhaka City Corporation. In 1997 he visited China as a Member of Good Will Mission to exchange views and foster friendship. As a Member of Parliament, Mr. Rahman under the leadership of Hon'ble speaker Mr. Humayun Rashid Choudhury attended 43rd Commonwealth Parliamentary conference at Mauritius in 1977. In 1999, he as the leader of Bangladesh Delegation visited UN at New York and met with representatives from different countries especially from South Asia with object of establishing an "Association of Parliamentarians of South Asia" and formulated the framework of the organization which came into being later in due course. Mr. Rahman attended 102nd International Parliamentary Union (IPU) conference in 1999 at Berlin and next year, at Jordan he as the Elected Auditor of IPU presented the Audit Report at the Forum of IPU. Under the leadership of Honorable speaker, Mr. Humayun Rashid Choudhury, he joined Millennium conference of Presiding Officers at the UN. He was attached with British Parliament at Westminster, London for 3 (three weeks) in a familiarization programme with methods, precedents, procedures etc. of the British Parliament. Mr. Rahman led the Bangladesh Delegation to Japan for International Conference on "Environment and Development for Asia and Pacific Region" and led another delegation to Germany at Berlin on "Environment Conference on Prevention of Desertification". In 2009, Mr. Rahman participated in the 55th Commonwealth Parliamentary Conference at Tanzania. In 2000 under the leadership of Mr. Asaduzzaman MP, the then Chairman of Parliamentary Standing Committee on Public Administration, Mr. Rahman visited South Africa for exchanging views and issues on Public Administration in South Africa. In 2015, Mr. Rahman led a delegation of Public Administration to China and Vietnam and met political leaders, Administrative officials, Social leaders and different organizations to gain fruitful knowledge, insight and experience of those countries. At different occasions he attended many other Conferences and Seminars abroad and in Bangladesh and enriched himself with

varied experience and knowledge. Mr. Rahman received Cumilla Foundation Gold Medal in recognition of his good services to Greater Cumilla during his tenure as Deputy Commissioner there. Mr. Rahman during early eighties could appreciate the need for modernizing and computerizing the country. In 1986 he was the first in establishing a computer company titled as "Business and Education Systems Ltd." and imported Apple Computers even though Computer and its uses at that time were largely unknown to the people. Because of his special efforts, the Desktop version of computer "Apple" created by Steve Jobs was introduced in Bangladesh and that brought about a revolutionary change in printing methods especially in the newspaper industry. Mr. Mustafa Jabbar, Former Minister, ICT Ministry collaborated with Mr. Rahman and innovated the Bangla Font "Bijoy" which went a long way in the reaching computers to the households as a familiar tool. Mr. Rahman in his Electoral Constituency "Mithapukur" introduced the innovative program like nutrition (পুষ্টি) for children, modern oven (উন্নত চুলা), Sanitary Pad Project (লাবন্য), Sanitation Programme to protect the health of female students in particular at their young age. Every month 30,000 sanitary pad/packets are distributed free among the 30,000 girls of school and colleges and those are specially packed for Mithapukur and distribution & motivation spearheaded by Mrs. Rehana Ashequr Rahman. He introduced Projects on changing the breed of cattle by establishing Artificial Insemination Centers, on branding and spreading Haribhanga mango in Mithapukur and beyond and other fruit bearing trees like Jackfruit trees, Coconut plants, Banana etc. in every household. Today many milching cows of Mithapukur produce daily 34 litres of milk and the bulls are of bigger and heavy sizes. At present, Mithapukur is surplus in milk, fish, fruits, food, meat and vegetable production. With his active intervention and leadership, widespread development of education and human capital, roads and infrastructure in Mithapukur took place. He also took special Initiative to improve the quality of soil of his area by promoting and nursing the use of Organic fertilizer through vegetation and vermin compost. Thousands of farmers are now engaged in producing vermin compost and at present there are regular markets for trading of vermin compost fertilizer in Mithapukur. He put Mithapukur on march and called the upazilla "পথিক্ত মিঠাপুকুর".

He is the father of 2 (two) sons and 1 (one) daughter. They are all independent and well-established in life. Reading books, promoting Social welfare Projects and their implementation are Mr. Rahman's hobby. In July 1971 on transfer from the then West Pakistan, Mr. Rahman was posted as Additional Deputy Commissioner, Tangail and thereafter in September 1971 as Deputy Commissioner, Tangail. On the 11th December 71, Tangail was freed from the enemies. During the liberation war in the difficult circumstances, Mr. Rahman worked secretly for the cause of liberation and in many ways extended help and assistance to the common people of Tangail. In the critical and at the time of dire uncertainty, suffocating distress and anxiety, he was a friend of the people of Tangail. The people of Tangail still today remember him with gratitude.



IMRANA ZAMAN CHOWDHURY

VICE CHAIRPERSON

COMMITTEE MEMBERSHIP
Member of the Risk
Management Committee

FIRST APPOINTMENT DATE
20 November 2022

LAST RE-ELECTION DATE
N/A

Imrana Zaman Chowdhury, a woman businessperson of the country, is a Vice Chairperson of Meghna Bank PLC. She is also the Director of Navana Pharmaceuticals Limited, Lighthouse Navigation Limited, Manticore Technology Limited and the Executive director of Airmate Goodie Electrical Industries Limited.

Born and brought up in a reputed Muslim family of Chattogram, Ms. Zaman completed her Graduation in Finance from Independent University of Bangladesh. She is associated with various philanthropic and cultural activities with different socio-cultural organizations.

JAVED KAISER ALLY

DIRECTOR

COMMITTEE MEMBERSHIP
Chairman of the Executive Committee

FIRST APPOINTMENT DATE
04 June 2023

LAST RE-ELECTION DATE
11 October 2023

Javed Kaiser Ally, a successful entrepreneur of the country, is a Director of Meghna Bank PLC. & Chairman of Executive Committee. He is involved with numerous business where he is playing an instrumental role. He holds his Bachelor of Business Administration in Finance. This distinguished businessman is the Managing Director of Aquamarine Limited and Lighthouse

Navigation Ltd. Besides, he is the Finance Director of Navana Pharmaceutical Limited and Agro Acres Ltd.

Mr. Ally was born in respectable Muslim family who are pioneers in shipping business of the Country. With innovative ideas, this young entrepreneur is contributing to the nation.





S.M. REZAUR RAHMAN

DIRECTOR

Representative of Steadfast Management Trading Limited

COMMITTEE MEMBERSHIP

Chairman of the Audit Committee

FIRST APPOINTMENT DATE

20 November 2022

LAST RE-ELECTION DATE

N/A

Mr. S.M. Rezaur Rahman (Representative of Steadfast Management Trading Limited) is a Nominee Director of Meghna Bank PLC. and currently serving as member of Audit Committee. Mr. Reza, a Graduate in Economics from University of Dhaka, is a capital market consultant and Director of United Corporate Advisory Services Limited. Mr. Reza served as the Managing Director of SofSys Computing & Data Processing Limited and

was a partner in AAA Consultant & Financial Advisors. He is the Independent Director of CVO Petrochemical Refinery Limited, Square Pharmaceutical Limited and Square Textiles Limited. Mr. Reza has an enriched experience of more than 35 years in capital market, issue and post issue management of initial public offering of securities and in the corporate arena.

MOHAMMED MAMUN SALAM

DIRECTOR

Representative of Salim & Brothers Ltd.

COMMITTEE MEMBERSHIP

Member of the Risk Management Committee

FIRST APPOINTMENT DATE

20 March 2013

LAST RE-ELECTION DATE

11 October 2023

A renowned businessman Mohammed Mamun Salam born in a respectable Muslim family of Chittagong. Salam is Sponsor Director & representing Salim & Brothers Limited in the Board of Meghna Bank PLC. He is also a Member of Risk Management Committee of the Board of the Bank. He holds the position of Managing Director at Salim & Brothers Ltd., Salam Apparel Ltd.,

Fashion Craft Ltd., Reliance Apparel Ltd., Reliance Denim Ind. Ltd., Reliance Box Ind. Ltd., Reliance Washing Ind. Ltd., Four Seasons Resorts Limited and Executive Director at Bengal Synthetic Fibres Ltd.

He is involved in many social activities and widely acclaimed for his philanthropic contributions.



SHAREQ RAHMAN

DIRECTOR

COMMITTEE MEMBERSHIP

Chairman of the Risk Management Committee
Member of the Executive Committee

FIRST APPOINTMENT DATE

07 February 2024

LAST RE-ELECTION DATE

N/A



Shareq Rahman was born into a family deeply dedicated to public service and humanitarian work. He has made remarkable strides in the fields of engineering, technology, and entrepreneurship. His parents, H. N. Ashequr Rahman and Rehana Ashequr Rahman, have left an indelible mark on society through their distinguished careers and philanthropic endeavors.

Following in his parents' footsteps, Shareq Rahman pursued academic excellence and professional success. He earned a bachelor's degree in Electrical Engineering from Texas A&M University, graduating with Magna Cum Laude distinction, a testament to his academic prowess and commitment. Subsequently, he obtained a master's degree in Computer Engineering from Penn State University.

Shareq Rahman's professional career spans three decades in prestigious companies such as Apple, Cisco, Ericsson, and Motorola, among others, where he played lead roles in the development of groundbreaking technologies. His contributions to the advancement of high-speed internet modems and data communications have left an enduring impact on the telecommunications industry.

Notably, Shareq Rahman's entrepreneurial drive led him to co-found Revnx, Inc., where he served as CEO. Under his leadership, he and his team pioneered the delivery of long-form videos to

mobile phones, a revolutionary concept well ahead of its time, dating back to 2004, prior to the advent of the iPhone. Shareq Rahman's visionary approach and innovative solutions earned him seven United States patents across various technology domains.

Shareq Rahman's journey exemplifies a fusion of academic excellence, professional achievement, and entrepreneurial vision. His relentless pursuit of innovation and commitment to pushing the boundaries of technology underscore his status as a trailblazer in the field. His legacy serves as an inspiration to aspiring engineers, entrepreneurs, and changemakers worldwide, highlighting the transformative power of skills, ingenuity, and perseverance.

Shareq Rahman is married to Shumona Qaosar, a mobile banking application expert at Wells Fargo Bank. He has three children.

(Shareq Rahman's father, H.N. Ashequr Rahman, had an illustrious career in the Civil Service of Pakistan (CSP), coupled with multiple terms as a Member of the Bangladesh National Parliament. Shareq Rahman's mother Rehana Ashequr Rahman, is an active member of the Bangladesh Red Crescent Society, serving as an elected Vice-Chair. She has also made a significant contribution to Bangladesh's music industry.)

TANVEER AHMED

DIRECTOR

COMMITTEE MEMBERSHIP

Member of the Executive Committee

FIRST APPOINTMENT DATE

20 March 2013

LAST RE-ELECTION DATE

11 October 2023

Tanveer Ahmed is an inspirational leader and Managing Director of ELEGANT GEOUP from 2007 to now. He has impressive success in the RMG sector, running company-wide operational functions and leading large scale RMG projects, from inception to successful completion, while making/executing sound strategic decisions. In his current role, Mr. Tanveer is heading the 14 sister concerns of team in Bangladesh Office of Elegant Group, a leading representative multi-channel RMG brand available in 50 countries. He has a strong capacity to lead, direct and generate revenue at RMG sector in Bangladesh. He has consistently worked for RMG business growth beyond all expectations.



Mr. Tanveer Ahmed is the Sponsor Director of Meghna Bank PLC. and currently served as a member of Executive Committee of the Board of the Bank. He has resided, studied and worked in Indonesia for significant periods of his career prior to taking over the helm at Elegant Group. Upon incompleting his BBA from Indonesia, he moved to Bangladesh in 2007 and joined Elegant Group and serving as Managing Director for last one decade. His major hobbies are golfing reading books, watching movies and travelling.



NURAN FATEMA

DIRECTOR

Representative of Bismillah
Marine Services JAS Ltd.

COMMITTEE MEMBERSHIP

Member of the Executive
Committee

FIRST APPOINTMENT DATE

20 March 2013

LAST RE-ELECTION DATE

27 December 2021

Nuran Fatema is a Sponsor Director of Meghna Bank PLC and a member of the Executive Committee of the Board of the Bank. Born in a respectable Muslim family Fatema did her post-graduation from University of Chittagong. She is the Chairperson of Bismillah International Shipping & Trading Company Ltd. and Proprietor of The Bismillah Marine Services.

She is very energetic and potential member of the Board being engaged herself for the growth and development of the Bank.

She is actively engaged in many social and charity organizations and also involved with many educational and religious institutions. She is a widely travelled person and attended various workshops and seminar across the globe.

S.M. JAHANGIR ALAM (MANIK)

DIRECTOR

COMMITTEE MEMBERSHIP

Member of the Audit Committee

FIRST APPOINTMENT DATE

20 March 2013

LAST RE-ELECTION DATE

27 December 2021



Mr. S.M. Jahangir Alam (Manik), Chairman and Managing Director of Sanji Group is an excellent entrepreneur who started his journey in business arena from 1994 and with the passage of time by restless efforts as well as dynamic and prudence leadership of himself presently 04 (Four) conglomerates such as Sanji Automobiles Ltd.; Sanji Property Development Ltd.; Sanji Stainless Steel Ind. Ltd. and Nafisa Enterprise functioning under the umbrella of Sanji Group. It is very much remarkable to recall that he is the pioneer and path finder in CNG sector in Bangladesh. As a process of business expansion, he established Stainless Steel Product manufacturing industry at Savar, where "SANJI" brand earned unchallengeable good reputation in the SS market in Bangladesh.

Mr. Jahangir Alam Plc. Manik is one of the Sponsor Director of Meghna Bank PLC. and currently acting with utmost sincerely and efficiently as the member of Audit Committee of the Board of the bank. He was elected as a Director, The Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) for 2021-2023 term which is prestigious apex body of Business forum in Bangladesh.

He was born in a respected family of Noakhali and obtained LLB (Hons). His father was valiant shahid freedom fighter and

has been awarded "Bir Bikram" as recognition in the War of liberation of 1971. He is actively involved in many social activities and established "Bir Bikram Shahid Tariquallah Foundation" through which construct houses and distribute those to helpless deserved and affected families; provides financial support to poor and underprivileged peoples; grant scholarship to meritorious students of poor families; donate cash money to parents who are not able to arrange marriage of daughter.

He is also a great lover of education and established by own fund "Lion Jahangir Alam Manik Mohila College" at Senbagh Upazila, Noakhali, in view to create opportunity and encourage girls for higher studies in that region and till now providing all financial support to run that college. This is only exclusively college for girls at Senbagh Upazila first time and as a result literacy rate is grooming up gradually.

He bears a religious and pious personality and established by own fund "Bir Bikram Shahid Tariquallah Jame Masjid" at Senbagh, Noakhali and till now providing all financial support to run that mosque. He also has been extended his support to maintain "Bir Bikram Shahid Tariquallah Stadium" at Senbagh, Noakhali in view to encourage local sports and games.

UZMA CHOWDHURY

DIRECTOR

COMMITTEE MEMBERSHIP

None

FIRST APPOINTMENT DATE

29 December 2014

LAST RE-ELECTION DATE

11 October 2023

Uzma Chowdhury, distinguished business personality in Finance and Banking sector of Bangladesh comes from aristocrat family of Natore Chowdhury Bari. She is a registered CPA from State of Texas, USA. After Completing Bachelors of Science in Accounting from University of Texas at Dallas, she had worked in accounting profession for over than 7 years in Petroleum Industry. She served American Women's Society for CPAs for 4 years as Secretary, at Houston Chapter. Since October, 2008 she has been working as Director Finance in PRAN-RFL Group, the largest & most diversified conglomerate of the nation. PRAN is food and beverage brand name which is



known to all Bengalis in home and abroad. RFL is the brand for household goods, construction items and cast iron products which is most renowned brand in urban and rural areas of Bangladesh.

Ms. Chowdhury is currently a member of Finance & Audit Committee of Under-Privileged Children Education Program (UCEP), and Committee member of Metropolitan Chamber of Commerce & Industries (MCCI). She has Bachelors in Commerce (Honors) from Dhaka University and mother of three children.



TARANA AHMED

DIRECTOR

COMMITTEE MEMBERSHIP

Member of the Executive Committee

FIRST APPOINTMENT DATE

20 November 2022

LAST RE-ELECTION DATE

N/A

Ms. Tarana Ahmed, a woman Plc. entrepreneur of the country, is a Director of Meghna Bank PLC. She is also the Director of Navana Pharmaceuticals Limited, Chairman of Goodie Accessories (Pvt.) Limited and Chairman of Airmate Goodie

Electrical Industries Limited. Ms. Ahmed is further associated with a good number of partnership firms. Mrs. Ahmed is actively associated with different socio-economic and philanthropic activities.



DR. ZAHARA RASUL MD, (CCFP)(FCFP)

DIRECTOR

Representative of Cogent Bangladesh Limited

COMMITTEE MEMBERSHIP

Member of the Executive Committee

FIRST APPOINTMENT DATE

08 February 2023

LAST RE-ELECTION DATE

11 October 2023

Dr. Zahara Rasul, (Representative of Cogent Bangladesh Limited) is a Nominee Director of Meghna Bank PLC. Dr. Rasul is a Director of Navana Pharmaceuticals Limited. She is a Family Physician with over 15 years of experience in Family and Community Medicine and is currently a practicing doctor at the Stouffville Medical Centre in Toronto, Canada which is a Teaching Clinic for the University of Toronto.

Dr. Rasul successfully completed her Bachelor of Medicine, Bachelor of Surgery (MBBS) in 2000 from the Faculty of Medicine, Chittagong University, Bangladesh. She was also selected for the Ontario International Medical Graduates Program (OIMGP) in 2003-2004 and completed her postgraduate training in Family

and Community Medicine at Sunnybrook Health Sciences Centre, University of Toronto, Canada in 2006. During her training, she received the J. Hilditch Resident Research Project Award from the University of Toronto.

Dr. Rasul holds qualifications of CCFP (Certification of the College of Family Physicians) and FCFP (Fellow of the College of Family Physicians), in Canada. She is also a Lecturer (Adjunct) Department of Family and Community Medicine, University of Toronto, Canada.

Dr. Rasul has been involved in many volunteer activities, charitable organizations and fundraisers both in Canada and Bangladesh including free medical clinics in Bangladesh.

ISHMAM RAIDAH RAHMAN

DIRECTOR

COMMITTEE MEMBERSHIP

None

FIRST APPOINTMENT DATE

09 May 2023

LAST RE-ELECTION DATE

11 October 2023

Born in a reputed Muslim family, Ismam Raidah Rahman, a young woman personality of the country, is a Director of Meghna Bank PLC. Currently, she is working at the International Rescue Committee (IRC), USA as an Associate Director. IRC helps people affected by humanitarian crises—including the climate crisis—to survive, recover and rebuild their lives. The organization founded at the call of Albert Einstein in 1933, the

IRC is now at work in over 40 crisis-affected countries as well as communities throughout Europe and the Americas. Before joining in IRC, Ms. Ishmam worked in American Civil Liberties Union (ACLU), Lambda Legal and Providence House, Inc. in different capacities. She holds her Honors in English and Legal Studies from Scripps College, Claremont, CA.





MD. MAHAMUDUL ALAM

DIRECTOR

Representative of Labib Dyeing Mills Limited

COMMITTEE MEMBERSHIP

Member of Audit Committee

FIRST APPOINTMENT DATE

15 May 2023

LAST RE-ELECTION DATE

11 October 2023

Mr. Md. Mahamudul Alam is already a known face as a successful entrepreneur in the RMG sector of the Country. Besides Meghna Bank, he is also holding the position of Deputy Managing director of Labib Dyeing Mills Limited. Mr. Md. Alam completed

his graduation from Rajshahi University. Mr. Alam has been involved in many volunteer activities, charitable organizations and associated with philanthropic activities.

ARESHA MANAMI SHAFIQ

DIRECTOR

COMMITTEE MEMBERSHIP

None

FIRST APPOINTMENT DATE

15 May 2023

LAST RE-ELECTION DATE

11 October 2023

Aresha Manami Shafiq, a young woman personality of the country, is a Director of Meghna Bank PLC. Born in a glorious & reputed Muslim family.

She served as Director – Admin in Japan Bangladesh Friendship Hospital. Currently she holds the position as Director –



Operations in the same hospital. Ms. Shafiq completed her Graduation from University of Toronto, Canada. She is actively associated with various social and cultural activities.



ABU HAYDAR CHOWDHURY

DIRECTOR

Representative of Met Connect Management Limited

COMMITTEE MEMBERSHIP

Member of the Executive Committee

FIRST APPOINTMENT DATE

02 August 2023

LAST RE-ELECTION DATE

11 October 2023

Mr. Abu Haydar Chowdhury, a very successful entrepreneur and business personality of the Country is a Director of Meghna Bank PLC. Currently he is the Managing Director of Chumki Apparels Limited & the Vice Chairman of Chumki Knitware Limited.

He has 25 years of experience in Garments, Export, Import and trading business. Mr. Chowdhury is a member of Chittagong Club Ltd, Bhatiary Golf & Country Ltd, Khulshi Club Ltd and lifetime member & donor member of Maa O Shishu Hospital. He

is the Former Director of Janata Insurance Company Limited, Chittagong Chamber Of Commerce & Industry Ltd and also acted as President of Rotary Club of Greater Chittagong. In his long professional career, Mr. Chowdhury traveled U.S.A, U.K, KSA, France, Singapore, Thailand, Dubai, India, Pakistan & other countries for various business purpose. Mr. Haydar has been involved in many volunteer activities, charitable organizations and associated with philanthropic activities. He completed his Master's from Chittagong University



MD. AHSAN ULLAH INDEPENDENT DIRECTOR

COMMITTEE MEMBERSHIP

Member of the Audit Committee
Member of the Risk Management Committee

FIRST APPOINTMENT DATE

09 November 2020

LAST RE-ELECTION DATE

23 November 2023

Mr. Md. Ahsan Ullah joined the Board of Meghna Bank PLC. on November 09, 2020 as Independent Director of the Bank. Economist and Banker Md Ahsan Ullah served in the central bank for more than 35 years and worked in different departments with good reputation. He has extensive knowledge and experience especially in Long Term Project Financing, Foreign Exchange policy, Foreign Exchange Operation and Investment, Strategic policy and so on. He retired as an Executive Director in 2016 and subsequently engaged as an Advisor of Bangladesh Bank to oversee a World Bank supported project of worth USD 350 million which was actually upgradation of existing IT Platform of Bangladesh Bank and Long Term Project Financing through selected commercial banks. As a Project Director, he supervised Central Bank Strengthening Project aimed at automating the functions of the central bank. He also served as the ex-officio Chairman of AD- Bangladesh Bank Forum and also oversaw the activities of the Strategic Planning Unit (SPU). Under his guidance, the SPU successfully conducted two executive retreat programs and developed the 'Bangladesh Bank Strategic Plan 2010-14', a roadmap for transforming Bangladesh Bank into a modern, dynamic and IT based central bank.

Mr. Ahsan is associated with Institute of Business Administration (IBA, Dhaka University) where he is often called to take classes on central banking in addition to the course on International Finance he took for the MBA program. He is also an adjunct / part time faculty in the University of Asia Pacific and East West University, Dhaka. At present, he is also a supernumerary professor at Bangladesh Institute of Bank Management (BIBM), Mirpur, Dhaka. Moreover, he is a member of ICC (International Chamber of Commerce), Banking Commission, Bangladesh

Mr. Ahsan Ullah completed his BA (Hons.) and MA in English from Jahangirnagar University, MBA from IBA, University of Dhaka and M A in Economics from Vanderbilt University, USA. He obtained Diploma /trainings on Banking, Central Banking, Personnel Management and Strategic Management from both home & abroad. During his long tenure in Bangladesh Bank he visited several countries in Asia, Europe and Africa in addition to attending a number of meetings in IMF and World Bank in USA.

KIMIWA SADDAT

MANAGING DIRECTOR & CEO (CC)

COMMITTEE MEMBERSHIP

N/A

FIRST APPOINTMENT DATE

N/A

LAST RE-ELECTION DATE

N/A



Mr. Kimiwa Saddat, Deputy Managing Director & Head of Corporate Banking is currently holding the charge of Managing Director & CEO of Meghna Bank PLC. since February 11, 2024.

Mr. Saddat joined Meghna Bank PLC. on March 25, 2019 as Executive Vice President and Head of Corporate Banking Division. Under his leadership Meghna Bank Corporate Banking is being recognized as one of the preferred names among leading Corporate Houses in country. He played a pivotal role in achieving 1st International Award for the Bank "Asian Banking & Finance Wholesale Banking Award, 2021".

He has approx 21 years of experience in banking industry covering both local and multinational banks. He was part of transformation team in two leading local banks - Eastern Bank Ltd. & The City Bank Ltd. He was the Head of Emerging Corporate in Eastern Bank Ltd. and Head of RMG & Textile Unit in The City Bank Ltd prior to assuming next role. Besides, he also worked with HSBC Bangladesh as the Band 5, Vice President in Corporate Banking having NON-RMG/Textile portfolio.

Mr. Saddat is a Certified Financial Consultant (CFC) from Institute of Financial Consultants (IFC), Canada. An MBA from the Department of Finance, Dhaka University, Mr. Saddat has expertise in Corporate & SME credit, offshore banking, FI credit lines and Business, Trade services, Supply Chain Finances, Recovery Solutions, Structured Finance, Cash Management Solutions, Lease Finance and Islamic Banking.

Mr. Saddat is also a member of IFAC research committee for its "Shariah Analysis of Islamic Banking and Financial Products and Services in Bangladesh". Apart from heading Corporate Banking team of the Bank, he is also a Director of Meghna Bank Securities Ltd., a subsidiary and capital market arm of the Bank.

Apart from hands on experience in Banking, Mr. Saddat is trained both in home and abroad. Among few of his signature training, Swiss Banking Simulation by Zurcher KantonalBank -Switzerland, Financial Statement Analyses by Bahrain Institute of Banking & Finance (BIBF), Credit Risk Management Training from International Chamber of Commerce (ICC) with DBS Bank Singapore experts are notable.

চালান

ট্যাক্স বা সরকারি ফি দিন খুবই সহজে

পাসপোর্ট

সরকারি রাজস্ব/কর ফি

আবগারি শুদ্ধ

ভ্যাট

সারচার্জ ও ডিউটি ফি

জমা দিন মেঘনা ব্যাংকের যেকোনো শাখায়



COMMITTEES OF THE BOARD

EXECUTIVE COMMITTEE



Javed Kaiser Ally
Chairman



Shareq Rahman
Member



Tanveer Ahmed
Member



Nuran Fatema
Member



Tarana Ahmed
Member



Dr. Zahara Rasul
Member



Abu Haydar Chowdhury
Member

AUDIT COMMITTEE



S.M. Rezaur Rahman
Chairman



S.M. Jahangir Alam Manik
Member



Md. Mahamudul Alam
Member



Md. Ahsan Ullah
Member

RISK MANAGEMENT COMMITTEE



Shareq Rahman
Chairman



Imrana Zaman Chowdhury
Member



Mohammed Mamun Salam
Member



Md. Ahsan Ullah
Member

SHARI'AH SUPERVISORY COMMITTEE



Dr. Md Anwar Hossain Molla
Chairman



Dr. Mohammad Manzur E Elahi
Member



Dr. Muhammad Saifullah
Member



Dr. M. Mohabbat Hossain
Member



Md. Fariduddin Ahmed
Member



Kimiwa Saddat
Member

**meghna
pay**

MEGHNA BANK 
together we sail

Sail to the digital world of convenience with

**MeghnaPay, i-Banking
and Meghna Rapid**



meghnabank.com.bd



**TOLL FREE
HOTLINE 16735**

MANAGEMENT COMMITTEE



MANAGEMENT COMMITTEE



MANAGEMENT COMMITTEE



Kimiwa Saddat
Managing Director & CEO (CC)



Md. Sadiqur Rahman
Deputy Managing Director



Kazi Farhana Zabin
Head of Liability & Wealth Management



Syed Fazle Imam
Head of General Service Division



I.Q. M. Abdul Jalil
Head of Credit Risk Management & Acting CRO



Khaled Hossain
Head of Operations



Sufia Akter
Head of Public Sector, PPP & Cash Management



S.M. Rasheduzzaman
Head of Agent Banking



Sajib Kumar Saha, FCA
Chief Financial Officer



Rashedul Alam
Head of Human Resources



Zishan Ahammad
Head of Cards



AZM Fouz Ullah Chowdhury
Head of Digital Financial Services



Muhammad Pavel Akhter
Head of Technology Operations



Md. Rafiqul Islam Khan, FCS
Company Secretary

EXTENDED MANAGEMENT COMMITTEE



M. Ariful Alam
Cluster Head - I



Mohammad Sohel Miah
Cluster Head - II



A.S.M Iqbal Hossain
Cluster Head - III



Sanjoy Kumar Saha
Corporate Unit Head - 4



Nazia Khair
Corporate Unit Head - 3



Dolan Bhowmik
Head of Credit Administration



Tanvir Shams
Head of International Division



Md. Mominul Islam
Corporate Unit Head - 5



Abdul Awal Khan
Head of Legal



Md. Tawhid Hasan Juberi
Head of Treasury Operations



Dipan Hasnat Biplob
Head of Trade Operations



Md. Sadekul Islam
Head of MGBL Securities Ltd



Moshir Rahman Quraishy
Head of Retail Credit & Collection (RCC)



Md. Mahmudul Hasan
Head of SAMD



Maqsood Alam Tanvir
Corporate Unit Head - 1



Md. Jahangir Alam
Head, Employment & Strategy



Mahadee Hassan
Corporate Unit Head - 2



Md. Shaidur Rahman
Head of Micro & Small Business



Md. Abdur Razzaque Sarkar
Head of Micro & Small Credit



Paltu Ranjan Datta
Finance Division



Mohammad Shibly Shohef
Head of Risk Management Dept. (RMD)



Md. Bakhtiar Karim
Credit Risk Management Division



Md. Shahabuddin
Acting Head of SME Business



Md. Antar Zaman
Head of Client Experience & Service Quality



Md. Nazmul Ahsan
Head of Digital Solution and Innovation



Md. Khalid Hossain
Head of IT Infrastructure



Md. Zahidul Islam
Liability & Wealth Management div.



Ebadul Haque Omy
Head of Business Operations



Md. Mosharraf Hossain
In-Charge Islamic Banking Window



Iqbal Mahmud Chowdhury
Acting Head of ICCD



Moksedur Rahman
Head of Card Sales



Faisal Ibn Reza
Head of Liability Operation



Md Abdulla Al Mamun
Head of Anti Money Laundering



Shawn Roy
Treasury Division

Stakeholders'
INFORMATION



FIVE YEAR'S FINANCIAL SUMMARY

(Figures in million Taka)

Results of Operation	2023	2022	2021	2020	2019
Interest income	4,399	3,390	3,178	3,210	4,264
Interest expense	3,913	3,029	2,583	2,596	2,801
Net interest income	486	361	595	614	1,463
Investment income	1,989	1,232	1,313	1,046	342
Non Funded Income	942	629	359	196	223
Total Operating income	3,418	2,222	2,266	1,856	2,028
Operating expenses	1,820	1,472	1,223	1,122	1,204
Operating profit	1,597	751	1,043	734	824
Provision for Loans, Investments and Other Assets	552	238	490	115	319
Profit before tax	1,045	513	554	619	505
Provision for taxes	267	327	246	118	370
Net profit after tax	778	186	308	501	135
Balance Sheet	2023	2022	2021	2020	2019
Authorized capital	20,000	20,000	20,000	20,000	20,000
Paid up capital	5,437	5,437	5,028	4,699	4,699
Shareholders' equity	7,306	6,538	6,194	5,997	5,392
Borrowing	4,220	1,620	2,105	559	0
Deposits	65,029	49,536	52,738	43,330	41,104
Loans and advances	52,042	39,974	41,876	35,841	34,363
Investments	18,704	13,384	15,592	9,464	5,171
Fixed assets	1,085	689	692	219	279
Off-balance sheet exposure	15,361	9,198	10,135	5,029	4,479
Total assets	83,451	64,537	65,285	52,871	49,347
Total liabilities	76,145	57,999	59,091	46,874	43,955
Share Information	2023	2022	2021	2020	2019
No. of shares outstanding (No. in million)	544	544	503	470	470
Earnings per share (Restated if Required)	1.43	0.34	0.57	1.00	0.29
Dividend (percent)	12.50%	0.00%	5.00%	7.00%	0.00%
Cash Dividend (percent)	10.00%	0.00%	5.00%	0.00%	0.00%
Stock Dividend (percent)	2.50%	0.00%	0.00%	7.00%	0.00%
Net asset value per share	13.44	12.02	12.32	12.76	11.48
Price Earning Ratio (times)	N/A	N/A	N/A	N/A	N/A

MEGHNA BANK PLC.

VALUE ADDED STATEMENT

AS ON 31ST DECEMBER 2023

Particulars	2023 Taka	%
Value Created		
Income from Banking Service	7,331,186,045	
Interest Income	4,399,446,780	
Non Interest Income	2,931,739,265	
Less : Cost of Service & Supplier	(4,516,941,182)	
Interest Paid on deposit & Borrowing	3,913,399,675	
Total Operating Expenses	1,820,337,094	
Less : Salary and Allowance	(964,523,068)	
Less : Chief Executive Salary & Allowance	(18,595,595)	
Less : Depreciation	(233,676,924)	
Value Added by Banking Service	2,814,244,863	
Non Banking Income	-	
Provision for Loan & other Asset	(552,008,593)	
	2,262,236,270	
Value Distributed		
To Employees as Salaries & Allowances	983,118,663	43%
To Shareholders as Dividend	-	0%
To Government as Income Tax	267,336,152	12%
	1,250,454,815	55%
Value Retained		
(to maintain and develop operation)		
Statutory Reserve	216,869,181	10%
Depreciation	233,676,924	10%
Retained Earnings	561,235,350	25%
	1,011,781,455	45%
	2,262,236,270	100%

HORIZONTAL ANALYSIS

BALANCE SHEET

(Figures in million Taka)

	2023	2022	2021	2020	2019
PROPERTY AND ASSETS					
Cash	4,912	3,920	3,131	3,602	3,185
Balance with other banks and financial institutions	4,907	4,360	2,724	2,522	3,513
Money at Call on Short Notice	-	1,010	100	130	2,070
Investments	18,704	13,384	15,592	9,464	5,171
Loans and advances	52,042	39,974	41,876	35,841	34,363
Fixed assets including premises, furniture and fixtures	1,085	689	692	219	279
Other assets	1,801	1,200	1,170	1,094	766
Non-banking assets	-	-	-	-	-
Total property and assets	83,451	64,537	65,285	52,871	49,347
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions & agents	4,220	1,620	2,105	559	0.3
Money at call on short notice	-	-	-	-	-
Deposits and other accounts	65,029	49,536	52,738	43,330	41,104
Non-Convertible Subordinate Bonds	1,800	2,000	-	-	-
Other liabilities	5,096	4,843	4,248	2,985	2,850
Total Liabilities	76,145	57,999	59,091	46,874	43,955
Total shareholders' equity	7,306	6,538	6,194	5,997	5,392
Total liabilities and shareholders' equity	83,451	64,537	65,285	52,871	49,347

HORIZONTAL ANALYSIS

PROFIT & LOSS ACCOUNT

(Figures in million Taka)

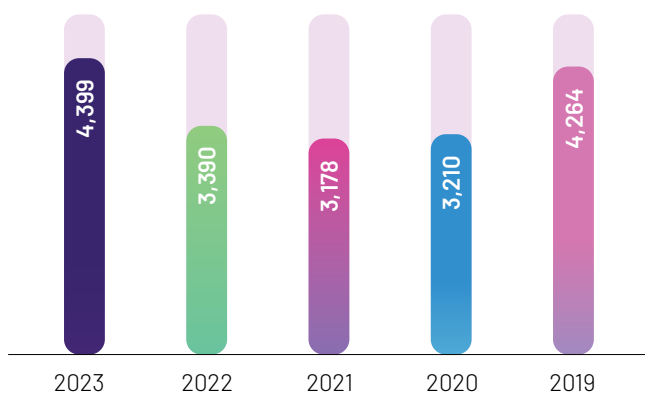
	2023	2022	2021	2020	2019
Interest Income/ Profit on Investment	4,399	3,390	3,178	3,210	4,264
Interest/ Profit Paid on Deposits and Borrowings etc	3,913	3,029	2,583	2,596	2,801
Net Interest/ Investment Income	486	361	595	614	1,463
Investment Income	1,989	1,232	1,313	1,046	342
Commission, Exchange and Brokerage	676	437	164	114	145
Other Operating Income	267	193	194	82	78
Total Operating Income	3,418	2,222	2,266	1,856	2,028
Salaries and Allowances	965	770	616	533	598
Rent, Taxes, Insurance, Electricity etc.	115	92	85	239	252
Legal Expenses	5	0.36	1	1	1
Postage, Stamps, Telecommunication etc.	27	22	20	21	20
Stationery, Printing, Advertisement etc.	23	17	15	13	14
Chief Executive's Salary and Fees	19	18	18	17	15
Directors' Fees	2	2	2	1	2
Auditors' Fees	0.42	0.40	0.38	0.35	0.43
Depreciation and Repair of the Bank's Assets	244	213	205	91	99
Other Expenses	420	337	261	205	203
Total Operating Expenses	1,820	1,472	1,223	1,122	1,204
Profit/(Loss) before Provision	1,597	751	1,043	734	824
Provision for Loans/Investments & Other Assets:					
Provision on Loans and Advances	(495)	(170)	(397)	(124)	(296)
Recovery from Write-Off Loans & Advances	-	-	-	-	-
Provision Diminution in Value of Investments	4	(14)	10	16	(25)
Provision for Off balance sheet items Exposures	(61)	16	(46)	(7)	14
Other Provisions	-	(70)	(56)	0.02	(12)
Total Provision	(552)	(238)	(490)	(115)	(319)
Total Profit/(Loss) before Taxes	1,045	513	554	619	505
Provision for Taxation:					
Current Tax Expense	(268)	(330)	(250)	(170)	(370)
Deferred Tax Expense / (Income)	0.16	3	4	52	-
Total Provision for Taxation	(267)	(327)	(246)	(118)	(370)
Net Profit after Taxation	778	186	308	501	135

GRAPHICAL PRESENTATION OF PERFORMANCE

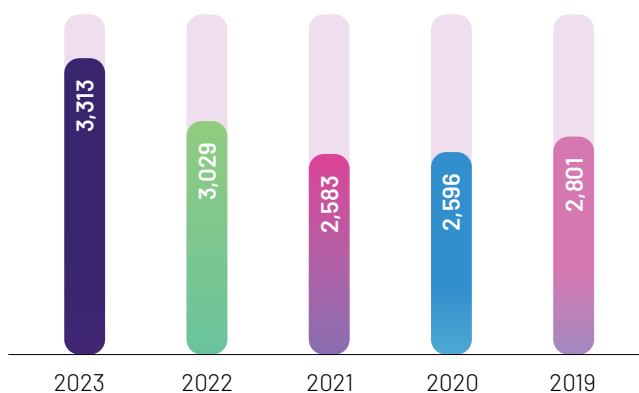
(FIGURES IN MILLION TAKA)

PARTICULARS	2023	2022	2021	2020	2019
INTEREST INCOME	4,399	3,390	3,178	3,210	4,264
INTEREST EXPENSE	3,913	3,029	2,583	2,596	2,801
NET INTEREST INCOME	486	361	595	614	1,463
TOTAL OPERATING INCOME	3,418	2,222	2,266	1,856	2,090
OPERATING EXPENSES	1,820	1,472	1,223	1,122	1,204
OPERATING PROFIT	1,597	751	1,043	734	824
PROFIT BEFORE TAX	1,045	513	554	619	505
NET PROFIT AFTER TAX	778	186	308	501	135
EARNINGS PER SHARE	1.43	0.34	0.57	1.00	0.29

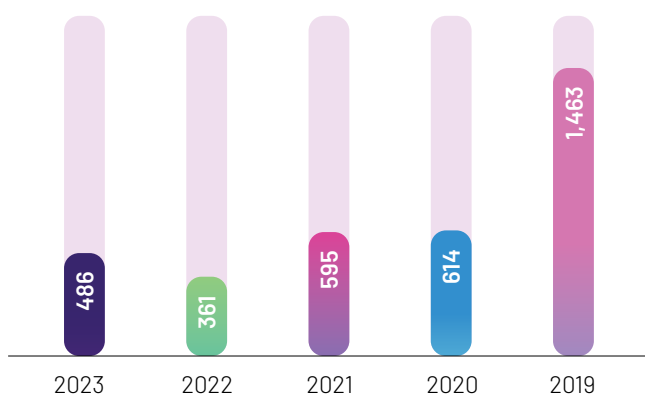
Interest Income (BDT Million)



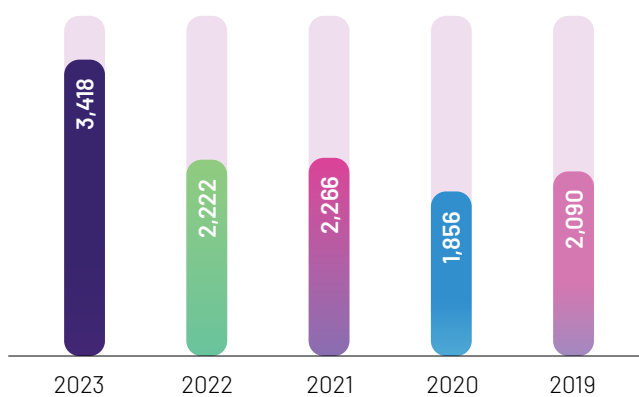
Interest Expense (BDT Million)



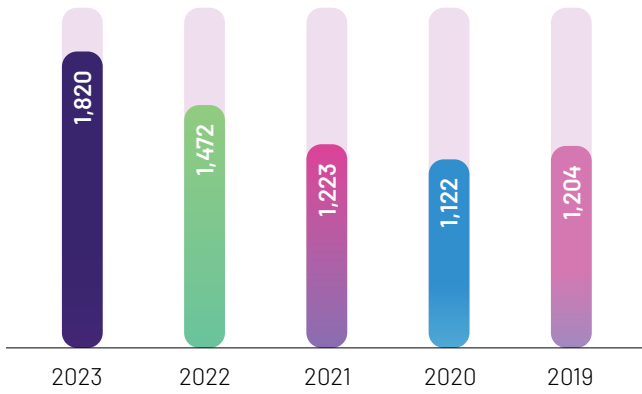
Net Interest Income (BDT Million)



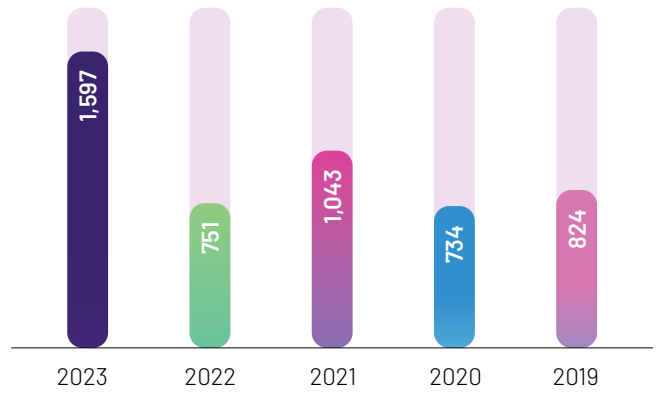
Total Operating Income (BDT Million)



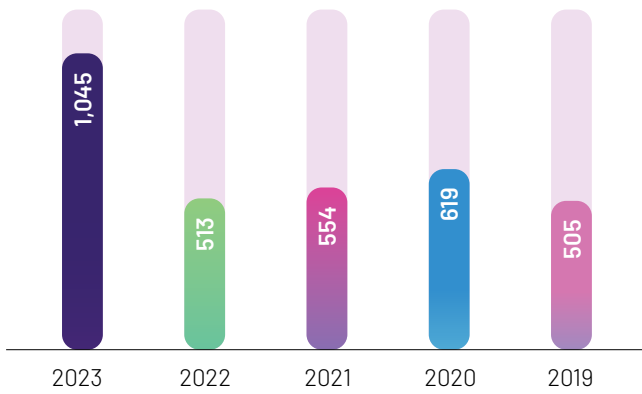
Operating Expenses (BDT Million)



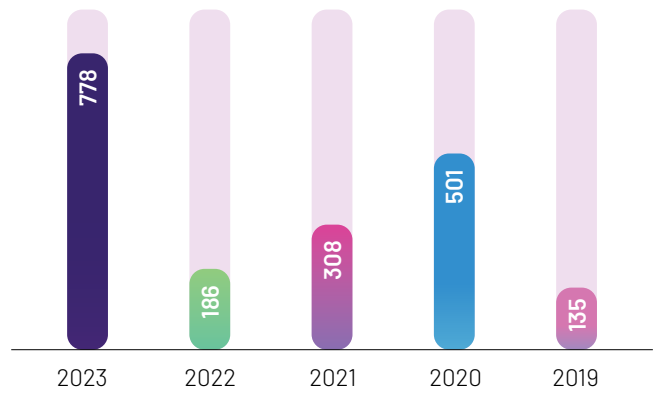
Operating Profit (BDT Million)



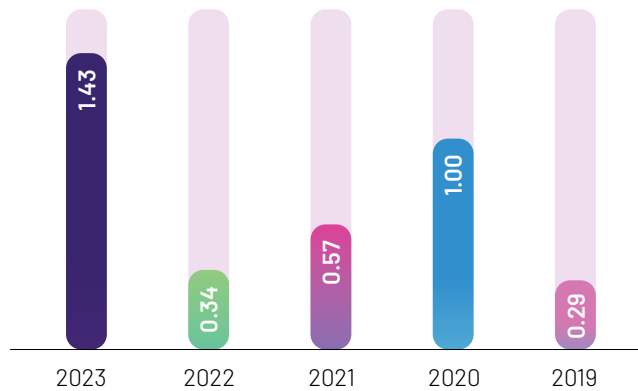
Profit Before Tax (BDT Million)



Net Profit After Tax (BDT Million)



Earnings Per Share in BDT



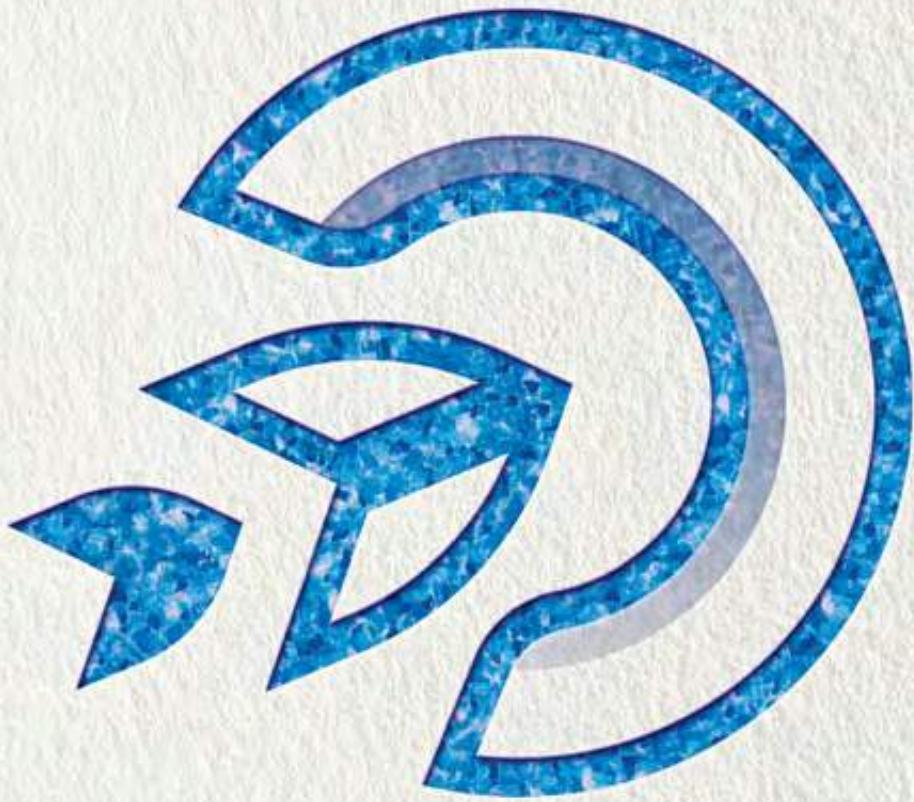
CREDIT RATING

Alpha Credit Rating Limited (Alpha Rating) has conducted a comprehensive assessment of the bank's operational and financial performance, considering all relevant qualitative and quantitative factors. Based on this in-depth analysis, the company affirms a Long-Term rating of **"AA"** (pronounced as double AA) and a Short-Term rating of **"ST-2"** with a **Stable Outlook**. The evaluation encompassed the financial data of the bank up to December 31, 2022, and considered other prevailing factors up to the date of the rating decision.

Particulars	Entity Rating	Definition
Year of Rating	2022	Based on evaluation of financials of the bank up to December 31, 2022, and other prevailing factors up to date of rating.
Long Term	AA	Very Strong Capacity to meet financial commitments & obligations and this rating is equivalent to Bangladesh Bank rating grade 1(one).
Short Term	ST-2	Strong Capacity in terms of the repayment of obligations.
Outlook	Stable	Rating is likely to remain unchanged
Date of Rating	June 25, 2023	Validity of Rating: June 24, 2024



Strategic OVERVIEW



MESSAGE FROM THE CHAIRMAN



We can not afford confusion exactly and pin-pointedly, we must possess exact vision, mission and a definite road-map.



H.N. ASHEQUR RAHMAN

Founder & Chairman

Esteemed Directors,
Shareholders,
CEO of Meghna Bank,
Management and Officers
Meghna Bank PLC,
Welcome to you all. Assalamu Alikum.

At the moment we are standing at a cross road.

In the back-drop of lingering Ukraine-Russia war, prolonged Covid calamity of the recent past, universal turmoil in the Supply-Chain Management; we are faced with accurate shortage in foreign exchange, downward flow of remittance, restricted volume of export, subdued production; increasing burden of imports of fuel, coal and spiraling inflation.

With consumption slackened, initiative to undertake new ventures largely on hold, eroding trust in the Banking system due to a number of loan scandals and money laundering and flight of capital, we need to stand up and face challenges. That is the need of the hour. Unless we grapple with the problem, overcome and journey forward, we may drown deep to the point of "no return". We cannot fail.

Adhoc solutions or time serving adjustments are not enough. Truly, listless wondering does not produce result. We must try find the correct way and identify the right destination.

At times, I find Children's stories contain wisdom. A quote from "Alice in Wonderland" appears to me wise and appropriate.

"Alice asked what road should I take?"

Cat (fictional character) asked - where do you like to go?

Alice answers - I don't know exactly

Cat replies- Then it does not matter which way you should go."

We cannot afford confusion exactly and pin-pointedly, we must possess exact vision, mission and a definite road-map.

We know, difficulties and challenges create opportunities and bring about different angles of alternatives and vision. I am happy to note, that with the recent welcome change in the Board and dedicated bunch of young, energetic, innovative and dedicated officers at all level, a fresh wind of creativity, enthusiasm, vitality and "That We Can" have started blowing.

I understand perfectly, no amount of law, directives or regulations are hundred percent 'fire-walled'-there always exists room for manipulation and going round and ambivalence. "Act of will" and "Act with Integrity" are the real hall-mark of any success, any job well-done and any target well-accomplished.

I am glad to mention, our Bank though small and a 4th generation bank is 100% compliant, transparent, commanding trust and respect of the society. While aiming and excellence in the financial services; with your cooperation we are trying our utmost. We have already started to bring and ensure.

- (1) Best innovation, best technology and impregnable security,
- (2) Appropriate response to unique needs of every customer, large or small, with alternative options.
- (3) Added value for the Shareholders and the investments.
- (4) Bonhomie and elegance among the employees and their empowerment and ability to engage.
- (5) Geniality for all customers.

You will be happy to learn that in-the meanwhile we have reached strategic partnership with "Nagad" "Grameen phone" and "Sonali Bank". We are aiming at our network distribution; Merchant expansion; joint branding; inter-operable fund transfers at a huge scale. In fact, if we can successfully access these opportunities, Meghna will be at every door step of the country and the aim of

the Government for inclusive banking will be achieved enormously.

I must mention, whatever we do or we may try to achieve, the vital need of the Bank today is to build adequate deposit, ensure sound investments and try find potential good customers. Your role and cooperation are vital.

We must also remember the Credit risk is the primary financial risk and we must formulate a robust internal risk rating process with precision to avoid capital depletion which is the potent cause for any Institution's failure.

We shall be customer-friendly both for large and small. Viewing the uncertainty in the financial sector, we may be conservative in large loans and may promote small loans. Every customer, irrespective large or small, should feel that Meghna knows him, understands him and with us while progressing, respected and treated with dignity.

We shall not shy away from Social Commitments-rather our face will be compassionate. Rather than making things complex, we shall as well try to make complex things simple.

On motto, "Together We Sail" we mean it. The success of the customer becomes our success. We finance; if industry wins, our company wins, society wins-our country wins.

We must remember, that our Bank grew out of a passion- it is not only a trading house for instant profit. Meghna Bank would not have been here but for Sk. Hasina - who shares the love and anxiety of her great father Bangabandhu. Sacrifices, blood, toil of millions must not go in vain. We have inherited the noble urge and yearning from the Founding Father of Bangladesh Bangabandhu Sheikh Mujibur Rahman for the down-trodden who need learn multiple uses of resource; need emancipation and freedom from shackles of poverty. Meghna is alive to its commitment and these are inherent urges from the soul of ours.

True though, we are still miles away from the goal. In the words of Robert Frost-

The woods are lovely, dark and deep,

But I have promises to keep,

And miles to go before I sleep,

And miles to go before I sleep.

We have a mission to accomplish and surely we will.

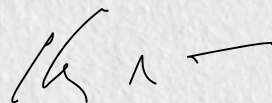
You will be glad to learn, despite encountering several challenges both within the macro and microeconomic operating landscapes, our bank achieved substantial growth in the year 2023, With a 31% increase in deposits and 30% in loans, our balance sheet expanded by 29% amounted to Tk 8,345 crore. This growth led to a significant increase in profit, reaching BDT 160 crore, a 113% rise from the previous year. After all regulatory deductions, our Profit After Tax (PAT) amounted to BDT 78 crore, reflecting a remarkable 319% increase

Before I close, I must mention that the top management and our people have worked hard - they were vigilant, up and doing; and committed. Grateful we got unstinted support, wisdom, guidance and cooperation from you - our present day esteemed directors and shareholders.

I have the pleasure to declare the dividend of 12.50% for the year 2023. 2.50% will be retained as stock and 10% will be payable in cash.

As always I say- a Bank is not a mere Trading House but a Transcending and far-reaching Institution. Meghna Bank that we are together creating will belong to ages.

Thank you again for your patience.



H N Ashequr Rahman
Founder & Chairman

MANAGING DIRECTOR & CEO'S ROUND UP



In reflection, the bank's strategic transformation in 2023 was a multifaceted endeavor, characterized by internal fortification and an ambitious expansion drive. Through the reinforcement of its operational units, utilization of diverse delivery channels, and forging partnerships with NGOs, the bank ensured widespread accessibility to its services, benefitting numerous individuals and enterprises while upholding cost-efficiency and agility in response to market shifts. This strategic vision propels the bank as a pioneering force in the banking realm, blending expansion with inclusivity and pioneering innovation.



KIMIWA SADDAT

Managing Director & CEO (CC)

Dear Shareholders,

We extend our deepest appreciation to our esteemed shareholders for their unwavering trust, which has empowered us to showcase unparalleled resilience in the face of the formidable challenges confronting the banking sector.

Throughout 2023, we continued the transformative path focused on expanding our capacity and extending our services to a broader audience while minimizing costs. This was achieved through a positive cultural transformation and the steadfast backing of our Board, propelling us forward on our journey of growth and innovation.

Economic View

Bangladesh's robust economic recovery from the COVID-19 pandemic has been disrupted by the Russia-Ukraine conflict, leading to supply chain disruptions, spikes in global oil and food prices, a slowdown in external demand, weak remittance inflows, revenue collection shortfalls, and sluggish public expenditure. Additionally, there has been a rise in inflation, a widening current account deficit, depreciation of the Taka, and a decline in foreign exchange reserves. Unemployment and low investment further compound these challenges.

To address these issues, the government has swiftly implemented measures to mitigate the economic impact. However, more actions are needed to stabilize foreign exchange reserves, manage inflation, boost revenue earnings, ensure adequate electricity and gas supply for economic activities, and expand social safety net programs.

Despite the challenges, there are signs of improvement in the economy during the year-2023. Both exports and imports, crucial drivers of the economy, have performed relatively well. Key sectors such as export-oriented garment, leather, and domestic market-focused steel, food processing, and transportation are operating at full capacity. While foreign currency reserves remain somewhat satisfactory, they are on a declining trajectory. The exchange rate, although stable for an extended period, has experienced notable depreciation in recent months.

Banking Industry

Starting Year-2023 with challenges persisting from Year-2022, the banking sector encountered a multitude of obstacles. These included the spillover effects of the Russia-Ukraine conflict, loan rescheduling issues, sluggish business sales, a surge in overdue accounts, and a narrowing spread due to rising policy rate. Additionally, dwindling customer confidence stemming from increased scams, reduced remittances from non-resident Bangladeshis, uncertainties surrounding RMG exports, pre-election concerns leading to business expansion slowdown, heightened cybersecurity threats, and the consistent underperformance of the stock exchanges further compounded the sector's difficulties. The impact of climate change on weather patterns also added to the challenges faced by the sector.

Bank's Strategic Shift in 2023: Continuation of Prioritizing Capacity Enhancement

Substantial Investment in Human Capital

One of the cornerstones of this strategic pivot was a substantial investment in human capital. Recognizing that our bank is only as strong as its workforce, we are committed to nurturing talent within the organization. This included recruiting top industry professionals, providing continuous training, and fostering a culture of innovation and excellence. By investing in its people, the bank ensured it had the intellectual firepower needed to execute its expansion plans effectively.

Digitalization

Another crucial aspect of the bank's transformation was a robust commitment to digitalization. In an era driven by technological advancements, staying ahead of the curve is imperative. We channeled significant resources into enhancing online services, upgrading its digital infrastructure and user-friendly mobile applications. This not only catered to the evolving needs of customers but also streamlined internal operations, making the bank more agile and efficient.

Fortify Capital Position

Financially, we took bold steps to fortify our capital position. Capital adequacy is yet over 18%, achieved through the issuance of bonds and the strategic injection of capital in the last year and internal generation during the year 2023. This financial bolstering was indispensable for fueling the planned expansion of business & IT initiatives and ensuring the bank's financial resilience in an ever-fluctuating market.

Expanding Network and Outreach

In addition to the strategic emphasis on capacity expansion, human capital development, and digitalization, we made significant strides in expanding our network and outreach. Recognizing the importance of a strong on-ground presence, we deployed an agile and dedicated team for each type of customer segment. These business units, equipped with deep industry knowledge, played a pivotal role in forging valuable client relationships and driving business growth.

Financial Inclusion

Furthermore, we embraced alternative delivery channels with open arms. These included the issuance of innovative banking cards & services. This move not only provided customers with convenient access to banking services but also enhanced the bank's competitive edge in the market. Additionally, the implementation of agent banking, sub-branches and MFS services brought financial services closer to underserved communities, fostering financial inclusion and expanding the bank's footprint.

Teaming up with NGOs

One remarkable aspect of the bank's strategy involved strategic collaborations with partners such as NGOs. By teaming up with NGOs, we were able to extend our footprint to previously underserved and remote areas. This collaborative approach not only enriched our social impact but also contributed to expanding our customer base at minimal cost.

International Reach

In terms of international reach, we made notable strides. Foreign correspondent bank relationships extended to 162 nos. These developments signified the bank's commitment to broadening its global presence and strengthening its ability to serve Non-Funded Businesses.

Glimpses of performances of MGBPLC's in 2023:

- Net Interest Income soared by an impressive 35% to BDT 486 million, attributed to the removal of lending rate caps and a substantial 30% increase in the loan book. Additionally, efforts to reduce NPL by BDT 332 million contributed to this notable uptick. In tandem with the robust increase in net interest income, investment income experienced a substantial surge of 61%. Moreover, commissions, exchange, and brokerage income witnessed a commendable growth of 55%, while other operating income displayed a noteworthy increase of 39%. As a result, the bank's total operating income surged by a remarkable 54% to BDT 3,418 million.
- Our unwavering continued dedication to nurturing a motivated, talented, and innovative workforce, coupled with the implementation of equitable reward programs, the introduction of new business lines, the relaunch of select product lines, and investments in digital transformation, resulted in a notable 24% increase in operating expenses, totalling BDT 1,820 million. However, this strategic approach bore fruit, as the bank achieved its highest-ever operating profit since its inception, amounting to BDT 1,597 million. This remarkable achievement reflects a significant 113% increase compared to the previous year.
- Despite experiencing a 132% increase in provisioning expenses, the bank managed to maintain a 104% higher profit before tax (PBT). Additionally, despite a 113% increase in operating profit, effective tax management planning led to 18% reduction in tax expenses. Consequently, the bank saw a significant 319% increase in profit after tax (PAT), totalling BDT 778 million.
- Despite encountering numerous challenges in the operating environment, the Bank has sustained a total balance sheet size of BDT 83,451 million at the end of year 2023 representing an increase of 29% compared to the previous year.
- Our prudent risk management approach has resulted from NPL at 4.53% at the end of 2023 which was 6.73% at the end of 2022.

ESG Commitments

Despite facing financial challenges in 2023, our unwavering commitment to ESG (Environmental, Social, and Governance) principles remained steadfast. We prioritized strengthening the Risk and Compliance culture within the Bank to ensure long-

term sustainability and foster trust among our customers and stakeholders. Our focus on redefining conventional workplace practices included implementing equitable rewards programs and investing in skills development through our flagship talent management initiatives and Performance Management Process (PMP).

Digitalization remained a key priority as we continued our journey towards becoming a future-ready organization. We persisted in expanding our presence in renewable energy banking while embracing eco-friendly practices such as energy-efficient lighting, reduced plastic usage, paperless office operations, water conservation, afforestation, and promoting sustainable green practices.

In our commitment to making a positive impact on the communities we serve, our CSR contributions around BDT 30 million in 2023.

Looking Ahead

Our commitment lies in the integration of forward-looking and innovative technologies to deliver seamless and hassle-free services to our customers. Central to our agenda is the strengthening of our digital capabilities, prioritizing customer-centricity as we transcend traditional solutions to provide innovative and competitive services, thereby fostering customer acquisition and deeper relationships.

In addressing challenges within the banking sector, such as rising deposit and operating costs, our focus is on enhancing operational efficiencies and significantly scaling up our business. Furthermore, we endeavor to diversify our income streams by leveraging fees and other reliable sources.

Acknowledgements

On behalf of the management team, I express sincere gratitude to our dedicated employees for their unwavering contributions and commitment to the Bank's success during these challenging times.

Our Board of Directors comprises highly capable and respected professionals with extensive experience in leading large institutions. I extend my sincere appreciation to each member for their thoughtfulness, wisdom, active participation, and guidance in our thorough and insightful discussions.

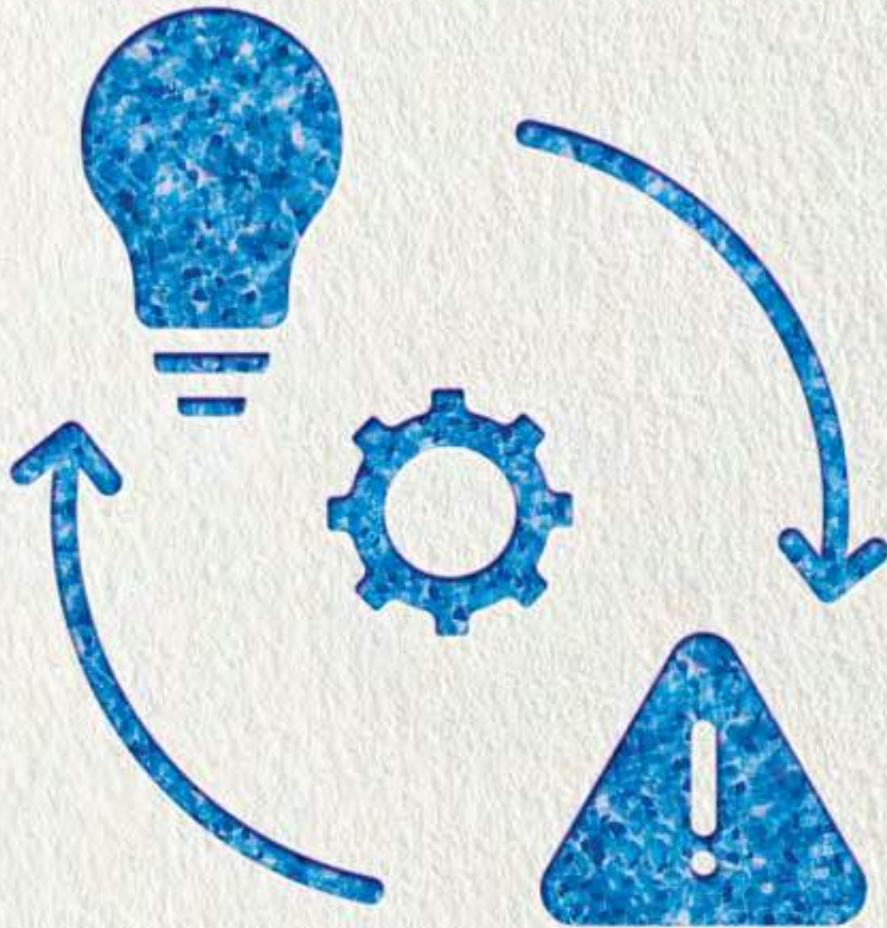
I would also like to extend thanks to our regulator for their vigilant oversight, valuable guidance, and unwavering support. Additionally, I am grateful to the media for their candid reporting and to our customers for placing their trust in our bank.

Lastly, I once again extend heartfelt thanks to all our shareholders for their continued trust and confidence in us.



Kimiwa Sadat
Managing Director & CEO (CC)

Risk **& GOVERNANCE**



DIRECTORS' REPORT

The Board of Directors welcomes you all to the 11th Annual General Meeting (AGM) of the Bank and presents before you the Annual Report along with the Audited Financial Statements for the year 2023 along with all related financial disclosures such as Directors' and Auditors' Report of the company which presents fairly its state of affairs, the results of operations, cash flow and change in equity for your kind consideration, approval and adoption in the AGM. However, it may be pertinent to have a look at the global as well as national economic scenario to help you to have some ideas about the backdrop in which the bank endeavored during the period under review.

Global economy and its outlook

The global economy continues to recover slowly from the blows of the pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis. In retrospect, the resilience has been remarkable. Despite the disruption in energy and food markets caused by the war, and the unprecedented tightening of global monetary conditions to combat decades-high inflation, the global economy has slowed, but not stalled. Yet growth remains slow and uneven, with growing global divergences. The global economy is limping along, not sprinting.

Global activity bottomed out at the end of last year while inflation—both headline and underlying (core)—is gradually being brought under control. But a full recovery toward pre-pandemic trends appears increasingly out of reach, especially in emerging market and developing economies. According to our latest projections, global growth will slow from 3.5 percent in 2022 to 3 percent this year and 2.9 percent next year, a 0.1 percentage point downgrade for 2024 from our July projections. This remains well below the historical average. Headline inflation continues to decelerate, from 9.2 percent in 2022, on a year-over-year basis, to 5.9 percent this year and 4.8 percent in 2024. Core inflation, excluding food and energy prices, is also projected to decline, albeit more gradually than headline inflation, to 4.5 percent in 2024. As a result, projections are increasingly consistent with a “soft landing” scenario, bringing inflation down without a major downturn in activity, especially in the United States, where the forecast increase in unemployment is very modest, from 3.6 to 3.9 percent by 2025. But important divergences are appearing.

The slowdown is more pronounced in advanced economies than in emerging market and developing ones. Within advanced economies, the US surprised on the upside, with resilient consumption and investment, while euro area activity was revised downward. Many emerging market economies proved quite resilient and surprised on the upside, with the notable exception of China, facing growing headwinds from its real estate crisis and weakening confidence.

Three global forces are at play. First, the recovery in services is almost complete. Over the past year, strong demand for services supported service-oriented economies—including important tourism destinations such as France and Spain—relative to manufacturing powerhouses such as China and Germany. High demand for labor-intensive services also translated into tighter labor markets, and higher and more persistent services inflation. But services activity is now weakening alongside a persistent manufacturing slowdown, suggesting services inflation will decrease in 2024 and labor markets and activity will soften.

Second, part of the slowdown is the result of the tighter monetary policy necessary to bring inflation down. This is starting to bite, but the transmission is uneven across countries. Tighter credit conditions are weighing on housing markets, investment, and activity, more so in countries with a higher share of adjustable-rate mortgages or where households are less willing, or able, to dip into their savings. Firm bankruptcies have increased in the US and the euro area, although from historically low levels. Countries are also at different points in their hiking cycles: advanced economies (except Japan) are near the peak, while some emerging market economies, such as Brazil and Chile, have already started easing.

Third, inflation and activity are shaped by the incidence of last year's commodity price shock. Economies heavily dependent on Russian energy imports experienced a steeper increase in energy prices and a sharper slowdown. Some of our recent work shows that the pass-through from higher energy prices played a large role in driving core inflation upward in the euro area, unlike in the United States, where core inflation pressures reflect instead a tight labor market. Despite signs of softening, labor markets in advanced economies remain buoyant, with historically low unemployment rates helping to support activity. So far, there is scant evidence of a “wage-price spiral,” and real wages remain below pre-pandemic levels. Further, many countries experienced a sharp—and welcome—compression in the wage distribution. Some of this compression reflects the higher amenity value of flexible and remote work schedules for high earners, reducing wage pressures for that group.

The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its pre-pandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geo-economics fragmentation. Others are more cyclical in nature, including the effects of

monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024.

The projections remain below the historical (2000–19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage point from the July 2023 Update to the World Economic Outlook. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have growth modestly decline, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases.

Risks to the outlook are more balanced than they were six months ago, on account of the resolution of US debt ceiling tensions and Swiss and US authorities' having acted decisively to contain financial turbulence. The likelihood of a hard landing has receded, but the balance of risks to global growth remains tilted to the downside. China's property sector crisis could deepen, with global spillovers, particularly for commodity exporters. Elsewhere, near-term inflation expectations have risen and could contribute—along with tight labor markets—to core inflation pressures persisting and requiring higher policy rates than expected. More climate and geopolitical shocks could cause additional food and energy price spikes. Intensifying geo-economics fragmentation could constrain the flow of commodities across markets, causing additional price volatility and complicating the green transition. Amid rising debt service costs, more than half of low-income developing countries are in or at high risk of debt distress.

Effective monetary policy frameworks and communication are vital for anchoring expectations and minimizing the output costs of disinflation. Fiscal policymakers should rebuild budgetary room for maneuver and withdraw untargeted measures while protecting the vulnerable.

Reforms to reduce structural impediments to growth by, among other things, encouraging labor market participation—would smooth the decline of inflation to target and facilitate debt reduction. Faster and more efficient multilateral coordination is needed on debt resolution to avoid debt distress. Cooperation is needed as well to mitigate the effects of climate change and

speed the green transition, including by ensuring steady cross-border flows of the necessary minerals.

Bangladesh Context

The Bangladesh economy continues to grapple with both external and domestic headwinds. Provisional estimates place the real GDP growth in FY2022–23 at 6.0 per cent as compared with 7.1 per cent in FY2021–22. While supply-side shortages mainly reflected disruptions in the imports of raw materials and higher energy prices, on demand-side, consumption and investment growth slowed due to high inflation, government's austerity measures and subdued external demand. With greater focus on boosting investments in productive sectors, our authorities expect the economy to grow by 6.5 per cent in FY2023–24. However, they acknowledge various downside risks, particularly challenging external demand conditions due to global slowdown that may strain domestic growth.

Elevated inflation remains a major concern for our authorities. Despite easing of global supply-side pressures, domestic inflation has remained above 9 per cent since March 2023 reflecting upward adjustment in administered energy prices, high food prices and depreciation of the Bangladeshi Taka. Notwithstanding domestic inflation largely driven by cost-push factors, the authorities are determined to anchor inflation expectations by adopting a proactive monetary policy and addressing supply-side bottlenecks. The Monetary Policy Statement for H1 of FY2023–24 aims to contain inflation while fostering greater flexibility in interest and exchange rates. In FY2023–24 so far, the main policy rate (repo rate) has been raised by 175 basis points (bps) to 7.75 per cent. With the latest hike of 50 bps on 26th November, the repo rate has increased by 300 bps since May 2022. The devolvement of government securities on the central bank has been discontinued since early August 2023 to support monetary tightening. Our authorities are well aware of domestic and external risks to the near-term inflation expectations. Given the limited capacity to import, the government has accorded high priority to bolster domestic food security by enhancing production of staple crops including rice and wheat and other essential crops. The target for area under cultivation for paddy production has been expanded along with measures to ease supply of fertilizers and seeds to farmers.

External sector faced further stress due to persistent global headwinds and restoring external stability remains a major priority. While there was a sharp fall in the current account deficit in FY2022–23, the balance of payments (BoP) funding gap emerged due to weakening of net inflows, especially the trade credit, in the financial account. Consequently, the downward pressure in the foreign exchange market necessitated further depreciation in the Bangladeshi Taka and drawdown of foreign exchange reserves to meet BoP gap for the second successive year. The authorities have tightened fiscal and monetary measures, and reduced the Export Development Fund to lower the pressure on imports. Nonetheless, they have maintained

public spending on social safety measures so that the poor and vulnerable are looked after. Reflecting this, the current account recorded a modest surplus for the third consecutive quarter in Q1 of FY2023-24 (July-September) albeit foreign exchange reserves dipped further due to net capital outflow.

As per the revised estimate for FY2022-23, the budget deficit was lower than the original budget estimate mainly on account of fall of 0.3 percentage points of GDP in public expenditure. Under a coordinated policy approach to curb inflation, the government aims to maintain the budget deficit at 5.2 percent of GDP in FY2023-24. Of which, around 60 per cent is proposed to be financed through domestic sources as compared with 63 per cent in FY2022-23. Staff's debt sustainability analysis suggests that Bangladesh remains at low risk of external and overall debt distress.

Domestic bank credit growth slowed reflecting tight monetary conditions despite greater demand from the public sector (mainly the government). As at end-September 2023, public sector accounted for 22 per cent of total outstanding bank credit. Increase in public sector credit by banking sector was partly due to lower demand for National Savings Certificates (NSCs) that met 11 per cent of government's net financing requirement in FY 2021-22. The overall credit growth remained in double-digits in FY2022-23 and Q1 of FY2023-24 despite moderate growth in private sector credit amid tighter monetary and liquidity conditions, reduced demand for trade finance, and rising uncertainty. Importantly, domestic microfinance institutions reported healthy growth of 26.4 per cent in their loan disbursements in FY2022-23. Bank deposit and lending rates have also increased in tandem with domestic monetary and liquidity conditions.

In FY2023-24, Bangladesh Bank has adopted a more modern monetary policy framework by switching from monetary aggregates to an interest rate targeting framework. With introduction of a market-based competitive interest rate corridor with automatic standing lending and deposit facilities, the authorities expect better monetary policy transmission going forward. With effect from July 1, 2023, the central bank has removed lending rate ceiling and introduced a market-based reference rate (i.e., six-month moving average rate of Treasury bill) along with a margin specified for banks and non-bank financial institutions. These policy changes are expected to gradually enhance competitiveness and create a favorable lending environment in the banking sector. In October 2023, Bangladesh Bank took the decision to reform its Monetary Policy Committee by inducting three external members to benefit from their expertise in addition to that existing inside the Bank. Bangladesh Bank has also begun to use market determined exchange rate of Taka for official forex transactions.

Reforms to modernize domestic financial system are also underway. The Bank Company (Amendment) Act 2023 approved by Parliament in June 2023 aims to strengthen governance structure and financial viability of domestic banks. The

Finance Company Act 2023 - introducing new measures to strengthen the governance of non-bank financial institutions - has been passed by Parliament in October 2023 and notified in November 2023. Bank and Financial Institution Deposit Protection (Amendment) Act-2023 submitted for parliamentary approval in June 2023 proposes to safeguard depositors' interest by doubling the coverage limit and bringing non-bank financial institutions under the ambit of Deposit Insurance Systems. Under a joint strategy to reduce non-performing loans and restore capital by 2026, MoUs have been signed between Bangladesh Bank and several commercial banks (both state-owned and private) with focus on a stronger monitoring mechanism to lower NPLs, boost performance, and increase governance. As noted in the staff report, recommendations of the 2022 safeguards assessment are also being implemented by Bangladesh Bank to improve transparency of its IFRS-based financial statements and reporting of official reserve assets based on prescribed international practices.

A new Universal Pension Scheme was launched in August 2023 to improve social safety net for private sector (both formal and informal) employees aged above 18 years. Several measures have been undertaken to upgrade domestic public health infrastructure. In August 2023, the World Bank has approved its financial support for the Urban Health, Nutrition and Population Project aiming to improve primary healthcare services in major urban areas. With the launch of various women and child welfare schemes, the female labor participation rate improved from 36 percent in 2010 to 42.7 percent in 2022.

Banking industry in 2023

The banking sector in Bangladesh has encountered numerous challenges over an extended period. Its weaknesses have been consistently exposed through high loan default rates and subpar performance across various indicators. Bangladesh's banking sector has consistently demonstrated vulnerability, primarily because of a lack of good governance and a dearth of reforms. This inherent fragility presents significant risks to the overall economy. Regrettably, the government's commitments to safeguard the banking sector remain unmet. Considering recurrent instances of fraudulent activities and irregularities, the actions implemented by the government have been insufficient. Non-performing loans (NPLs) remain unchecked, threatening the health of the country's financial system. Crony capitalists have used banks as vehicles for reaching their goal of financial oligarchy. Unfinished financial sector reforms are holding back the improvement of the economic outlook. This section briefly presents the performance of some key indicators in recent periods and makes a few recommendations to overcome the challenges.

The potential recovery of the aforementioned funds remains uncertain, with the possibility of non-recovery looming large and a plausible scenario involving the funds being illicitly transferred abroad through money laundering activities. Regrettably, instances of lending irregularities have been

observed by the relevant authorities. Loans are observed to be allocated to business groups and individuals in a manner that appears to circumvent established rules and regulations, purportedly under the guidance of influential individuals. The absence of mechanisms to hold loan defaulters accountable for their actions and fraudulent behaviors has demoralized and frustrated honest borrowers. The provision of undue privileges is exclusively reserved for borrowers with substantial loan amounts. Unfortunately, it has been observed that small borrowers have been subjected to legal consequences, including imprisonment, in instances where they fail to fulfil their financial obligations. However, large defaulters continue to remain unscathed.

Implementing effective measures to combat large-scale unlawful lending is often hindered by many of these borrowers either holding ownership stakes in the banks or possessing influential support from powerful entities. The banking sector has exhibited instances of monopolization, leading to a decline in the governance of the sector. The phenomenon in question has additionally given rise to a form of capitalism called crony capitalism, wherein financial institutions are utilized to extract resources or wealth by a group of people favored by the authorities.

The banking sector throughout 2023 faced serious crises, including dollar shortage, depreciating local currency, loan irregularities and liquidity crisis. The volume of non-performing loan (NPL) in Bangladesh's banking sector soared to Tk. 155,397 crore by the end of September from Tk 120,656 crore at the end of December 2022 and Tk 88,734 crore in December 2020. The total distressed assets in the banking sector reached Tk 3,77,922 crore excluding loans that were unclassified by court orders, according to the central banks Financial Stability Report, 2022. Despite criticisms from different corners, the central bank relaxed loan classification and rescheduling rules, which, along with a culture of impunity, allegedly encouraged fraudulent activities leading to a substantial increase in NPLs in the banking sector.

The situation became so severe that many banks stopped opening letters of credit for imports, prompting the government to seek a loan from International Monetary Fund (IMF). Bangladesh's gross foreign exchange reserve, as per International Monetary Fund guidelines, decreased to \$21.44 billion on December 27 after the central bank increased dollar sales to meet market demand. Over the past 29 months, the central bank sold approximately \$27 billion from its foreign exchange reserve. The limited availability of dollars has caused the value of local currency taka to depreciate, which makes it harder for businesses and individuals to plan and price their transactions effectively. The current dollar shortage has already forced the government to secure \$4.7 billion in loans from the International Monetary Fund over a period of three years.

Some important initiatives taken by Bangladesh Bank in 2023

are as follows:

- Commencement of Bancassurance.
- Rationalization of Interest Rate on Deposit
- Collateral Valuation Firm/Company Enlistment Policy.
- Appointment of director, contractual advisor and consultant for Bank-Company.
- Restrictions for ensuring discipline in bank-company management.
- Issuance of 'Guidelines to Establish Digital Bank'.
- Policy on Off-Balance Sheet (OBS) Exposure.
- Master Circular on Schedule of Charges
- Guidelines on Cloud Computing
- Policy Regarding Establishment of Banks' Business Centers & Their Rent/Lease Related Issues
- Loan/Investment Write-off Policy

Performance of Meghna Bank PLC.

Principal Activities

The principal activities of the Bank are to provide all kinds of commercial banking service to its customers that include extending credit/lending to different types of customers, receiving deposits, Consumer and SME financing, trade financing, project financing, lease and hire purchase financing, credit cards, remittance services, etc. Meghna Bank is currently providing services to its customers through 51 Branches, 9 Sub branches, 10 Islamic banking windows, 36 agent banking points and 12 own ATM booths strategically located across the country, with free access to 12,000 ATM booths nationwide. In October 2020, it established an Off-shore Banking Unit (OBU) for foreign currency services. The bank also has subsidiary investments in Meghna Bank Securities Limited.

Human Resources

Transforming human resources into human capital through enhancement of knowledge level, development of skills, abilities and personal attribution is the vision of the Bank. The Bank is maintaining a good working environment and motivating the workforce with contemporary benefits.

Corporate Governance

The Board is committed to adhere strictly to the statutory obligations and regulatory guidelines. The Bank Directors are responsible for the governance of the Bank. Thus preparation of Annual Report and Financial Statements lies to the Board in accordance with the Companies Act 1994, Bank Company (Amendment) Act, 2023, Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS) and stipulations of Bangladesh Securities and Exchange Commission (BSEC). To discharge the duties and responsibilities of the Board, three Committees i.e. Executive Committee, Audit Committee and Risk Management Committee remained

functional with defined responsibilities. Each Committee adheres to a set of terms of reference approved by the Board. Their roles, operating procedures and authorities are clearly defined in the terms of reference which the Board reviews from time to time. During the year 2023, sixteen meetings of Board of Directors, four meetings of Executive Committee, four meetings of Audit Committee and four meetings of Risk Management Committee were held.

Financial position and performance of the bank

Performance of the Bank during Year 2023 was good. Various parameters reflect that the Bank maintained to grow in all aspects. Some of the key indicators reflecting the growth of the Bank are summarized below as ready reference of the shareholders. Balance sheet size of the Bank increased by Tk. 18.91 billion showing growth of 29.31% over the year 2022. Details of the items which results the overall growth are available in the Audited Financials of the Bank:

Total Assets:

The major contribution to the overall 29.31% growth in assets of the Bank from increase in loans & advances and investments in treasury bills & bonds and preference shares. The table below depicts decrease in amount and corresponding growth in major heads of Bank's asset:

Assets	Year 2023		Year 2022		Growth in 2023	
	Taka	%	Taka	%	Taka	%
Cash	4,912,237,200	6%	3,920,090,518	6%	992,146,682	25%
Balance with Other Banks & Fis	4,907,459,021	6%	4,360,021,451	7%	547,437,570	13%
Money at Call & Short Notice	-	0%	1,010,000,000	1%	(1,010,000,000)	(100%)
Investments	18,703,603,049	23%	13,384,147,934	21%	5,319,455,115	40%
Loans and Advances	52,042,206,692	62%	39,973,582,659	62%	12,068,624,033	30%
Fixed Assets	1,084,940,759	1%	689,205,816	1%	395,734,943	57%
Other Assets	1,800,505,886	2%	1,199,949,048	2%	600,556,838	50%
Total Assets	83,450,952,607	100%	64,536,997,426	100%	18,913,955,181	29%

Total Liabilities:

Deposits & Other Accounts increased by Tk. 15.49 billion resulting 31.28% growth over the year 2022. Shareholders' Equity increased to Tk 7.31 billion in year 2023 from Tk 6.54 billion in year 2022. Itemized analysis and comparison with the year 2022 is presented below:

Particulars	Year 2023		Year 2022		Growth in 2023	
	Taka	%	Taka	%	Taka	%
Borrowings from other Banks, Financial Institutions and Agents	4,219,880,636	5%	1,620,218,321	3%	2,599,662,315	160%
Deposits & Other Accounts	65,029,180,705	78%	49,535,924,245	77%	15,493,256,460	31%
Non-Convertible Subordinated Bonds	1,800,000,000	2%	2,000,000,000	3%	(200,000,000)	(10%)
Other Liabilities	5,095,865,640	6%	4,842,913,209	7%	252,952,431	5%
Equity	7,306,025,626	9%	6,537,941,651	10%	768,083,975	12%
Total Liability	83,450,952,607	100%	64,536,997,426	100%	18,913,955,181	29%

Contingent Liabilities:

The non-funded business of the Bank increased during the year 2023 as reflected in the table below. Business volume increased in the year 2023 as compared to year 2022 but amount of non-funded business handled by the bank in year 2023 was Tk. 57.83 billion as compared to Tk. 28.89 billion in year 2022 with 100% growth. The following table contains more details of non-funded business in year 2023 and comparison with year 2022.

Particulars	Year 2023		Year 2022		Growth in 2023	
	Taka	%	Taka	%	Taka	%
Acceptance and Endorsement	4,115,058,970	27%	1,598,586,059	17%	2,516,472,911	157%
Letters of Guarantee	7,161,926,677	47%	4,950,174,711	54%	2,211,751,966	45%
Irrevocable Letters of Credit	2,786,645,745	18%	1,424,119,061	16%	1,362,526,684	96%
Bills for Collection	1,297,491,682	8%	1,225,462,527	13%	72,029,155	6%
Total Contingent Liabilities	15,361,123,074	100%	9,198,342,358	100%	6,162,780,716	67%

Operating Income:

Total operating income of the Bank increased 54% in year 2023 as compared with year 2022. In the year 2023, the Bank recorded Tk. 3.42 billion as operating income against Tk. 2.22 billion in year 2022. Net interest income & investment income has increased by 35% & 61% respectively. Commission, Exchange and Brokerage earnings increased 55% in the year 2023 as compared with the year of 2022. Below is the comparative position of Bank's total operating income for the year 2023 and Year 2022:

Particulars	Year 2023		Year 2022		Growth in 2023	
	Taka	%	Taka	%	Taka	%
Net Interest Income	486,047,105	14%	361,180,575	16%	124,866,530	35%
Investment Income	1,989,288,640	58%	1,231,912,978	55%	757,375,662	61%
Commission, Exchange & Brokerage	675,558,935	20%	436,806,157	20%	238,752,778	55%
Other Operating Income	266,891,690	8%	192,548,153	9%	74,343,537	39%
Total Operating Income	3,417,786,370	100%	2,222,447,863	100%	1,195,338,507	54%

Operating Expense:

Despite having a significant increase of business volume and expansion of physical network through branches and sub-branches, bank has managed its operating expense with 24% growth. Below is the comparative position of Bank's operating expenses for the year 2023 and 2022:

Particulars	Year 2023		Year 2022		Growth in 2023	
	Taka	%	Taka	%	Taka	%
Salaries and Allowances	964,523,068	53%	770,413,269	53%	194,109,799	25%
Rent, Taxes, Insurances, Electricity etc.	114,945,011	6%	91,612,013	6%	23,332,998	25%
Legal Expenses	5,266,543	0.29%	356,422	0.02%	4,910,121	1378%
Postage, Stamps, Telecommunications	26,937,195	2%	22,054,452	1%	4,882,743	22%
Stationery, Printings, Advertisements etc.	23,292,169	1%	17,120,757	1%	6,171,412	36%
Chief Executive's Salary & Fees	18,595,595	1%	17,893,487	1%	702,108	4%
Directors Fee	2,138,400	0.12%	1,927,200	0.13%	211,200	11%
Auditors Fee	420,000	0.02%	398,475	0.03%	21,525	5%
Depreciation & Repairs	244,015,445	14%	212,586,939	15%	31,428,506	15%
Other Expenses	420,203,668	23%	337,150,263	23%	83,053,405	25%
Total Operating Expenses	1,820,337,094	100%	1,471,513,277	100%	348,823,816	24%

Shareholders' Equity

Consolidated shareholders' equity of the Bank and its subsidiary increased by 12% at the end of year 2023 and Bank's shareholders' equity also increased by 12%. Paid-up capital of Meghna Bank was Tk. 5.44 billion, statutory reserve increased by Tk. 0.21 billion during the year and stood at Tk. 1.19 billion at the end of year 2023. Distributable profit stood at Tk. 0.68 billion at the end of the year.

Provision as per regulatory requirement

Adequate General Provision has been made against unclassified loans and advances and off -balance sheet exposures as per regulatory guidelines. During the year bank made general provision of Tk. 203.44 million against year-end position of loans & advances and off-balance sheet exposures, Tk. 386.86 million provision made against classified loans and advances, Tk. 3.60 million provision released against diminution in value of investments and Tk. 34.69 million provision released against Special General Provision-Covid-19. The Bank has also made provision of Tk. 267.50 million for current year income tax.

Subsidiary of the Bank

Meghna Bank Securities Limited

After commencement of operation on November 19, 2015, Meghna Bank Securities Limited achieved gradual growth in the year 2023. Earning a net profit of Tk. 0.48 million after tax in the year 2023.

Appointment of Auditors

M/s. Hoque Bhattacharjee Das & Co., Chartered Accountants, have completed their first year as statutory auditors of the Bank. Being eligible for the reappointment, the existing auditor M/s. Hoque Bhattacharjee Das & Co., Chartered Accountants offered themselves for reappointment. In this regard the Audit Committee scrutinized and reviewed the proposals and proposed to the Board to appoint M/s. Hoque Bhattacharjee Das & Co., Chartered Accountants, as external Auditor of the Bank for the year 2024.

The Board in its meeting recommended to the shareholders to appoint M/s. Hoque Bhattacharjee Das & Co., Chartered Accountants at a remuneration of BDT 500,000/- including VAT. We have also taken the prior approval from Bangladesh Bank to appoint M/s. Hoque Bhattacharjee Das & Co., Chartered Accountants, until conclusion of 12th AGM.

Recommendation of Dividend

Having considered the financial position of the bank and existing rules of regulatory authorities in terms of provisions and appropriations, the Board decided to declare 10.00% dividend payable in cash and 2.50% dividend as stock for the year 2023 and to recommend the same to the Shareholders of Meghna Bank PLC. in the 11th Annual General meeting for their approval.

Contribution to national exchequer

Meghna Bank regularly pays corporate tax on time, sometime even before it falls due if demanded by the tax authority. We also deposit excise duty, withheld tax and VAT to govt. exchequer on time deducted from customers, employees' salary as well as on bills from third parties including vendors. During the calendar

year 2023 we contributed BDT 1,156.94 million to national exchequer as Tax, VAT and Excise Duty. We paid corporate tax of BDT 274.54 million, withheld tax of BDT 667.98 million, VAT of BDT 123.02 million and Excise Duty of BDT 91.40 million during the year 2023.

Internal control system

Robust internal control system helps Meghna achieve goals and aspirations consistently. This control system also ensures that the Bank complies with local laws and regulations as well as policies, plans, internal and external rules, guidelines and procedures, and subsequently decrease the risk of unexpected loss or damage to the Bank. The Board has delegated the responsibility of overall supervision of internal control system to Audit Committee of the Board. The key functionalities that have been established in reviewing adequacy and integrity of the system of internal control are as follows:

- Different committees have been formed consisting of relative stakeholders with expertise on the subject matter to assist the Board in guiding the Bank's operation in line with its mission, vision and strategies.
- The internal audit department of the Bank checks for compliance with policies and procedures and the effectiveness of the internal control system on regular basis and highlights significant findings in respect of any non-compliance.
- The Audit Committee of the Board reviews the internal control findings identified by the Internal Audit of the Bank, Inspection Team of Bangladesh Bank, External Auditors and Management, and evaluates the adequacy and effectiveness of the risk management and internal control systems.
- The Board of Directors holds meetings at suitable intervals with senior management, internal auditors, external auditors and the Audit Committee for evaluating the effectiveness of internal control system and provides necessary guidance.
- The internal audit department has direct access to the Audit Committee as and when required to ensure submission of internal audit findings to the Audit Committee without any management intervention.
- Self-Assessment of Anti-Fraud Internal Controls is carried out on half-yearly basis and is sent to Bangladesh Bank as per requirement of DOS Circular Letter No. 10 dated 09 May 2017 issued by BB after receiving compliance confirmation from respective stakeholders.

Risk management

The Risk Management Committee (RMC) of the Board reviews and monitors the overall risk management system of the Bank and updates the Board from time to time. Risk management functions are subject to continuous scrutiny of Internal Control & Compliance Division (ICCD) and supervision of Risk Management Division (RMD) to ensure appropriateness and integrity of the risk management practices and mechanism.

The risk management system of Meghna Bank has been described in "Risk Management Report" section and the major areas focused by RMC in 2023 have been presented in "Report

of the Risk Management Committee of the Board” section of this annual report. Also the major areas focused by ERM in 2023 have been described in “Report of the Executive Risk Management Committee (ERM)” section of this annual report.

CSR Activities

Corporate Social Responsibility (CSR) is considered as an acceptable tool all over the world to promote equitable and sustainable development, maintain consistent higher growth of the economy, decrease the inequality of the society and mitigate environmental degradation.

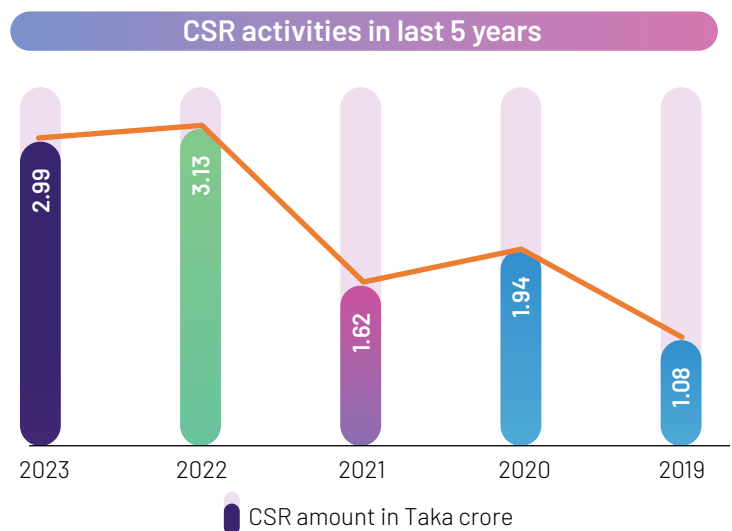
Meghna Bank is committed to promoting economic and social progress within the communities it serves through a range of initiatives and programs. MGBPLC aims to create sustainable

value for its customers, shareholders, employees and, most importantly, the community. Our CSR goes beyond philanthropy and regulatory compliance. It is more about investing in business growth while ensuring sustainability of market, customers, community and environment. We acknowledge our social responsibility well and align our business strategies with our culture and serving the society as part of our Corporate Social Responsibility(CSR) to promote underprivileged segment of the society by contributing to the development of society, economy and environment and in the process of that creation our customers need a partner that looks after their financial requirements with extra care. We believe banking remains key to stimulate economic activity, job creation and small business empowerment, while also helping raise the standards of living amongst marginalized communities.

Our major CSR activity areas are:



Meghna Bank’s performance in CSR activities may be summarized as follows:



During 2023, Meghna Bank donated an amount of Tk. 2.99 Crore in CSR activities. Major areas covered in CSR activities during the year is:

- Distribution of 15,000 blankets among poor and destitute people
- Donated to Home Construction Fund by Private Finance" Ashrayan Project-2, PMO, Dhaka from Bank's CSR for support to build homes for destitute and homeless people.
- Donation to Prime Minister’s Education Assistance Trust.
- Donated for arrangement Sheikh Kamal 2nd Bangladesh Youth Games 2023 arrangement by Bangladesh Olympic Association.
- Distribution of wheel chairs among physically challenged people.
- Few snapshots of CSR activities in 2023:



Acknowledgement

For the unrelenting support and assistance, the Board of Directors of the Bank would like to convey its thanks to all honorable sponsors and shareholders, valued clients and well-wishers of the Bank.

The Board also takes the pleasure to pass on earnest appreciation and profound thanks to the Government of Peoples Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, the Financial Reporting Council, National Board of Revenue (NBR) and Registrar of

Joint Stock Companies and Firms (RJSC) for their suggestions and direction extended to the Bank.

On behalf of the Board of Directors,

H N Ashequr Rahman
Founder & Chairman

EFFECTIVENESS OF RISK MANAGEMENT FRAMEWORK & FUNCTIONS

Background:

An efficient and healthy banking system is a prerequisite for sustainable economic growth of a country. In this context, effective risk management practices enable the banking industry to build public trust and confidence in the institutions which is necessary for mobilizing private savings for investment to facilitate economic growth. On top of that, inadequate risk management practices in the banking industry would result in bank failures leading to erosion of public confidence in the industry having adverse implications for the economic growth. On the other hand risks are usually defined by the adverse impact on profitability of several distinct sources of uncertainty. Risk management system is a pro-active action in the present for the future. Business grows mainly by taking risk. It is generally understood that the greater the risk, the higher the profit. Therefore, every bank must strike a balance between the two. In view of the above, an effective risk management framework is a prerequisite for banks to achieve their own business objectives and also play their role in the economic growth of the country.

Risk Management Structure:

Responsibility for risk management resides at all levels within the Bank starting from the Board of Directors, Risk Management Committee (RMC) and the Executive Committee (EC) down through the organization to each business manager and specialist. Bank distributes these responsibilities so that risk/ return decisions are taken at the most appropriate level; as close as possible to the business and subject to robust and effective review and challenge. The risk management procedures are approved, monitored and mitigated at various stages of the Bank with inputs from the Board of Directors as well as committees and Divisions namely Executive Committee (EC) Audit Committee (AC) Risk Management Committee (RMC), Management Committee (MANCOM), Asset Liability Committee (ALCO), Risk Management Department (RMD), Credit Risk Management Committee (CRMC), Internal Control and Compliance Division (ICCD), and Central Compliance Unit (CCU). On an enterprise basis, the Bank's overall risks are reviewed, monitored and supervised by Chief Risk Officer (CRO) of the Bank Supported by Risk Management Department (RMD).

Risk Management Strategy:

At a strategic level Bank's Risk Management objectives are:

- To identify Bank's material risk.
- To formulate the Bank's Risk Appetite consistent with its overall risk profile and capital adequacy.
- To optimize risk/ return decisions by taking them as closely as possible to the business while establishing strong and independent review and challenge structures.

- To ensure that business growth plans are properly supported by effective risk infrastructure.
- To help executives improve the control and coordination of risk taking across the business.

Risk Management Framework:

The primary objective of the risk management is ensuring that the outcomes of risk taking activities are consistent with the Bank's strategies and risk appetite, and that there is an appropriate balance between risk and reward in order to minimize shareholders returns. The Bank's enterprise wise risk management framework provides the foundation for achieving these goals.

This framework is subject to constant evaluation to ensure that it meets the challenges and requirements of the global markets in which the Bank operates including regulatory standards and industry best practices. The risk management programs of the Bank's subsidiaries confirm in all material respects to the Bank's risk management framework, although the actual execution of their programs may be different. The Bank's risk management framework is applied on an enterprise wide basis and consists of three key elements:

- Risk Governance
- Risk Appetite
- Risk Management Techniques

Risk Management Committee (BRMC) Composition:

In compliance with Section 15 Kha (3) of the Bank Companies Act 1991 (amended up to 2013), BRPD Circular No. 11 dated 27 October- 2013 the Board of Directors of Meghna Bank PLC. (MGBPLC) constituted the Risk Management Committee with required members.

Objective:

- To play an effective role in mitigating future risks arising from strategies and policies formulated by the Board and to carry out the responsibilities efficiently.
- After identifying and assessing several risk factors like Credit Risks, Foreign Exchange Risks, Internal Control and Compliance Risks, Money Laundering Risks, Information and communication Technology Risks, Management Risks, Interest Risks, Liquidity Risks etc. the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied. Whether adequate capital and provision is being maintained against the risks identified.

Organizational Structure:

- Members of the committee will be nominated by the Board of Directors from themselves
- The Risk Management Committee will comprise of maximum 05 (five) members
- Members may be appointed for a 03 (three) year term of office
- Company secretary of the bank will be the secretary of the Risk Management Committee.

Qualifications of the Member:

- Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee
- Each member should be capable of making valuable and effective contributions in the functioning of the committee
- To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.

Meeting of the BRMC:

The committee is entitled to conduct at least four meetings in a year and call meeting at any time as per requirement. The committee may call the CEO, CRO and Head of Risk Management Department (RMD) or any executive to attend the committee meeting. The BRMC of MGBPLC held 4 (four) meetings during 2023 having detailed discussions and review session with the CRO, CEO and Head of RMD regarding their findings, observations and recommendations on issue of bank affairs that need improvement.

The Board Risk Management Committee as of December 31, 2023 was as follows:

SL	Name	Status
1	Ms. Rehana Ashequr Rahman	Chairperson
2	Ms. Imrana Jaman Chowdhury	Member
3	Mr. Md. Mamun Salam	Member
4	Mr. Dr. Syed Ferhat Anwar, Independent Director	Member
5	Mr. Md. Ahsan Ullah, Independent Director	Member

Roles and Responsibilities of the Board Risk Management Committee (BRMC):

Risk identification & control policy:

Formulation and Implementation of appropriate strategies for risk assessment and its control is one of the major responsibilities of Risk Management Committee of the Board. The committee will review the risk management process to ensure effective prevention and control measures.

Construction of organizational structure:

The responsibility of Board Risk Management Committee (BRMC) is to ensure an adequate organizational structure for managing risk within the Bank. The Risk Management Committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of Credit Risk, Foreign Exchange transaction risk, Asset Liability Management Risk, Internal Control and Compliance Risk, Money Laundering Risk, Information and Communication Technology Risk including other risk related guidelines.

Analysis and approval of Risk Management policy:

Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.

Management Information System:

Adequate record keeping and reporting system developed by the Bank management will be approved by the Board Risk Management Committee. The committee will ensure proper use of the system. The committee may escalate any of their findings, suggestions to the Board of Directors.

Monitoring the implementation of overall Risk Management Policy:

Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

Executive Risk Management Committee (ERMC):

MGBPLC has a well-organized Management level Risk Management Committee dully approved by the Board of Directors with concrete Terms of Reference (TOR). ERMC consists of:

SL	Designation	Role
1	Mr. I. Q. M. Abdul Jalil, EVP and Acting CRO	Chairman
2	Mr. Kimiwa Saddat, DMD and Head of corporate	Member
3	Mr. Md. Sadiqur Rahman, DMD and Head of Treasury	Member
4	Mr. Khaled Hossain, EVP and Head of Operations	Member
5	Mr. Enamul Kabir, SVP and In-charge, Retail and SME	Member
6	Mr. Sajib Kumar Saha, SVP and CFO	Member
7	Mr. Md. Mahmudul Hasan, VP and Head of SAMD	Member
8	Mr. Muhammad Pavel Akhter, VP and Head of IT Ops	Member
9	Mr. Mohammad Shibly Shohel, SAVP and Head of RMD	Member Secretary
10	Mr. Iqbal Mahmud Chowdhury, AVP and acting In-Charge of ICCD	Member

11	Mr. Md. Abdulla Almamun, FAVP and Head of AMLD	Member
----	--	--------

Terms of Reference:

- Allocation of risk capital and determination of global risk limits. Allocation of Capital-at-risk (CRAR) for different lines of businesses and for different categories of risks. In the process of allocating capital, the committee wants to ensure adequate diversification of risk and that the Bank has sufficient capital to cushion against stress scenarios.
- Enhancing shareholder value through evaluation of risk-return profiles of business activities and ensuring that they are within the parameters set by the Board of Directors.
- Risk Management Policies.
- Review and recommend to the Board Risk committee for approval of appropriate risk policies so that the risk management framework is in line with corporate plans, best practices, and conforms to legal & regulatory requirements.
- Recommendations on appointment of members to the various risk committees for Board's approval.
- Evaluate and review proposals on new products, investments, businesses and product variations, and subsequently grant the approval in principle prior to operational readiness or recommendation to the Board of Directors for approval.
- Establish and revise guidelines on operational risk management and to approve tools and methodologies for risk assessment and risk controls, also to review the adequacy of resources to manage operational risk.
- To identify the Bank's material risks.
- To formulate the Bank's Risk Appetite consistent with its overall risk profile and capital adequacy.
- To optimize risk/ return decision by taking them as closely as possible to the business while establishing strong and independent review and challenge structures.
- To ensure that business growth plans are properly supported by effective risk infrastructure.
- To help executives improve the control and coordination of risk taking across the business.
- Enforce compliance with all risk policies and limits allocated by the various risk committees.
- Risk Identification and measurement.
- Deployment of proper methodology to identify and measure risk for all positions.
- Set strategies to evaluate, monitor risk to be within the tolerance level.
- Approve methodologies and tools for the measurement of credit risk, market risk and operational risk.
- Maintenance of Asset quality through close monitoring.
- Review contingency plan /business continuity management plans of various departments of the Bank and its subsidiaries.

- Review and recommend investment policies.

Supervisory Review Process (SRP):

Supervisory Review Process, the second pillar of Basel-III of Risk Based Capital Adequacy Framework is intended not only to ensure that banks have adequate capital to support all the risks in their business, but also to encourage banks to develop and use better risk management techniques in monitoring and managing their risk. The key principle of the Supervisory Review Process (SRP) enjoins that banks should have a process for assessing overall Capital Adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The Main aspects of a rigorous SRP are as follows:

- Board and Senior Management oversight
- Sound capital assessment
- Comprehensive Assessment of Risks
- Monitoring and Reporting

MGBPLC has a well-organized Management level SRP Committee duly approved by the Board of Directors. SRP Committee consists of:

SL	Name	Position in Team
1	Managing Director & CEO	Chairman & Head of SRP
2	Head of CRM and Acting CRO	Member
3	Head of Retail	Member
4	Head of Operations	Member
5	Head of Corporate Banking	Member
6	Head of Treasury	Member
7	Head of IT	Member
8	Head of ICCD	Member
9	Chief Financial Officer	Member
10	Head of AML	Member
11	Head of SAMD	Member
12	Head of Risk Management Department	Member Secretary

Board and Senior Management oversight:

As per Bangladesh Bank Guidelines, SRP of the bank is being implemented under the following structure of three layers:

- Strategic Layer:** The Risk Management Committee will be responsible on behalf of the Board of Directors to implement SRP in banks. The committee will monitor the managerial layer. The agenda of each meeting of the committee must include the SRP implementation in banks.
- Managerial Layer:** Banks must have an exclusive body naming SRP team which will be constituted by the concerned departmental heads of the bank and headed by Managing Director. The formation and modification of SRP team and its terms of reference

(ToR) must be approved by the Board of Directors and to be notified to Bangladesh Bank. Banks must have a document (called Internal Capital Adequacy Assessment Process-ICAAP) for assessing their overall risk profile and a strategy for maintaining adequate capital. This document is also to be approved by the Board of Directors.

- C. **Operational Layer:** The banks must have an operational unit in this respect which will be responsible for collecting information from concerned departments and branches, regulatory correspondences, compiling the required calculations of ICAAP reporting and the tasks assigned by the SRP team.

Sound Capital Assessment:

Bangladesh Bank issued a Manual of Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP manual includes:

- Policies and procedures designed to ensure that the bank identifies, measures and reports all material risks.
- A process that relates capital to the level of risks.
- A process that states capital adequacy goals with respect to risk taking account of the banks strategic focus and business plan.
- A process of internal control, review and audit to ensure the integrity of the overall management process.

Comprehensive Assessment of Risk in SRP:

All material risk faced by the bank are addressed in the adequate capital assessment process except (Credit Risk, Market Risk and Operational Risk) which is calculated in the Pillar -1 of Basel-III. Therefore, SRP considers all risk of the Banks not considered under pillar-1 of Basel -III are as follows:

- I. **Residual Risk:** Error in documentation and error in valuation of collateral security.
- II. **Concentration Risk:** Credit concentration in groups, sectors and regions
- III. **Interest Rate Risk in the Banking Book:** Probable loss due to poor asset liability management and volatile movement of marketable instrument like bill, bond.
- IV. **Liquidity Risk:** Inability to fulfill the commitments on time as payment falls due. The indicators tracked for identification of the risks include CRR, SLR, Medium Term Funding Ratio(MTFR) Maximum Cumulative Outflow(MCO) Advance Deposit ratio (ADR) Liquidity Coverage Ratio(LCR) and Net Stable Funding Ratio(NSFR)
- V. **Reputation Risk:** Internal and External fraud, non-Payment of ABP, Credit rating and Customer Service.
- VI. **Strategic Risk:** CAMELS rating falling below 2, Operating Expenses exceeding 45% of Operating income, Classified Loans exceeding 5% of total loan, Recovery rate falling below 20%, Interest waiver exceeding 5% of total classified loans, cost of fund, strategic plan(Deposit growth plan, Loans growth Plan, Profit growth plan)Rescheduling of loans and advances(rescheduled more than three times capital

charge are considered)

- VII. **Settlement Risk:** The risks posed to the banks when it fulfills its contractual obligations (payment or delivery), but the counterparty fails or default to do the same. Non receiving or delayed of receivable bills (foreign and domestic) are evaluated to assess settlement risk.
- VIII. **Appraisal of Core Risk Management:** BB identified 6(six) risk areas which are termed as core risks through issuing an industry best practice framework. The Bank developed its own methodology for assessing each core risk separately. No capital charge is imposed for risk rating Strong and Satisfactory. Additional capital charge is imposed for Fair, Marginal and unsatisfactory.
- IX. **Environmental and Climate Change Risk:** To evaluate this risk, Sector Environmental Due Diligence (EDD) check list in Guidelines on Environmental Risk Management (ERM) issued vide BRPD circular No. 01/2011 dated 30/01/2011. For the loans under the sectors specified in the guidelines and which have EnvRR21 of "High" are considered for the capital charge against this risk.

In order to address the SRP issues under BASEL-III in Meghna Bank PLC. an exclusive body namely SRP team headed by Managing Director is in place within the following terms of reference:

Supervisory Review Process Committee (SRP) is performing the following factors:

- Review the nature and level of risk being taken by the Bank and how this risk relates to Adequate Capital levels.
- Ensuring the formality and sophistication of the risk management process are appropriate in light of the business profile and business plan.
- Analyze Banks current and future capital requirements.
- Adopt strategic planning process for Banks capital needs, anticipated capital expenditures, desirable capital level and external capital sources.
- Responsible for setting the Banks tolerance level for risks.
- Establishes a framework for assessing the various risks.
- Review of all Policy.

Monitoring and Reporting:

Ensure that business activities are within approved limits or guidelines, and are aligned with the Bank's strategies and risk Appetite. Breaches, if any, of these limits or guidelines are reported to the senior Management, and / or the Board depending on the limit or guideline.

Through Department of Offsite supervision (DOS) circular letter no. 03 dated 24 January 2023, Bangladesh Bank Instituted greater expertise in the area of Risk Management activities of the bank through exercise of international best practices. Accordingly, the Bank conducts Risk Reporting as per Bangladesh Bank reporting format namely Comprehensive

Risk Management Report (CRMR) another reporting format namely Monthly Risk management Report (MRMR). In addition to the above issues, the Bank also complies with the following instructions of Bangladesh Bank:

- The RMD shall report high risk related matters identified by the Management level risk committee, directly to the Board risk Management committee and shall provide a copy to the Managing Director for acknowledgement.
- Banks shall entrust in the RMD the responsibility of monitoring implementation of required corrective action related to objections revealed in the inspections conducted on the basis of the core risk management guidelines.

The major areas focused and pursued by the Board Risk Management Committee during 2023:

- Reviewed and approved Bank's ICAAP (Internal Capital Adequacy Assessment Process) document and SRP (Supervisory Review Process) return for onward submission to Bangladesh Bank.
- Review of Risk Appetite Statement.

- Review of Risk Management framework and functions of RMD.
- Review of NPL status of the Bank.
- Review of Loan Reschedule status of the Bank.
- Review of Business performance of Branches.
- Review of Asset Liability Management Guidelines for the year -2023.
- Review of Foreign Exchange Risk Management Guidelines for the year -2023
- Review of MGBPLC ICT security Policy along with all other ITD Procedures for the year 2023.
- Review of Internal Control and Compliance Guideline for the year -2023.
- Six core Risk Ratings of MGBPLC for last six years.
- Review of BASEL -III Statement (Minimum Capital Requirement) under Pillar -1 on quarterly basis.
- Reviewed the quarterly Stress Testing Reports.
- Reviewed Bangladesh Bank report on Comprehensive Risk Management Rating.



DISCLOSURE PER BASEL III GUIDELINES

As on December 31, 2023

Background:

The Disclosures given in the following pages on the position of the Bank's risk profiles, capital adequacy and risk management system under pillar-III of Basel-III are prepared by following the revised "Guidelines on Risk Based capital Adequacy" (RBCA) for banks issued by Bangladesh Bank in December 2014. These quantitative and qualitative disclosures are intended to complement the Minimum Capital Requirement (MCR) under pillar-I and Supervisory Review Process (SRP) under pillar -II of Basel -III.

The Purpose of these disclosures is to establish a transparent and disciplined financial market so that stakeholders can assess the position of the bank regarding assets and related risk and capital adequacy to meet probable loss of assets.

Scope of application:

The Risk Based Capital Adequacy framework applies to Meghna Bank PLC. (MGBPLC) on 'Solo' basis as well as 'Consolidated' basis as there were one subsidiaries of the bank as on the reporting date i.e. 31st December 2023. The name of the subsidiary company is "Meghna Bank Securities Limited".

Consistency and Validation:

The quantitative disclosures are made on the basis of consolidated audited financial statements of MGBPLC and its subsidiary for the year ended 31st December 2023 prepared under relevant international accounting and financial reporting standards as adopted by the institute of Chartered Accountants of Bangladesh (ICAB) and related circulars/ instructions issued by Bangladesh Bank from time to time. The assets, liabilities, revenues and expenses of the subsidiaries are combined with those of the parent company (MGBPLC), eliminating inter-company transactions. So assets of the subsidiaries were risk weighted and equities of subsidiaries were crossed out with the investment of MGBPLC while consolidating.

Structure of the Report:

1. Capital Adequacy:

- 1.1 Capital Structure.
- 1.2 Conditions for Maintaining Regulatory Capital.
 - 1.3.a Quantitative Disclosures (solo Basis).
 - 1.3.b Quantitative Disclosures (consolidated Basis).
- 1.4 Capital Adequacy.
- 1.5 Quantitative Disclosures

2. Asset Related Risk:

- 2.1. Credit Risk
 - 2.2. Qualitative Disclosures
 - 2.3. Quantitative Disclosures
 - 2.3.i. Total gross credit risk exposures broken down by major types of credit exposure
 - 2.3.ii. Geographical distribution of exposures.
 - 2.3.iii. Industry or counterparty type distribution of exposures.
 - 2.3.iv. Residual contractual maturity breakdown of the portfolio.
 - 2.3.v. Provision.
 - 2.3.vi. Movement of Non-performing Asset.
 - 2.4. Equity Risk.
 - 2.5. Quantitative Disclosure.
 - 2.6. Capital Requirement for Equity position Risk.
 - 2.7. Interest Rate Risk in the Banking Book.
 - 2.8. Qualitative Disclosure.
 - 2.9. Quantitative Disclosures.
 - 2.10. Market Risk
 - 2.11. Qualitative Disclosure.
 - 2.12. Method used to measure Market Risk.
 - 2.13. Market Risk management system.
 - 2.14. Policies and processes for mitigating Market risk.
 - 2.15. Quantitative Disclosure.
 - 2.16. Operational Risk.
 - 2.17. Performance gap of executives and staffs.
 - 2.18. Potential external events.
 - 2.19. Policies and processes for mitigating Operation Risk.
 - 2.20. Approach for calculating capital charge for Operational Risk.
 - 2.21. Quantitative Disclosure.

3. Liquidity and Leverage:

- 3.1. Liquidity ratio.
 - 3.1.i. Qualitative Disclosure.
 - 3.1.ii. Quantitative Disclosure.
- 3.2. Leverage Ratio
 - 3.2.i. Views of BOD on system to reduce excessive leverage.
 - 3.2.ii. Policies and processes for managing excessive On and Off Balance sheet Leverage.
 - 3.2.iii. Approach for calculating exposure.
 - 3.2.iv. Quantitative Disclosure.

4. Disclosure on Remuneration

- A. Information relating to the bodies that oversee remuneration.
- B. Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.
- C. Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.
- D. Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.
- E. Description of the ways in which the bank seek to adjust remuneration to take account longer-terms

performance.

- F. Description of the different forms of variable remuneration (i.e. cash, shares, and share-linked instruments and other forms) that the bank utilizes and the rationale for using these different forms.
- G. Quantitative Disclosure.

1.1. Capital structure:

Capital Structure of MGBPLC:

Regulatory capital, as stipulated by the revised RBCA guidelines by BB, is categorized into two tiers as under.

I. Tier 1 Capital (going-concern capital)

- a. Common Equity Tier 1 (CET-1)
- b. Additional Tier 1

II. Tier 2 Capital (gone-concern capital)

Tier 1 capital (going-concern capital) is the capital which can absorb losses without triggering bankruptcy of the bank.

Tier 2 capital (gone-concern capital) is the capital which will absorb losses only in a situation of liquidation of the bank.

1.2. Conditions for Maintaining Regulatory Capital:

The Bank complied with all the required conditions for maintaining regulatory capital as stipulated in the revised RBCA guidelines by Bangladesh Bank as per following details:

SL	Indicator	Bangladesh Bank Criteria	MGBPLC Position (Solo)	MGBPLC Position (Conso)	Compliance Status
1.	Common Equity Tier- 1	4.50%	14.25%	14.30%	Complied
2.	Capital Conservation Buffer	2.50%	8.25%	8.30%	Complied
3.	Common Equity Tier -1 plus capital Conservation Buffer (4.50%+2.50%) i.e. 7.00%	7.00%	14.25%	14.30%	Complied
4.	Minimum Tier-I Capital	6.00%	14.25%	14.30%	Complied
5.	Minimum Total Capital Plus Capital Conservation Buffer	12.50%	18.41%	18.46%	Complied
6.	Additional Tier 1 capital can be admitted maximum up to	1.50% of the total RWA or 33.33% of CET1, whichever is higher	NIL	NIL	MGBPLC has no Additional Tier 1 capital
7.	Leverage Ratio	3.00%	7.89%	7.90%	Complied

1.3.a Quantitative Disclosures (Solo basis):

Quantitative Disclosures	Particulars	Amount in Taka
	The amount of Tier- 1 capital	7,288,548,940
	Paid up capital	5,437,274,500
	Non-repayable share premium account	-
	Statutory reserve	1,188,112,033
	General reserve	-
	Retained earnings	680,484,163
	Adjustment of Goodwill and all other Intangible Asset	(17,321,756)
	Minority interest in subsidiaries	-
	Non-cumulative irredeemable preference shares	-
	Dividend equalization account	-
	The total amount of Tier 2 capital	2,124,080,507
	Other deductions from capital.	
	Total eligible capital	9,412,629,447

1.3.b Quantitative Disclosures (Consolidated basis):

Quantitative Disclosures	Particulars	Amount in Taka
	The amount of Tier- 1 capital	7,300,359,797
	Paid up capital	5,437,274,500
	Non-repayable share premium account	-
	Statutory reserve	1,193,290,166
	General reserve	-
	Retained earnings	687,557,870
	Adjustment of Goodwill and all other Intangible Asset	(17,762,842)
	Minority interest in subsidiaries	103
	Non-cumulative irredeemable preference shares	-
	Dividend equalization account	-
	The total amount of Tier 2 capital	2,124,459,727
	Other deductions from capital.	
	Total eligible capital	9,424,819,524

1.4. Capital Adequacy:

Bank's Approach to Assessing Capital Adequacy:

As banks in Bangladesh are now in a stage of developing risk management models, Bangladesh Bank suggested the banks for using Standardized Approach for assessing capital requirement for credit risk for banking book and Standardized (rule based) Approach for assessing capital requirement for market risk in trading book. MGBPLC used the Basic Indicator Approach (BIA), as prescribed by Bangladesh Bank in determining capital charge against operational risk. Under the Basic Indicator Approach (BIA), the capital charge for operational risk is a fixed percentage (denoted by alpha) of average annual gross income of the bank over the past three years.

MGBPLC focuses on strengthening and enhancing its risk management culture and internal control environment rather

than increasing capital to cover up weak risk management and control practices. It has been generating most of its incremental capital from retained profit to support incremental growth of Risk Weighted Assets (RWA). As of now, the Bank's CRAR remains consistently within the comfort zone after implementation of Basel-III from 2015. During 2023, the CRAR ranges from 17.48% to 18.67% on consolidated and Solo basis against minimum requirement of 10.00% of RWA. Assessing regulatory capital in relation to overall risk exposure of a bank is an integrated and comprehensive process. MGBPLC, through its Supervisory Review Committee and Management Risk Committee, is taking active measures to identify, quantify manage and monitor all risks to which the Bank is exposed to. Assessment of capital adequacy will be in alignment with the findings of these exercises.

1.5. Quantitative Disclosures:

Following table shows component wise allocation of capital to meet three risks and an amount of additional capital maintained over MCR i.e. 10.00% of RWA. As on the reporting date, Meghna Bank PLC. maintained a Capital to Risk weighted Asset Ratio (CRAR) of 18.46% & 18.41% on 'Consolidated & Solo Basis respectively against required minimum of 10.00%. We had capital surplus of BDT 431.83 crore on Consolidated and BDT 429.89 core solo basis after meeting all three risks as on the reporting date as shown in the following table:

Fig in crore

Capital Adequacy	Solo	Consolidated
Capital requirement for Credit Risk	472.33	469.93
Capital requirement for Market Risk	8.41	9.51
Capital requirement for Operational Risk	30.63	31.21
Total capital requirement	511.37	510.65
Minimum Capital requirement (MCR)@10%	511.37	510.65
Total Capital Maintained	941.26	942.48
Total capital Surplus	429.89	431.83
Total Risk Weighted Asset	5113.66	5106.47
Capital to Risk Weighted Asset Ratio	18.41%	18.46%

2.1. Credit Risk:

2.2. Qualitative Disclosures:

Definition of Credit Risk:

Credit risk is the possibility that a borrower will fail to meet its obligation in accordance with agreed terms and conditions. That is credit risk is the risk of loss that may occur from the failure of any counterparty to make required payments in accordance with agreed terms and conditions and/or deterioration of credit worthiness. Credit risk is managed through a frame work set by policies and procedures approved by the Board. The responsibility is clearly segregated between originator of business transaction and approver in the risk function.

2.3. Quantitative Disclosures:

2.3.i. Total gross credit risk exposures broken down by major types of credit exposure:

Particulars	Amount in Taka
Cash Credit	4,255,637,320
Secured overdraft	1,829,400,338
General overdraft	4,475,235,222
Import finance	1,649,179,894
Export finance	54,385,114
Other Demand Loans	21,582,776,134
Hire Purchase Finance	104,630,327
Consortium/Syndicate Finance	971,464,642
House Building Loan	2,304,139,163
Credit Card A/C	1,314,034,458
General Term Loans	12,243,183,806
Agricultural and Rural Credit Scheme	283,044,330
SME Loans and Advances	532,801,222
Personal/Professionals Loan Scheme	321,522,129

Particulars	Amount in Taka
Inland bills purchased and discounted	108,029,364
Foreign bills purchased and discounted	12,743,229
Total	52,042,206,692

2.3.ii. Geographical distribution of exposures:

Name of Area	Amount in Taka
Dhaka	40,783,475,212
Chittagong	8,871,104,950
Sylhet	362,212,913
Rajshahi	812,500,811
Rangpur	679,804,857
Khulna	374,601,359
Barisal	158,506,590
Mymensingh	-
Total	52,042,206,692

2.3.iii. Industry or counterparty type distribution of exposures:

Particulars	Amount in Taka
Commercial Lending	3,760,436,975
Export Financing	216,518,614
House Building Loan	1,183,195,858
Retail Loan	3,907,030,577
Small and Medium Enterprises	7,413,108,491
Special Program Loan	-
Industrial Loans Details :	33,577,743,808
Agricultural industries	-
Textile	1,491,126,413
Food and allied industries	6,962,968,302
Pharmaceutical industries	2,148,315,131
Leather, Chemical, Cosmetics	138,631,343
Tobacco industries	-
Cement and Ceramic industries	1,710,172,165
Service industries	4,408,788,654
Transport and Communication industries	627,563,772
Other industries including bills purchased and discounted	16,090,178,028
Others Loan	1,592,231,988
Other Loans and Advances (SOD)	148,623,430
Staff Loan	243,316,952
Total	52,042,206,692

2.3.iv. Residual contractual maturity breakdown of the portfolio:

Particulars	Amount in Taka
Re-payable on Demand	-
Not more than 3 months	17,924,571,580
Over 3 months but not more than 1 year	18,286,030,143
Over 1 year but not more than 5 years	11,358,390,995
Over 5 years	4,473,213,974
Total	52,042,206,692

2.3.v. Provision:

Particulars	Amount in Taka
Provision on Classified loans and Advances	1,002,297,664
General Provision for Unclassified Loans and Advances	477,742,188
General Provision for Off-Balance Sheet Exposures	140,636,314
Non-Performing Assets (NPAs)	2,358,591,399
Non-Performing Assets (NPAs) to Outstanding Loans and advances	4.53%

2.3.vi. Movement of Non-Performing Assets:

Particulars	Amount in Taka
Opening balance	2,547,751,542
Additions	1,053,512,005
Reductions	1,242,672,148
Closing balance	2,358,591,399
Movement of specific provisions for NPAs	
Opening balance	1,415,282,906
Net Provisions made during the year	386,860,095
Write - off	799,845,337
Write- back of excess provisions	-
Closing balance	1,002,297,664

2.4. Equities: Disclosures for Banking Book Positions:

Equity Risk:

Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money. Investment of MGBPLC in equity securities is broadly categorized into two parts: Securities (Shares-common or preference, Mutual Fund) that are traded in the secondary market (trading book assets) and Un-quoted securities that are categorized as banking book assets.

Capital charge for equities would apply on their current market value in the bank's trading book. This charge for both specific risk and the general market risk will be at the rate of the required minimum capital adequacy ratio. This is applied to all instruments that exhibit market behavior similar to equities. The instruments covered include equity shares, whether voting or non-voting, convertible securities that behave like equities, for example: units of mutual funds, and commitments to buy or sell equity.

2.5.Quantitative Disclosure

Total Investment in Capital Market (Consolidated Basis):

Name of Stock	Cost Price	Market Price	Profit / Loss	Required Provision	Provision Maintained	Total Capital as per BCA 1991	% of investment in capital market to total prescribed capital components
Portfolio: Bank							
Shares	17.33	13.62	-3.71	3.71	3.71		
Less Equity investment in subsidiaries other than merchant bank and brokerage subsidiaries							
Mutual Fund/Fund	0.00	0.00	0.00	0.00	0.00		
Bond/Debentures	0.00	0.00	0.00	0.00	0.00		
Loans to others for merchant banking and brokerage activities	0.00	76.72	0.00	0.00	0.00		
Loan to stock dealer	0.00	0.00	0.00	0.00	0.00		
Placement/others	0.00	0.00	0.00	0.00	0.00	661.45	15.68%
Less placement in subsidiaries	0.00	0.00	0.00	0.00	0.00		
Portfolio: Subsidiaries							
Shares	5.89	5.54	-0.35	0.35	0.35		
Mutual Fund/Fund	0.00	0.00	0.00	0.00	0.00		
Bond/Debentures	0.00	0.00	0.00	0.00	0.00		
Loans:							
Margin loans	0.00	3.79	0.00	0.00	0.00		
Bridge loans	0.00	0.00	0.00	0.00	0.00		
Placement/others	0.00	0.00	0.00	0.00	0.00		
Total Capital Market Exposure					103.73		

2.6.Capital Requirement for Equity Position Risk:(Consolidated Basis)

Capital charge for	Market Value	Risk Weight	Required Capital Charge
1	2	3	4=(2*3)
a. Specific Risk:	191,636,220	10%	19,163,622
b. General Market Risk:	191,636,220	10%	19,163,622
Total	383,272,440		38,327,244

2.7. Interest Rate Risk in the Banking Book (IRRBB)

2.8. Qualitative Disclosures:

Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's Financial condition. Changes in interest rates affect both the current earnings as well as the net worth of the bank. Re pricing risk is often the most apparent source of interest rate risk for a bank and is often estimated by comparing the volume of a bank's assets that mature or re-price within a given time period with the volume of liabilities that do so.

The short term impact of changes in interest rates is on the bank's Net Interest Income (NII). In a longer term, changes in interest rates impact the cash flows on the assets, liabilities and off-balance sheet items, giving rise to a risk to the net worth of the bank arising out of all re-pricing mismatches and other interest rate sensitive position.

2.9. Quantitative Disclosures:

The increase / decline in earnings or economic value for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency as under:

Weighted Average Duration of Asset	2.02
Weighted Average Duration of Liability	0.58
Duration GAP	1.44
CAR After different level of Shock	
Minor Level	17.26%
Moderate Level	15.04%
Major Level	12.81%

2.10. Market Risk:

2.11. Qualitative Disclosure:

Market risk is the possibility of losses in balance sheet and off-balance sheet positions arising out of volatility in market variables i.e., interest rate, exchange rate and price. Allocation of capital is required in respect of the exposure to risks deriving from changes in interest rates and equity prices in the bank's trading book, in respect of exposure to risks deriving from changes in foreign exchange rates and commodity price in the overall banking activity. The total capital requirement for banks against their market risk shall be the sum of capital charges against:

- i. Interest rate risk
- ii. Equity position risk
- iii. Foreign exchange position risk throughout the bank's balance sheet and Off Balance sheet exposure.
- iv. Commodity risk

2.12. Method used to measure market risk:

As banks in Bangladesh are now in a stage of developing risk measurement models, Bangladesh Bank suggested the

banks for using Standardized Approach for credit risk capital requirement for banking book and Standardized (rule based) Approach for market risk capital charge in their trading book. Maturity Method has been prescribed by Bangladesh Bank in determining capital against market risk. In the maturity method, long or short positions in debt securities and other sources of interest rate exposures, including derivative instruments, are slotted into a maturity ladder comprising 13 time-bands (or 15 time-bands in case of low coupon instruments). Fixed-rate instruments are allocated according to the residual term to maturity and floating-rate instruments according to the residual term to the next reprising date. In Standardized (rule based) Approach the capital requirement for various market risks (interest rate risk, price, and foreign exchange risk) are determined separately.

The total capital requirement in respect of market risk is the sum of capital requirement calculated for each of these market risk sub-categories. e. g.

- a. Capital Charge for Interest Rate Risk = Capital Charge for Specific Risk+ Capital Charge for General Market Risk.
- b. Capital Charge for Equity Position Risk = Capital Charge for Specific Risk + Capital Charge for General Market Risk.
- c. Capital Charge for Foreign Exchange Risk = Capital Charge for General Market Risk.
- d. Capital Charge for Commodity Position Risk = Capital charge for General Market risk.

2.13. Market Risk Management System:

The Bank has implemented Foreign Exchange Risk Management Guidelines and Asset Liability Management Guidelines duly approved by the Board for market risk management. Different market risk's issues are discussed in the Asset Liability Management Committee (ALCO) meeting and decisions are taken according to Market situation.

2.14. Policies and processes for mitigating market risk:

ALCO is primarily responsible for establishing the market risk management and asset liability management of the Bank, procedures thereof, implementing core risk management framework issued by the regulator, best risk management practices followed by globally and ensuring that internal parameters, procedures, practices/ polices and risk management prudential limits are adhere to.

For Market risk management purpose, The Bank has established internal limit duly approved by the Board besides the regulatory limit. For Foreign Exchange Risk management, the Bank has regulatory net open position (NOP) limit as well as internal limit like Intra- day limit, individual dealer's limit, stop loss limit, individual currency limit etc. For interest and other market risk management, The Bank has established wholesale borrowing guideline, LD ratio, and Medium Term Funding ratio (MTFR), Maximum Cumulative Outflow (MCO), and SWAP Fund Guideline, VAR and MAT level. The Bank also maintains Gap limit for maturity profile mismatch. Moreover, The Bank has policy for interest rate sensitivity analysis on monthly basis.

2.15. Quantitative Disclosure:

The capital requirements for Market Risk :

SL	Market Risk	Total capital charge (Solo)	Total capital charge (conso)
A.	Interest Rate Related instruments	2,044,315	2,044,315
B.	Equities	27,244,831	38,327,244
C.	Foreign Exchange Position	54,759,540	54,759,540
D.	Commodities	-	-
Total		84,048,686	95,131,099

2.16. Operational risk:

Qualitative Disclosures:

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk. MGBPLC has established an effective, integrated operational risk management framework to mitigate the operational risk. The focus of operational risk is on low probability/high loss vs. high probability/ low loss events.

Operational risk includes:

- Transaction processing
- Operation control
- Technology and systems
- Risks of physical and logical security
- Unique risk arises due to outsourcing

The Bank's approach to operational risk is not designed to eliminate risk altogether but rather, to contain risks within levels deemed acceptable by senior management. All functions, whether business, control or logistics functions, must manage the operational risks that arise from their activities. Operational risks are pervasive, as a failure in one area may have a potential impact on several other areas.

Operational risk is inherent in the Bank's business activities in day to day operations. As a part of continuous surveillance, the Senior Management Team (SMT), Risk Management Division, Internal Control and Compliance Division regularly reviews different aspects of operational risk. The analytical assessment was reported to the Board/ Risk Management Committee/Audit Committee of the Bank for review and formulating appropriate policies, tools & techniques for mitigating operational risk.

2.17. Performance gap of executives and staff:

The bank believes that training and knowledge sharing is the best way to reduce knowledge gap. Therefore, it arranges trainings on a regular basis for its employees to develop their expertise. The bank offers competitive pay package to its employees based on performance and merit. Besides, the recruitment policy of the Bank always emphasize on sorting out fresh graduate from the reputed universities and nurture them

until transformation to a Human Capital of highest quality. It always tries to develop a culture where all employees can apply his/her talent and knowledge to work for the organization with high ethical standards in order to add more value to the company and for the economy.

An accommodating, welcoming, cooperative and congenial work atmosphere motivates its employees to act as a family towards achievement of goal. As such, there exists no performance gap in the Bank.

2.18. Potential external events:

No potential external events occurred during the reporting period ended 31st December 2023. The Bank has a separate Operational Risk Policy addressing specific issues involving Operational Risk.

2.19. Policies and processes for mitigating Operation Risk:

Bank has established an effective, integrated operational risk management framework to mitigate the operational risk. If any controls are found to be ineffective during the course of Risk & Control Self-Assessment, corrective measures are adopted in due course. A monitoring system is also in place for tracking the corrective actions plan periodically. The various Board approved policies viz., Risk Management Policy, Internal Control & Compliance Policy, Policy on KYC & AML; ICT Policy address issues pertaining to Operational Risk Management.

2.20. Approach for calculating capital charge for operational risk:

The Bank follows the Basic Indicator Approach (BIA) in terms of BRPD Circular No. 18 dated 21 December 2014 Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). The BIA stipulates the capital charge for operational risk is a fixed percentage, denoted by α (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula: $K = [(GI_1 + GI_2 + GI_3) \alpha] / n$.

2.21. Quantitative Disclosures:

The capital requirements for operational risk (Solo): 30.63 crore
The capital requirements for operational risk (Conso): 31.21 crore

3. Liquidity Ratio:

3.1.i. Qualitative Disclosures:

Views of BOD on system to reduce Liquidity Risk:

The Bank has Board Approved policy and limit structure for Liquidity Risk Management.

Methods used to measure Liquidity Risk:

We maintain maturity profile mismatch strictly and maintain prudential limit for each buckets gap.

Liquidity Risk management system:

We strictly maintain maximum cumulative outflow (MCO) Medium Term Funding Ratio (MTFR) and conduct cash flow forecasting for liquidity risk management.

Policies and processes for mitigating liquidity risk:

We have laid down liquidity contingency plan, Funding products and Wholesale borrowing guideline.

3.1.ii. Quantitative Disclosures:

Liquidity Coverage Ratio	173.10%
Net Stable Funding Ratio	160.00%
Stock of high Quality Liquid Asset	18,161,940
Total net cash outflows over the next 30 calendar days	141,845,000
Available amount of stable funding	94,701,533,001
Required amount of stable funding	59,186,611,000

3.2. Leverage Ratio:

Qualitative Disclosures:

3.2. iv. Quantitative Disclosures:

Particulars	Solo	Conso
Leverage Ratio	7.89%	7.90%
On balance sheet exposure	82,180,856,203	82,244,412,837
Off balance sheet exposure	9,796,953,444	9,796,953,444
Total deduction from On & Off balance sheet exposure	17,321,756	17,762,842
Total exposure	91,960,487,891	92,023,603,439

3.2.i. Views of BOD on system to reduce excessive leverage:

High leverage levels can lead to an excessive expansion of bank asset size. In the short to medium term banks return on equity. At the same time leverage- fuelled bank capital structures increase bankruptcy risk, since they are an important cause of bank failures. Therefore, to reduce excessive leverage and to manage the overall asset- liability position, management has implemented BOD approved ALM framework within the bank.

3.2 .ii. Policies & processes for managing excessive On & Off –balance sheet leverage:

The Bank has clearly laid down policy and procedure to manage its exposure level (both on and off- balance sheet) enumerated in its Asset Liability Management Policy. Leverage parameter of the policy acts as a credible supplementary measure to the risk based capital requirement to control the leverage of the bank. This reflects bank's Tier- 1 capital over total exposure of the bank. Reference level of ratio is currently 3% (minimum).

Approach for calculating exposure:

Leverage ratio of the bank is calculated in line with the RBCA guideline of BB. As at 31st December 2023 bank's leverage ratio was 7.90% (consolidated basis) and it was calculated as follows:

	Measured Used	Description
Numerator	Tier 1 Capital	Tier 1 capital constitutes the components specified in the RBCA guideline, December 2014
Denominator	Exposure	This is an approximation to the credit risk exposure used for regulatory capital purposes. It consists of the sum of the balance sheet assets as specified in the RBCA Guidelines, December 2014

Main disclosures on Remuneration

4. Qualitative Disclosures

A. Information relating to the bodies that oversee remuneration.

The Management of Meghna Bank PLC. (MGBPLC) holds the responsibility relating to Remuneration of the Bank. The overall compensation structure is reviewed and implemented to maintain competitive incentives, perquisites, other financial options etc. with a view to attract, motivate and retain competent employees. And if situation requires review and revise compensation package to be at par with the market to maintain its competitive edge.

One of the major factors of remuneration management is to cover all type of risk. MGBPLC always does environmental scanning. Gathering Market intelligence, analyze and if required propose for modification in compliance with relevant laws and rules and compliance issues. To maintain the effective alignment, Management works in close coordination with the Risk Management Committee of the Bank. The cost Management also ensures that the cost/income ratio of the Bank supports the remuneration package consistent with maintenance of sound capital adequacy ratio.

MGBPLC reviewed the remuneration policy in 2022 to comply Bangladesh Bank guidelines about minimum pay structure of entry level officers and support staff.

Meghna Bank so far has not sought advice from any external consultants to date.

B. Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.

The substantive pay and other allowances including perquisites, where applicable, to the employees including all subordinates, officers and executives up to the rank of SEVP are designed/structured in line with the competitive remuneration structure prevailing in the industry. In respect of executives above the rank of SEVP i.e. AMD, DMD & MD, the individual remuneration is fixed by the Board of Directors. Pay Structure and perquisites payable to the employees have been approved by the Board of Directors of the Bank. While determining the remuneration package, the Management and the Board take into consideration the following factors:

1. Experience
2. Qualification
3. Level of Risk involved
4. Leadership
5. Criticality of the job
6. Creativity required in the job
7. Problem solving ability
8. Salesmanship
9. Corporate Rank etc.

The remuneration structure for the Managing Director (MD) of the Bank is subject to approval of the Central Bank i.e. Bangladesh Bank.

C. Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.

The people who are involved in risk factors are regularly monitored. The functions that mainly deal with the risk factors of the Bank include: Cash Management, Credit Risk Management, Operational Risk, Trade Finance etc. It has been observed that employees working in these particular fields are more in demand in the market. Naturally, their remuneration goes up. On the other hand employees working in the cash department are often paid Cash Risk Allowance.

The Board of Directors through the Management exercises oversight and effective governance over the framing and implementation of the remuneration policy. Human Resource Management under the guidance of MD administers the Compensation and Benefit structure in line with the best suited practices and statutory requirements as applicable. The trend has changed as the job responsibility also has gone up and the efficiency of the employees has also improved a lot.

D. Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.

It is a competitive world. In the Banking sector also performance plays a very vital role on determining someone's remuneration. Right from the entry into the job performance is evaluated and salary is fixed accordingly. Yearly increment, Performance bonus and other benefits are in the process of being linked up with performance of the employee. In the yearly performance review there are different Ratings. The factors taken into account for the annual review and revision in the variable pay and performance bonus are: The performance of the Bank, The performance of the business unit, Individual performance of an employee, other risk perceptions and economic considerations and Future Business Outlook. There is also option of alerting the poor performers as they may have to exit if performance is not improved after certain observation time.

E. Description of the ways in which the bank seek to adjust remuneration to take account longer-terms performance

The Bank has various schemes in regards to deferred and vested variable remuneration which are as under:

- PF (Vesting or entitlement to employer's contribution happens on completion of 03 (three) years of regular service and the Bank contributes equal amount of contribution as contributed by the employee) @ 10% of substantive pay.
- Gratuity (Vesting or entitlement to employer's contribution happens on completion of 5 (five) years of regular service in the Bank) @ one basic pay for each completed year of service and for the fraction of 6

months and above. This increases depending on years of service i.e. @1.5 if completed 8 years and 02 (two) months' last drawn basic for 10th (tenth) completed year and onward services respectively.

Employee Group Insurance (provides benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit as per approved policy.

F. Description of the different forms of variable remuneration (i.e. Cash, shares, and share-linked instruments and other forms) that the bank utilizes and the rationale for using these different forms.

Variable pay, as the term denotes usually does not defer between the employees of the same rank. Depending on experience, jobs performed and other traits new hire in the same rank the individuals are offered remuneration that varies from each other. While in the service on recommendation and according to performance extra increment or bonus may be awarded to the employees. Other than this, ex-gratia payment for other employees who are not eligible for performance linked incentives, difference awards on extra-ordinary performance and Leave Fare Assistance (LFA) are paid to the employees according to their rank. The difference that is made in these kinds of payments that is only for their rank in the hierarchy.

G. Quantitative disclosures

I	Number of meetings held by the main body overseeing remuneration during the financial year	00
	Remuneration paid to its members.	00
II	Number of employees having received a variable remuneration award during the financial year.	00
	Number and total amount of guaranteed bonuses awarded during financial year.	00
	Number and total amount of sign-on awards made during the financial year.	00
	Number and total amount of severance payments made during the financial year.	00
III	Total amount of outstanding deferred remuneration, split into cash, share and share-linked instruments and other forms.	00
	Total Amount of deferred remuneration paid out in the financial year.	00
IV	Breakdown of amount of remuneration awards for the financial year to show:	
	• Fixed and variable	00
	• Deferred and no-deferred	00
	• Different forms used (cash, shares and share linked instruments, other forms).	00
V	Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:	00
	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and /or implicit adjustments.	00
	Total amount of reductions during the financial year due to ex post explicit adjustments.	00
	Total amount of reductions during the financial year due to ex post implicit adjustments.	00

REPORT OF THE AUDIT COMMITTEE

Internal Control System:

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, covers the Bank's entire range of activities and operations and not limited to financial operations and reporting. Its scope is not only confined within the control and compliance aspects but also extends to the performance aspects of the business.

Meghna Bank PLC has established a sound internal control system, which is designed to manage all the risks to an acceptable level. It also helps to achieve the aims and objectives/goals of the bank and provides reasonable assurance that Bank is running operations in an effective and efficient way, the necessary controls are in place which ensure financial and operational controls, reliability of the financial information, compliance with applicable laws & regulations, adherence to management policies, safeguard of bank's assets, prevention of fraud & operational errors and accuracy of the accounting records etc.

The Board of Directors of Meghna Bank PLC regularly reviews the effectiveness of internal control process through its Audit Committee. The Audit Committee plays an effective role amongst the Board of Directors, Management, Shareholders, Depositors and develops efficient, strong and secure banking system. The Audit committee of the Board (ACB) also performs a very important role for publishing Bank's financial statements, developing appropriate internal control system throughout

organization 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 auditors, external auditors and regulatory authorities. Committee also has active oversight on the internal audit's independence, scope of work and resources. It also reviews the functions of internal control & compliance division particularly the scope of the risk based annual audit plan and the internal audit activities.

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.

Composition and Qualifications

The Board of Directors as its 150th Board Meeting held on January 16, 2023 constituted the Audit Committee with the following Board Members:

SI	Name of Committee Members	Position in the Committee	Educational Qualification
1	Mr. S. M. Rezaur Rahman	Chairman	BA
2	Mr. S.M. Jahangir Alam	Member	Graduate
3	Md. Mahamudul Alam	Member	MSS
4	Dr. Syed Ferhat Anwar	Member	Ph.D
5	Mr. Md. Ahsan Ullah	Member	MA (Economics)

* Mr. Md. Mahamudul Alam & Dr. Syed Ferhat Anwar has been nominated as a member on November 05, 2023

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of MGBPLC held 04 (Four) meetings in 2023 and had detailed discussions and review sessions with the Acting Head of Internal Control & Compliance Division, 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	Name of Meeting	Date of Meeting
1	39 th Audit Committee Meeting	April 13, 2023
2	40 th Audit Committee Meeting	June 08, 2023
3	41 st Audit Committee Meeting	November 14, 2023
4	42 nd Audit Committee Meeting	December 19, 2023

Major areas focused by Audit Committee in 2023:

- Reviewed and approved the 'Risk Based Annual Audit Plan 2024'.
- Reviewed and approved the 'Risk Based Audit Checklist 2023'.
- Reviewed Annual Financial Statements of the Bank for the year ended 31 December 2022 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 2022 submitted by the External Auditors, Khan Wahab Shafique Rahman & Co. Chartered Accountants and subsequent compliance thereof
- Reviewed the Financial Statements for the Half Year ended on June 30, 2023 (unaudited)
- Reviewed the Bangladesh Bank inspection reports and compliance thereof
- Reviewed Internal Audit Reports of both Branch and Head Office Divisions of the Bank and compliance thereof
- Reviewed the Internal Loan Review Reports of the Bank
- Reviewed the Special Audit Reports of the Bank.
- Reviewed the half yearly Self-Assessment of Anti-Fraud Internal Control of the Bank.
- Reviewed the Staff accounts monitoring reports for period July to December 2022 and January to June 2023.
- Reviewed the Annual Health report of the Bank for the year 2022
- Reviewed the effectiveness of Internal Control System of the Bank for the year 2022
- Reviewed the Report on Loan Documentation Checklist (LDCL) and Quarterly Operation Report (QOR)
- Reviewed the Report on Calendar of Returns
- Appointment of External Auditor for the year 2023, M/s Hoque Bhattacharjee Das & Co.



S M Rezaur Rahman
Chairman
Audit Committee

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors (“the Board”) is responsible for the adequacy and effectiveness of the internal control mechanism in place at the Meghna Bank PLC. (“the Bank”). Among other oversight responsibilities, Board of Directors (BoD) has to ensure that the Financial Statements of the Bank and its subsidiary are prepared in accordance with applicable International Financial Reporting Standards (including International Accounting Standards), relevant provisions of the Companies Act 1994, Bank Company Act 1991(amended in 2023), guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) and other applicable laws, rules and regulations.

Responsibility

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Company and this process includes the system of Internal Control over Financial Reporting. The process is regularly reviewed by the Board.

The Board is of the view that the system of Internal Control over Financial Reporting in place is sound and adequate to provide reasonable assurance regarding the reliability of Financial Reporting, and that the preparation of Financial Statements for external purposes is in accordance with relevant accounting principles and regulatory requirements.

The management assists the Board in the implementation of the Board’s policies and procedures pertaining to Internal Control over Financial Reporting. In assessing the Internal Control System over Financial Reporting, identified officers of the Company collated all procedures and controls that are connected with significant accounts and disclosures of the Financial Statements of the Company & continue to review & update every year. These in turn are being observed and checked by the Internal Audit Department of the Company for suitability of design and effectiveness on an on-going basis.

The Board views the governance and oversight of our distinctive business model and prudent strategy as key to the ongoing creation and delivery of value to our stakeholders, particularly in an economic environment that remains both uncertain and challenging.

At MGBPLC, the Board’s primary role is to provide leadership, ensure that it is appropriately managed and deliver long-term shareholder value. It also sets the Group’s strategic objectives and provides direction as a whole. A number of key decisions are reserved for and may only be made by the Board, which enables it and the executive management to operate within a clear governance framework.

Confirmation

Based on the above processes, The Board of Directors confirm that the International Financial Reporting Standard (IFRS) and International Accounting Standards, as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts.

The Board also confirms that the Company keeps accounting records, which disclose with reasonable accuracy, the financial position of the Company, and which enables it to ensure that the financial statements comply with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 1987, Bank Companies Act, 1991 and amendments thereto.

External Auditor’s Certification

The External Auditors, M/s Hoque Bhattacharjee Das & Co., Chartered Accountants, has carried out annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data, minutes of shareholders meetings, relevant policies and expressed their opinion.



H N Ashequr Rahman
Chairman

REPORT OF THE SHARI'AH SUPERVISORY COMMITTEE

Bismillahir Rahmanir Rahim

All praise be to Almighty Allah, the Lord of the universe and peace and blessings of Allah be upon Prophet Muhammad (S.M.) and all his descendants and companions

To the Shareholders of Meghna Bank PLC.

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh

In compliance with the terms of reference of the Bye Laws of the Shari'ah Supervisory Committee, we submit the following Report on the Al-Mustaqeem Islamic Banking operations of Meghna Bank PLC. for year ended on 31st December, 2023.

The responsibility of Shari'ah Supervisory Committee is to provide independent opinion and necessary guidelines on regular basis by observing and reviewing the activities of Al-Mustaqeem Islamic Banking operation of the Bank and to make the Clients aware of Shari'ah compliance.

On the other hand, the responsibility of Meghna Bank's Management is to ensure that they conduct its Islamic Banking business in accordance with the Shari'ah Rules and Principles.

During the year 2023, the Shari'ah Supervisory Committee reviewed Shari'ah Audit Report, Financial Statements for the year 2023 of Al-Mustaqeem Islamic Banking, different operational issues, including those referred to it by the Management of the Bank. Shari'ah Supervisory Committee of the Bank discussed and provided independent opinion on different issues among which prominent ones are as under:

1. The contracts and transactions entered into by the Al-Mustaqeem Islamic Banking of Meghna Bank PLC. during the year 2023 are complied with Shari'ah principles;
2. Distribution of profit to the Depositors conforms to the basis that had been approved by us in accordance with Shari'ah rules and principles;
3. All earnings that have been realized from sources or by means prohibited by Shari'ah rules and principles have been recorded in the separate account for disposing off to the charitable causes.

Shari'ah Supervisory Committee expressed their heartiest thanks to Almighty Allah and appreciated the efforts taken by the Management of the bank for their guidance which significantly reduced operational lapses as reflected in the Shari'ah Audit Reports by the Muraqib (Shari'ah Inspector & Auditor) in the year 2023.

Shari'ah Supervisory Committee has also given the following suggestions for improvement of the operations:

- i. The Guidelines for Islamic Banking issued by Bangladesh Bank and 'Islamic Banking Manual of the Bank are to be followed in every sphere of its operations;
- ii. The Executives/Officers of Islamic Banking Windows should be more knowledgeable in Shari'ah based Banking and practices. They should develop their efficiency and skills to ensure quality services to the Customers;
- iii. The Executives/Officers should be more cautious and dedicate themselves towards complying Shari'ah principles in every investment transactions and other business operations, and they would undergo Shari'ah products related training;
- iv. Guideline for Shari'ah Auditing would be followed meticulously to find out the Shari'ah lapses and gaps.
- v. There should be meetings, seminars, symposiums to be organized by the Bank at regular intervals to develop awareness among the Clients and mass people about Islamic Banking, its practices and advantages.

To the best of our knowledge no gross irregularities & lapses in the Islamic Banking operations of the bank have so far been detected.

May Almighty Allah give us tawfique to achieve his satisfaction through implementation of Shari'ah in every aspect of our life.

**On behalf of the
Shari'ah Supervisory Committee**



Dr. Md. Anwar Hosain Molla

Chairman

**Shari'ah Supervisory Committee
Meghna Bank PLC.**

CEO AND CFO's

Declaration to the Board of Directors

Board of Directors
Meghna Bank PLC.
65, Gulshan Avenue
Gulshan-1, Dhaka-1212

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

Dear Sir(s),

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

1. The Financial Statements of Meghna Bank PLC. for the year ended on 31 December 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 31 December 2023 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Sajib Kumar Saha, FCA
Chief Financial Officer



Kimiwa Saddat
Managing Director & CEO (CC)

Management
DISCUSSION



FROM THE DESK OF HEAD OF CORPORATE

“

I congratulate Corporate Banking Division for their resilience and consistence in keeping themselves focused and solution oriented –in

attaining **127%** growth in

Trade, **69%** growth in deposit

& **44%** growth in asset in 2023 over the previous year.

KIMIWA SADDAT

Head of Corporate

The year 2023 was indeed one of the most difficult ones in the recent history of Bangladesh economy. Supply disruptions and the spike in the prices of fuels and other commodities in the global market—caused by global events—pushed up costs worldwide, leading to high inflationary pressure.

In a year of plunging imports and higher foreign exchange rate resulting in scarcity of dollars, we faced considerable challenges in supporting our Corporate customers in terms of facilitating import, vis-à-vis maintain a decent margin in our business. I congratulate my Corporate Banking Division for their resilience and consistence in keeping themselves focused and solution oriented – their relentless pursuit has helped us in attaining 127% growth in Trade wallet. In a year when many customers lost confidence in some banks due to governance issues, MGB PLC even being a fourth generation bank turned out to be a safer destination for many. Our unswerving effort in building our brand as a sustainable and reliable partner over the past years has started paying off – our Corporate Banking deposits grew by 69% vis-à-vis asset growth by 44% in 2023 over the previous year.

As the world continues to change around us, we also recognize the ongoing importance of technology and continuous improvement in maintaining our competitive edge, and in building an innovation-led culture that allows us to try new things within an effective and comprehensive risk management framework. We intend to work towards capturing the benefits of new, gamechanging technologies like artificial intelligence,

whilst protecting the information and financial security of our clients.

Looking ahead, 2024 is likely to be another eventful year It is critical that we maintain tight cost discipline. This was challenging in 2023 in a high inflation environment, and will likely remain so in 2024. At the same time, we need to invest in growth, so we remain very focused on maintaining tight underlying costs.

Among the potential challenges on national level are the higher inflation and exchange rate in 2024 as well the cost of production and operation. On the global context the increased uncertainties due to wars in Europe and the Middle East, and disruption to global trade and supply chains caused by these and attacks on shipping in the Red Sea are the major challenges.

However, we remain watchfully optimistic about economic prospects for 2024. While the external background remains uncertain, we are confident that we are well positioned to navigate the challenges and seize the opportunities ahead. Our results of Corporate Banking in 2023 show we are doing just that. We remain dedicated on continuing to deliver excellence for our clients, in 2024 and beyond.

Kimiwa Saddat
Head of Corporate



Business model

"We help corporates and commercial entities to connect and maximize their opportunities across our countrywide network, and we support institutions and local businesses in growing their wealth"

WHAT MAKES US DIFFERENT

Our unique diversity – this is underpinned by our brand promise, together we sail. Our Stands – aimed at tackling some of the biggest issues of the country – Inclusive Banking, netting-off BoP, Lifting Participation, Resetting Globalization challenge & Accelerating Net Zero, propel us to use our unique position as articulated below:



Client focus

Our clients are our business. We build long-term relationships through trusted advice, expertise and best-in-class capabilities.



Distinct proposition

Our understanding of corporate markets and our extensive local & international network allow us to offer a tailored proposition to our clients, combining our specialized expertise and knowledge.



Robust risk management

We are here for the long term. Effective risk management allows us to grow a sustainable business. Our risk management procedure helps to protect our depositors' interest as well as confirmed return for the bank.



Sustainable and responsible business

We are committed to sustainability, social and economic development across our business, operations and communities.



360° Solution's for clients that have a direct impact on economy



Experienced Human Capital with Kinetic Energy



Band of Products to meet specialized and complex financing requirements



Rightly structured deals to serve highly customized product requirements



Client satisfaction by end to end encrypted service & solutions

THE SOURCES OF VALUE WE RELY ON

"We aim to use our resources in a sustainable way to achieve the goals of our strategy"



Human capital

Diversity differentiates us. Delivering our Purpose rests on how we continue to invest in our people, the employee experience we further enhance, and the culture we strengthen.



Robust network

Meghna Corporate's robust network is one of our unique competitive advantages and this connects large companies & institutions to, and in, fastest-growing and most dynamic business segments.



Distinguished expertise

We are deeply rooted in our markets with a strong understanding of key economic drivers, that offering us insights which help our clients to achieve their ambitions.



Market presence

Our market presence is our strength. We continued to serve large scale corporate houses with several new big names for the bank. Our presence continued to reach to blue chip clients with timely solutions. To many of our clients, we are a household name.



Technology

We continued to provide our technological solutions to our client base with tailored features. B2B business, MFS & DFS for complex collection solutions along with virtual account platform were our helping channels towards corporate clients as an added service with our regular loan products.



THE VALUE WE CREATE

"We aim to create long-term value for a broad range of stakeholders in a sustainable way."



Clients

We deliver corporate banking solutions for our clients across our network, in centralized service modality. We help our clients to grow their wealth while connecting corporates and financial institutions to opportunities across our network, as an advisory role player.



Employees

We believe that great employee experience drives great client experience. We want all our people to pursue their ambitions, deliver with purpose and have a rewarding career enabled by great people leaders.



Society

We strive to operate as a sustainable and responsible team, working with Bangladesh Bank to promote social and economic development.



Confidence

We engage diverse financial solutions, locally and through global partners, to provide efficient and sustainable services for our clients.



Regulators & the Government

We play our part in supporting the effective functioning of the financial system and the broader economy by proactively engaging with Central Bank, Public authorities & GoB.



Investors

We aim to deliver robust returns and longterm sustainable value for our investors.

OUR STRATEGY

"To become a leading corporate bank in Bangladesh"

Over the past year, we have executed strongly against our strategy, with a considerable uplift of income & profitability.

We continue to focus on:

- Four strategic priorities: Network business, Affluent client business, Blue-chip client onboarding, and Sustainability

- Three critical enablers: People and Culture, Ways of Working, and Innovation.

Despite of the macroeconomic and industry challenges, we believe the strategy remains fit for the Bank.

Our strategic priorities and enablers will continue to be supported by our three Stands: Inclusive Banking, Lifting Participation, Resetting industry challenge & Accelerating Net Zero.

STRATEGIC PRIORITIES

- Improving deal efficiencies to meet growing client expectations
- Improving balance sheet strength by catalyzing on-balance sheet and off balance sheet business portfolio through management of asset liability & trade mix.
- Greater thrust on large corporate financing and mega infrastructure deals
- Greater thrust on large corporate financing and mega infrastructure deals
- Growing in cross-border transaction with greater sophistication in structuring for smoothing of complex transaction portfolio
- Deliver sustainable growth for clients by leveraging our network to facilitate trade, capital and investment flows across our footprint markets.
- Channelization of Government welfare funds requiring banking intermediaries to have strong distribution and local presence
- Generating high-quality returns by improving funding quality and income mix, growing income and driving balance sheet velocity while maintaining disciplined risk management
- Stakeholder partnering to overcome solution barriers and diversified client service
- Collection solution for large manufacturing entities with digital solutions
- Offering sustainable finance offering to clients through product innovation and enabling the transition to a low-carbon future

CRITICAL ENABLERS



Ways of Working

We drive client-centricity with a focus on speed to value for our clients. We are improving our operating rhythm and organizational agility while empowering our people to continuously improve the way we work.



People and Culture

Meghna Corporate invests in people by building future-ready skills, providing a differentiated employee experience, and strengthening our inclusive and innovative culture.



Innovation

We embed innovation through our financing solutions, leveraging partnerships to drive scale and extended reach, and building new business models through ventures.

Divisional Performance

(FY 2022 VS FY 2023)

FUNDED ASSET GROWTH



44% ↑

Funded Asset Growth of 44% was achieved in Y 2023 compared to previous year.

DEPOSIT GROWTH



69% ↑

Deposit Growth of 69% was achieved in Y 2023 compared to previous year.



71% ↑

NON FUNDED BUSINESS GROWTH

A growth of 29% in total revenue was achieved in Non funded business growth of 71% was achieved in Y 2023 compared to previous year.



29% ↑

REVENUE GROWTH

A growth of 29% in total revenue was achieved in Y 2023 compared to previous year.

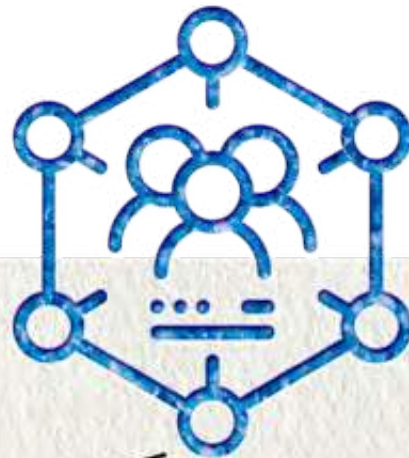
Revenue Mix (FY 2023)

Interest Income

87.3%

Commission & Fees

12.7%



Team
CORPORATE

CORPORATE BANKING

Achievements



2022

**Most Preferred
Corporate Bank
in Bangladesh**



**Best Domestic
Initiative of the year:
Bangladesh**



2021



**Asian Banking &
Finance Wholesale
Banking Award**



**Fastest Growing
Corporate Bank**

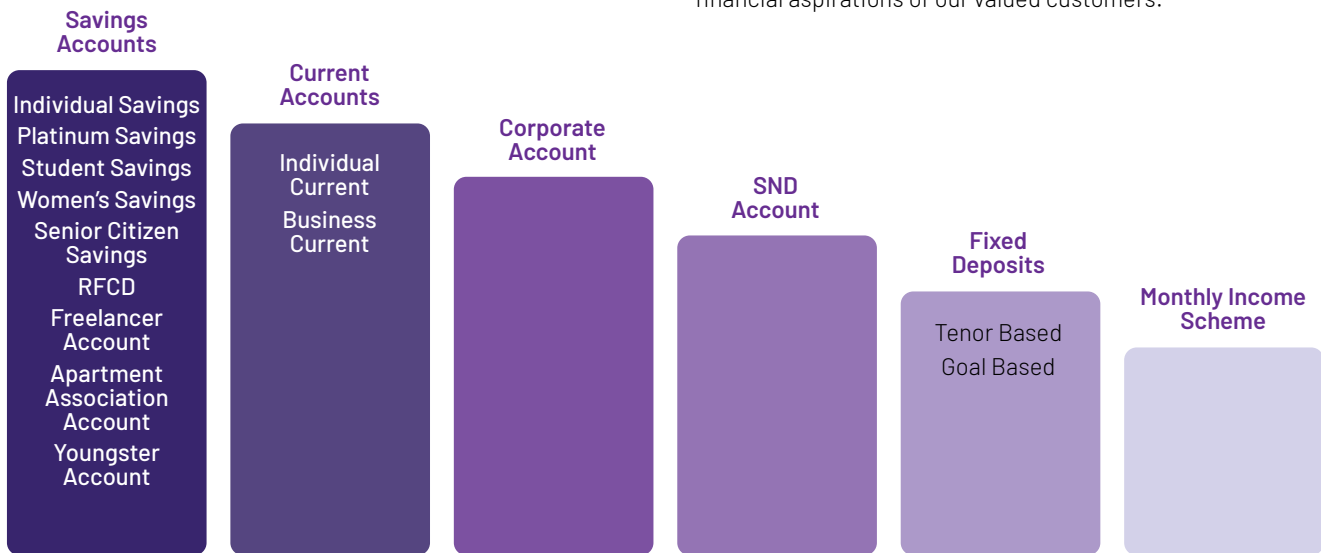


RETAIL & SME BANKING DIVISION

The Retail & SME Banking Division (R&SME) stands as a pivotal business unit within Meghna Bank PLC, encompassing Retail & SME Products, Branch Banking, Priority Banking, Islamic Banking, and the Direct Sales Team. With heightened per capita income, the populace's purchasing and savings capabilities have experienced a notable ascent. The R&SME Banking Division is strategically oriented towards harnessing this opportune climate, aiming to convert it into tangible business outcomes and thereby, making a constructive contribution to the bank's overall growth.

Meghna Bank's Retail & SME Banking products are meticulously crafted to address the deposit and loan requirements across all segments of society. Recognizing the unique financial goals of each individual, our primary aim is to cater to the diverse needs of our clientele by providing innovative and practical solutions.

Our deposit products at Meghna Bank are intricately designed to demystify the intricacies of the financial landscape for our customers, aiding them in achieving their specific objectives. Whether it's return-based savings or goal-oriented savings, our comprehensive range of offerings is tailored to meet the varied financial aspirations of our valued customers.



Meghna Bank is proud to offer an insurance-backed deposit product, providing enhanced benefits to our valued customers. Our Platinum Savers account, Shreyoshi account for women, and Fixed Deposit account are equipped with life insurance coverage, critical illness coverage, and accidental death coverage. We believe in going the extra mile to add value to our customers' lives.

Furthermore, Meghna Rapid, empowers customers to open a Meghna Bank account seamlessly, whether from the comfort of their homes or on the go. We take pride in being among the trailblazers in introducing digital onboarding services, reinforcing our commitment to technological innovation and customer-centricity.

Meghna Bank's deposit accounts include a debit card, enabling customers to withdraw funds from any bank ATM at zero cost. This service is provided entirely free of charge, reflecting our commitment to delivering convenience and value. Notably, we were the first bank to introduce this feature in the Bangladesh market, reaffirming our dedication to pioneering customer-centric solutions.

Meghna Bank is committed to providing a seamless and hassle-free banking experience for our customers through our Digital Banking app. This innovative platform puts essential services such as fund transfers, bill payments, and various banking services at the fingertips of our accountholders. We continually strive to enhance these offerings, working diligently every day to elevate the overall customer experience.





In addition to our digital initiatives, Meghna Bank takes pride in offering a diverse range of retail loan products tailored to meet the lifestyle needs of our customers. From personal loans to auto loans and home loans, we provide a comprehensive suite of personal banking solutions. Through strategic partnerships with reputable white goods, real estate, and automobile companies, we aim to extend the best possible product pricing to our valued loan customers, thereby facilitating their aspirations and financial goals.

At Meghna Bank Priority, we take pride in offering a range of lifestyle benefits curated around our card products, creating

an extraordinary banking experience for our customers. Our Priority Banking clientele enjoys a myriad of exclusive privileges, including dedicated relationship managers, priority centers, financial advisory services, meeting room facilities, F&B discounts and offers, travel desk services, global insurance purchase assistance, medical services assistance, airport meet & greet, lounge services, and many more.

This holistic suite of services underscores our commitment to delivering a truly exceptional and tailored banking experience for our esteemed Priority Banking customers.



Meghna Bank Home Loan up to BDT 2 Crore with loan tenure up to 25 years



Meghna Bank Auto Loan up to BDT 40 Lac with loan tenure up to 6 years



Meghna Bank Home Loan Takeover at 0% processing fee with loan tenure up to 20 years

Priority Banking stands as a cornerstone of Meghna Bank's Retail segment, having been inaugurated in April 2021. We have implemented a segmented approach to

specifically address the unique banking needs of high net worth individuals, providing them with unparalleled banking experiences.



Small and Medium Enterprises (SMEs) are globally recognized as catalysts for growth and drivers of innovation. Their pivotal role in stimulating economic growth and creating employment is acknowledged worldwide. In the context of Bangladesh, the SME sector is actively reshaping the nation's economic landscape, contributing significantly to accelerated industrialization, economic expansion, job creation, and poverty reduction.

SMEs have assumed a vital position in the national economy, constituting approximately 45 percent of manufacturing value addition, 80 percent of industrial employment, 90 percent of total industrial units, and 25 percent of the labor force. Their collective contribution to export earnings ranges from 75 percent to 80 percent, underscoring their importance in the economic fabric of the country. Notably, the industrial sector accounts for 31 percent of the country's Gross Domestic Product (GDP), with a substantial portion emanating from SMEs.

Meghna Bank is steadfast in its commitment to SME Banking activities, aligning its focus with the pivotal role SMEs play in shaping and advancing the economic landscape of Bangladesh.

We provide a diverse range of financing solutions tailored to meet the specific needs of our SME customers. Our offerings encompass a variety of options, including Overdraft, Cash Credit (Hypo), Secured OD, Time/Demand Loan, Short Time Loan, Term Loan, Work Order Financing, Contractor Financing, and Trade Financing. In addition, we offer "Meghan Nabarupa" - a specific loan for Women Entrepreneurs.



Meghna Bank is financing in agricultural sector with its tailored made agro based products - "Meghna Khamar Rin", "Meghna Fosol Rin".

Branch Banking plays a pivotal role in addressing the financial needs of customers, particularly in meeting their demands for flexible interactions with the bank, choosing when, where, and how they engage. To enhance accessibility and provide superior service, Meghna Bank has established 51 branches and 06 sub-branches across 25 districts nationwide.

Our dedicated Branch Banking team is committed to fostering customer loyalty through brand engagement and ensuring an

স্বপ্নগুলো মেলুক ডানা
মেঘনা এস এম ই ঋণের সাথে

- সর্বোচ্চ ৯৫.০০ কোটি টাকার পর্যন্ত ঋণ। ক্রমাঙ্ক ও মেয়াদি অর্থায়ন সুবিধা।
- রপ্তানি মূলধন ও স্থায়ী সম্পদ অর্থায়ন সুবিধা।
- বাসিজো সমাচ্চক সুবিধাসমূহ।
- এসে ডিবিয়াভ্যাক ০৩ (পাঁচ) বছর পর্যন্ত পরিশোধের সময়সীমা।
- ক্রেত ও প্রয়োজন মতক অর্থায়ন সুবিধা।

GLOBAL ECONOMICS 16735 MEGHNA BANK LTD. @meghnabank.com.bd

unparalleled customer experience. This commitment is evident in our focus on expeditious service delivery and providing access to a comprehensive range of financial products and services. Notably, we function as a one-stop service provider, offering customers a seamless environment where they can avail themselves of various business solutions in a convenient and efficient manner.

The Meghna Bank Retail & SME Banking division is strategically oriented towards growth through product innovation and digital distribution. One of our core objectives is Financial Inclusion, as we aim to make a positive impact on the lives of our customers and stakeholders.

Our commitment to innovation and digital distribution reflects our dedication to staying at the forefront of banking practices, ensuring that we provide cutting-edge solutions to meet the evolving needs of our diverse customer base. Through Financial Inclusion, we aspire to create a meaningful and lasting impact on the financial well-being of individuals and communities, contributing to their overall growth and prosperity.

ISLAMIC BANKING

Islamic Banking refers to a system of banking that complies with Islamic laws also known as Shariah laws. The objects of the Islamic Banking system are not only to provide religiously acceptable financial products and services as substitutes to conventional financial structures but it also goals to contribute to the economic growth.

The principles of Islamic law (Shariah) ensure justice and fairness while promoting ethical and socially responsible financial practices. To this end, Shariah has been given a framework to work within in order to accomplish this. One of the main tenets of Islamic finance is the prohibition of interest (Riba). Rather, Islamic finance encourages participation in actual business activities and profit-and-loss-sharing arrangements, sharing both risks and profits with their clients. Musharakah contract, for example, both the bank and the customer share the risks and rewards of a business venture. This promotes a sense of partnership and encourages responsible financial behavior.

The Islamic financial model also encourages wealth creation rather than increasing debt in the system, as it is therefore backed by tangible assets or services that ensure transactions

are linked to real sector economy that result in creating value in the system. However, Islamic finance shies away from making investments in fields that are thought to be immoral or detrimental to society as a whole. Examples of such fields include those that deal with gambling, alcohol, and specific forms of entertainment.

Islamic finance aims to promote economic justice and inclusivity. Financial transactions are intended to benefit everyone involved, and the system aims to reduce wealth inequality by promoting the circulation of wealth within the community. Islamic finance promotes social and economic justice through charity, Waqf and Zakat. Zakat, one of the five pillars of Islam, involves giving alms to those less fortunate. Islamic banks engage nowadays in philanthropic activities and contribute to the overall welfare of society.

Based on this philosophy, Al-Mustaqeem Meghna Islamic Banking is strictly committed to Shariah compliance in the design of its products, services and governance. The Shariah Supervisory Committees composed of Islamic scholars ensure that the bank's operations and transactions comply with Shariah principles to achieve the objectives of Islamic Banking. For this reason, we "Al-Mustaqeem Meghna Islamic banking" concentrated on promoting the share and loss bearing system. While we share profits with depositors under Investment Income Sharing Ratio (ISR) and make investments in accordance with Musharakah system of profit and loss sharing along with other Shariah modes of investment, which is in line with Islamic finance philosophy. Waqf-based financial products have been introduced with the intention of promoting social welfare and may help increase financial inclusion in society.

In regard to above principles and market demand we have introduced the following deposit and investment products:

Deposit Products	
Al-Wadeeah Current Account	
Mudarabah Term Deposit Receipt Account (MTDRA)	
Mudarabah Short Notice Deposit Account	
Mudarabah Bibaho Savings Account (MBSA)	
Mudarabah Hajj Savings Account (MHSA)	
Mudarabah Mohor Savings Account (MMSA)	
Mudarabah Monthly Profit Deposit Scheme Account (MMPDSA)	
Mudarabah NRB Savings Bond (MNSB) Account	
Mudarabah Savings Account (MSA)	
Mudarabah Special Savings (Pension) Account (MSSA)	
Mudarabah Cash Waqf Deposit Account (MCWDA)	
Mudarabah Business DPS	
Mudarabah Supreme Account (MISA)	
Mudarabah Supreme Plus Account (MISPA)	
Al-Wadeeah Global FC Current Account (AWGFCA)	
Mudarabah RFC Savings Account (MRFCSA)	
Mudarabah Payroll Account (MPA)	
Mudarabah Fast Remit Savings Account (MFRSA)	
Mudarabah Fifty Plus Savings Account (MFPSA)	
Mudarabah Youngster Savings Account (MYSA)	
Mudarabah Youngster Plus Savings Account (MYPSA)	
Mudarabah NFC Term Deposit Account (MNFCTDA)	
Mudarabah Islamic Business Plus Account	
Investment Products	
Retail Investment Product	Meghna Islamic Apon Aloy Finance
	Meghna Islamic Auto Finance
	Meghna Islamic Home Finance
	Meghna Islamic Household Investment
	Bai-Murabahah
SME & Corporate Product	Bai-Salam
	Hire Purchase Under Shirkatul Meelk (HPSM)
	Bank Guarantee
	Earnest Money Finance
	Istisna'a Investment
	Musharakah Export Finance - Inland (MEFI)
	Post Export Finance - Foreign (PEFF)
	Musharakah (General)
	Wakalah Letter of Credit

TREASURY MANAGEMENT

Treasury is primarily responsible for management of fund, cash flow, liquidity and overall asset-liability of the Bank. It also deals with investments in securities, foreign exchange, derivative instruments etc. Treasury Management has become more important, challenging, volatile and sophisticated during these days of BASEL-III regime. Treasury activities nowadays involve a number of new critical risks with different dimensions. The banking sector of Bangladesh was still facing a great mismatch and challenges in the post Covid-19 regime parallelly with Russia's invasion of Ukraine, and rising of inflation globally. The market was suffering from liquidity crisis due to increasing demand of government borrowing. Inflationary pressure

resulted an upward movement of interest rate. The demand for govt. borrowing started to rise from last quarter and the yields on T-bills and T -bonds spiked significantly. Despite all the unprecedented Challenges, MGBPLC treasury played the most vital role in driving the bank's overall business strategy, balance sheet growth, maximizing return on capital, minimizing major market risk factors and finally improved the bank's profitability on RAROC basis for the year 2023 and also for the forthcoming years. At Meghna Bank Treasury Division, we have designated desks to ensure the optimum treasury services to cope with rapidly changing business and regulatory environment by means of integrated efforts of Money, ALM, and FX desks.

Treasury Performance

Figure in BDT crore

Particulars	2023	2022	% Growth
Money Market Income	48.11	10.83	344.23%
Investment Income	178.17	106.68	67.01%
Foreign Exchange Income	45.95	28.50	61.23%
Total Income	272.22	146.01	86.44%

On a broad scale, the main objectives and responsibilities of treasury are to ensure regulatory compliance, manage balance sheet through ALM process, operate in the money market, FX market, G-sec market, Capital market and other non-listed securities market in order to generate sufficient revenue for the bank as per business plan. Moreover, treasury has to forecast the market liquidity, interest rate movement as well as foreign exchange rate movement for future business strategy setting. As per Board approved organogram, MGBPLC treasury has the following designated desks:

- Money Market Desk
- Foreign Exchange Market Desk
- Fixed Income Securities Desk
- Corporate Dealing Desk
- Asset -Liability Management (ALM)
- Offshore Banking Unit (OBU)
- Management of Islamic Window regulatory requirement & Fund Management

Money Market Desk: Money market desk assumes the responsibility of maintaining Cash Reserve Ratio (CRR) and also local currency fund management of the Bank. Apart from this, MM desk ensures optimum use of fund as well as day to day liquidity management. Due to Russia vs Ukraine war, decreased flow of inward remittance, moderate growth of private sector credit, slower growth of deposits, ongoing

inflationary pressure and depreciation pressure on domestic currency, the market experienced huge liquidity pressure.

MGBPLC Money Market desk facilitates all kinds of available solutions like call money, term money (across different tenors), SWAP, Repo, Reverse Repo etc. aligning with regulatory requirements and maintaining the proprietary portfolio makes this desk one of the most efficient in the market.

In spite of facing many unprecedented challenges, MGBPLC treasury had been able to shift the banking and trading book as per market trend which helped to add substantial contribution to the bank's profitability, mitigation of risk and sound liquidity management in the year 2023.

Foreign Exchange Market Desk: Due to post COVID - 19 pandemic effect and global supply disruption caused by the Russia vs Ukraine war, Bangladesh Bank's interventions in the foreign exchange market with the sale of USD, lower trend of foreign remittance. Bangladesh's FX reserve declined at the end of Dec-23 to USD 27.13 billion from USD 33.76 billion at the end of Dec-22. There was also negative movement in BOP position. In spite of these all vulnerabilities and tough condition of the FX market, our treasury had been able to earn a good FX gain from international trade.

Fixed Income Securities Desk: In spite of liquidity crunch, ongoing demand for private sector credit paved the way for investment in risk free G-Sec portfolio. And eventually we availed of the opportunity in right time to invest in G-Sec which resulted a significant income for the bank at the end of the year although there was an upward movement of the yield curve.

Corporate Dealing Desk: In line with the bank's transformation process, we established the corporate dealing desk for providing specialized and tailor-made diversified products to the corporate customers as per their requirement. And in many cases we provide important market information and outlook to the customers so that they can optimize their return from taking appropriate investment, venture and hedging decisions.

Asset- liability Management Desk: ALM desk has become the most important area for any bank management. The principal objective of the ALM desk is to formulate and implement the bank's balance sheet strategy. ALCO is primarily responsible for establishing the market risk management and asset liability management of the Bank, procedures thereof, implementing core risk management framework issued by the regulator, best risk management practices followed by globally and ensuring that internal parameters, procedures, practices/policies and risk management prudential limits have been set up and followed. Besides, the ALM desk renders the following functions:

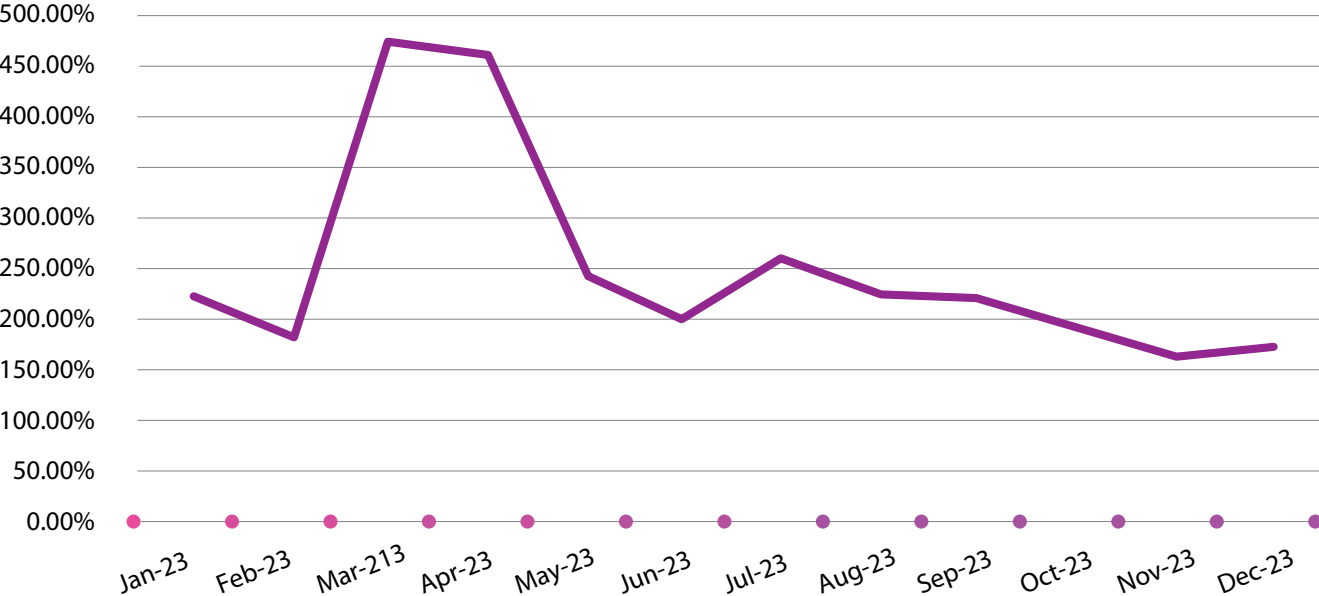
- To organize monthly and special ALCO meetings and taking records and minutes of the same and follow up implementation status;
- To prepare and circulate ALCO pack for the ALCO members;
- To identify and manage maturity profile mis-match / Gap for liquidity management;
- To propose interest rate/pricing depending on market and peer group analysis;
- To identify and present the balance sheet dynamics

to the ALCO;

- To provide market view on setting balance sheet strategy;
- To prepare new investment plan/product for increasing bank's profitability; and
- To propose appropriate transfer pricing.
- To provide market view on setting balance sheet strategy;
- To prepare new investment plan/product for increasing bank's profitability; and
- To propose appropriate transfer pricing.

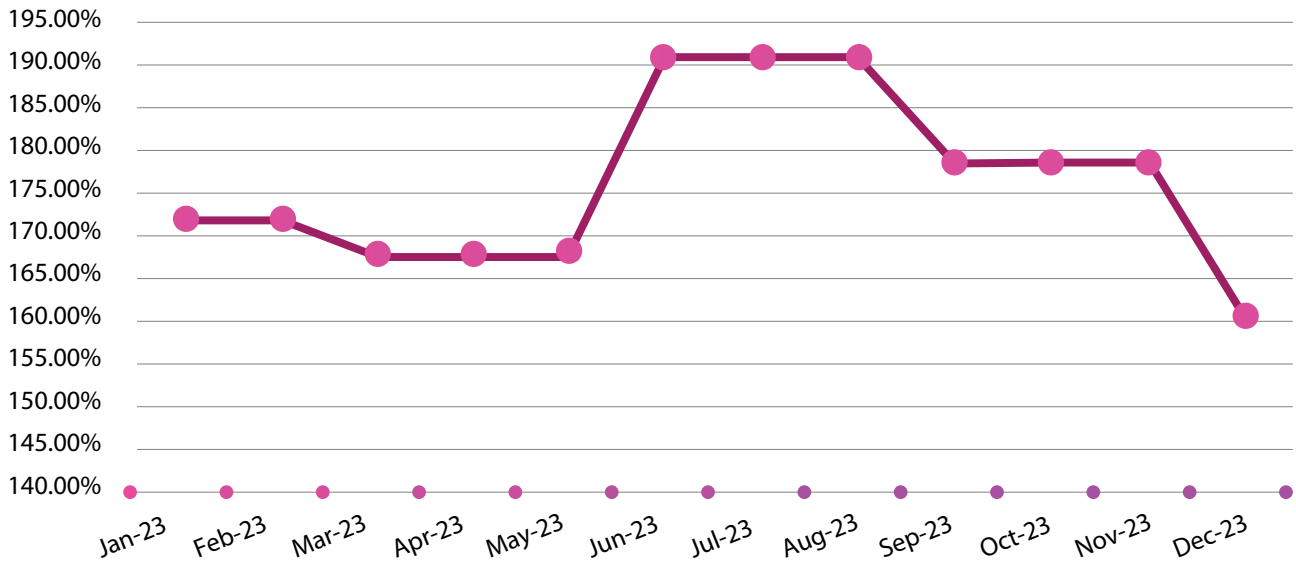
During the year 2023, we conducted monthly ALCO meeting regularly and took many optimistic decisions to cope with the market dynamics which helped the bank to close the year with great achievements and growth. Moreover, the ALCO regularly monitored various regulatory requirements like, AD Ratio, Liquidity Coverage Ratio(LCR), Net Stable Funding Ratio (NSFR), Maximum Cumulative Outflow(MCO) etc. to ensure overall financial stability and long term sustainability of the bank.

Liquidity Coverage Ratio (LCR)



Liquidity Coverage Ratio (LCR) is calculated as per format provided by Bangladesh Bank. Average LCR for 2023 is 252.04 percent.

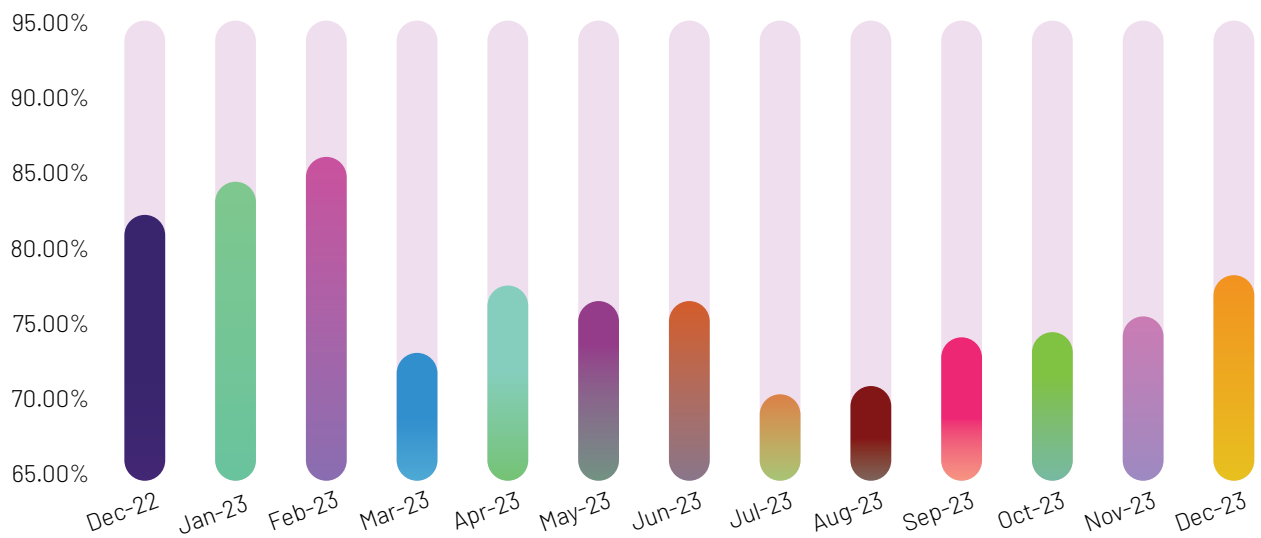
Net Stable Funding Ratio (NSFR)



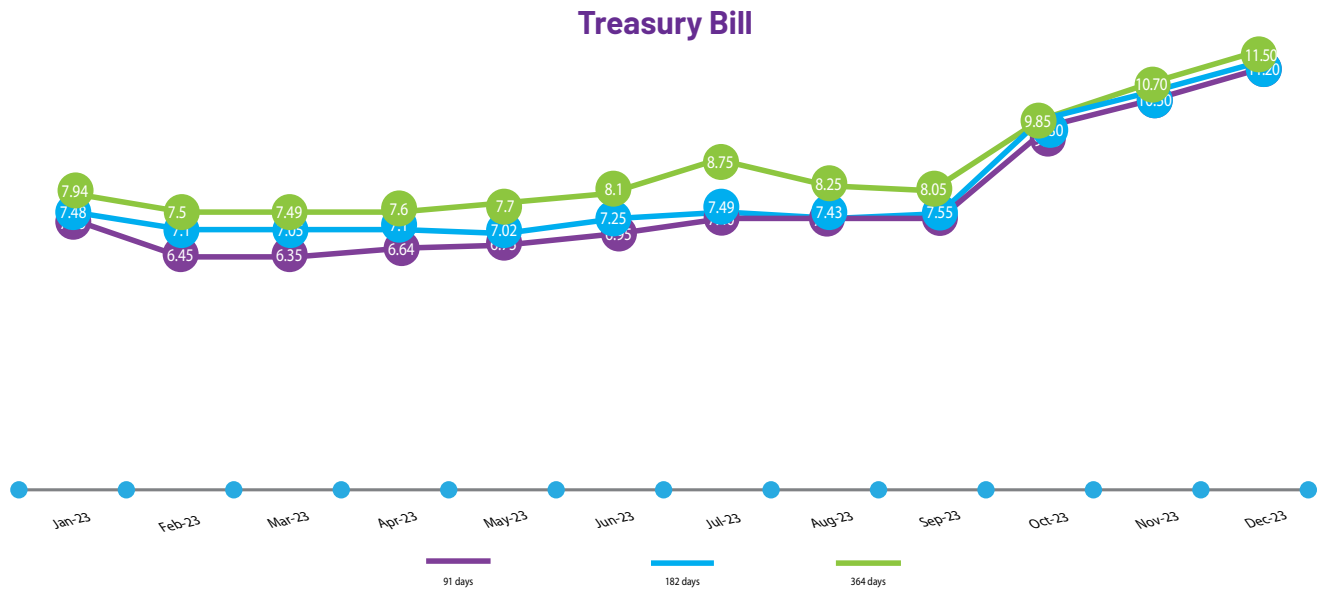
Net Stable Funding Ratio (NSFR) is calculated as per format provided by Bangladesh Bank. Average NSFR for 2023 is 176.06 percent.

Trend of Advances Deposit (AD) Ratio

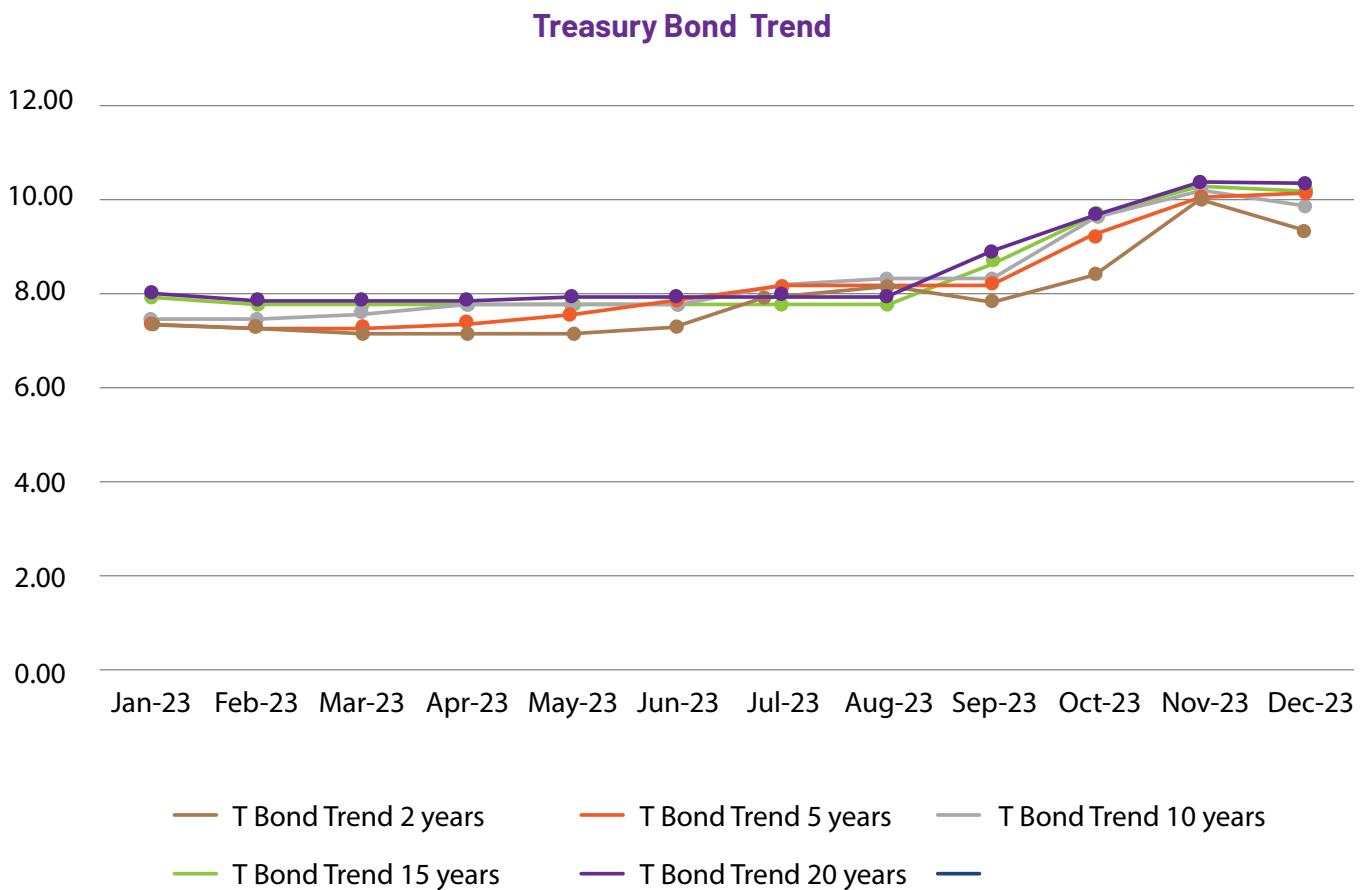
Advances Deposit (AD) Ratio



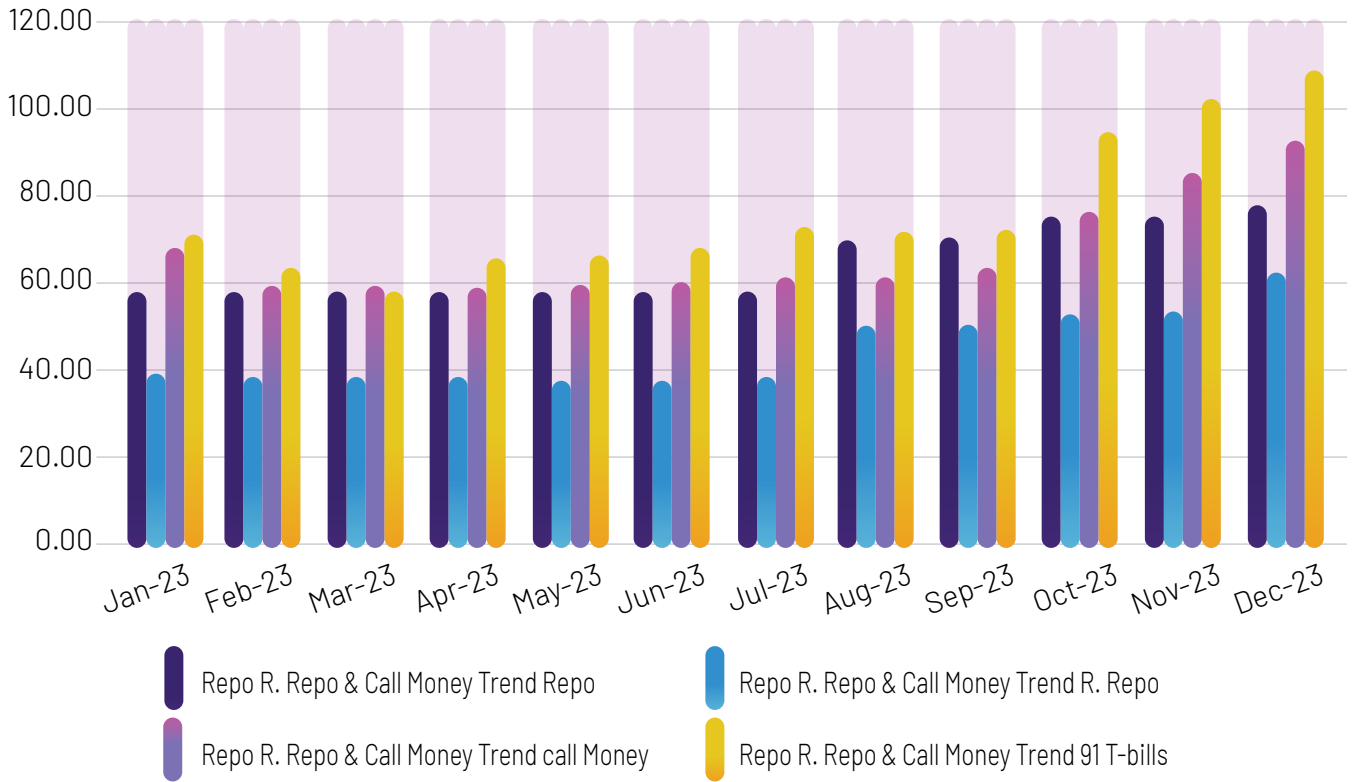
Trend of Treasury Bills Yield



Trend of Treasury Bonds Yield

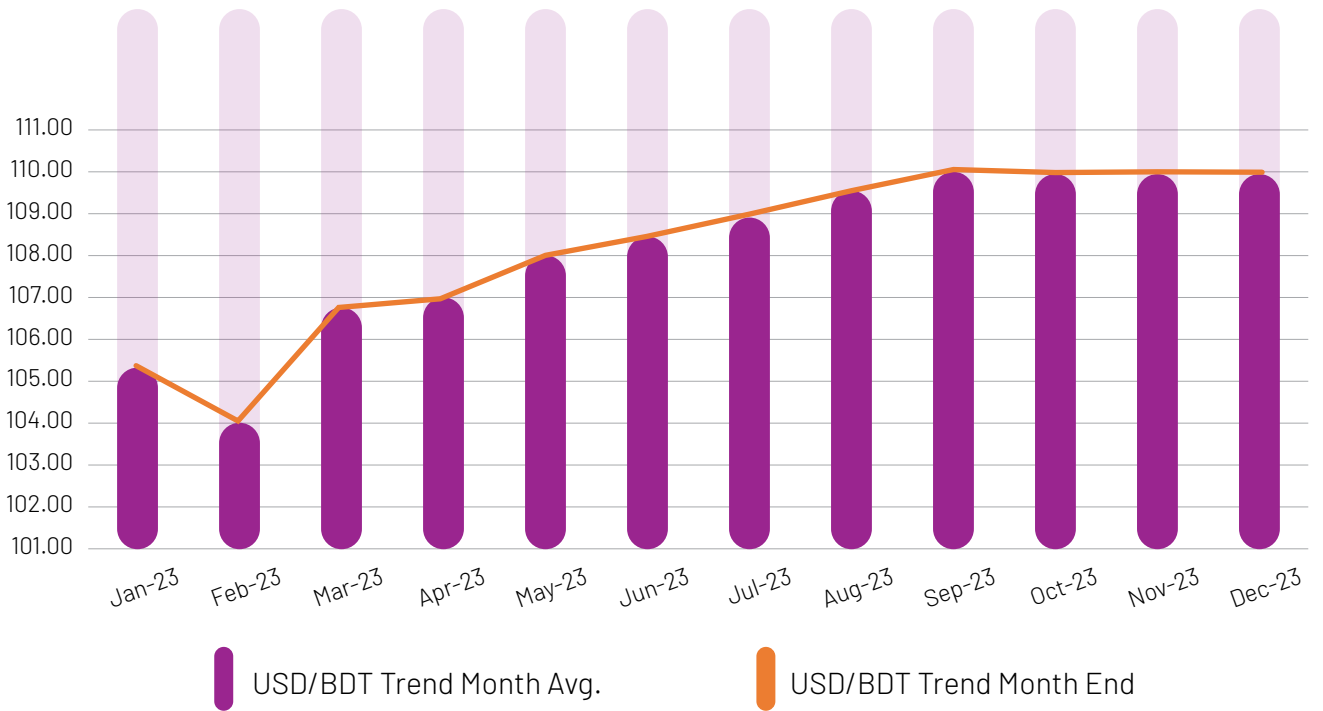


Repo R. Repo & Call Money Trend



Trend of USD/BDT Exchange Rate

USD/ BDT Trend



Agent Banking: A Remarkable Journey of Financial Inclusion

Reflecting on the remarkable journey of Meghna Bank's Agent Banking in 2023, it is with immense pride that we unveil yet another year of unprecedented growth and innovation. Our commitment to financial empowerment remains unwavering, reflecting our dedication to serving the unbanked and underserved communities across the nation.

In the pursuit of our mission to foster financial inclusion, we are thrilled to announce that our Agent Banking network expanded significantly in 2023. From 14 outlets in the previous year, we have now grown to encompass 36 outlets nationwide. This expansion not only enhances accessibility to banking services but also signifies our commitment to reaching every corner of the country.

Amidst the rising concerns throughout the country regarding Agent Banking, we have taken proactive measures to address these challenges. Recognizing the need for better scrutiny and screening of agents to mitigate the risk of fraud, we have dedicated more time and resources to enhancing our agent screening methods. Our new, more stringent screening process ensures that only the most reliable and trustworthy Agents are onboarded into our network, further minimizing the risk of fraudulent activities.

This commitment to rigorous screening reflects our unwavering dedication to maintaining the integrity and security of our Agent Banking operations, ultimately safeguarding the interests of our customers and stakeholders.

Introducing Micro & Small Segment: Driving Economic Empowerment

In March of 2023, Meghna Bank's Agent Banking division embarked on a groundbreaking endeavor by launching the Micro & Small Segment, a specialized initiative tailored to meet the unique financial requirements of small and medium enterprises (SMEs). This strategic move was born out of our unwavering commitment to innovation and our firm belief in the transformative potential of inclusive financial services.

The establishment of the Micro & Small Segment represents a pivotal milestone in our journey towards empowering SMEs and driving economic growth at the grassroots level. Central to the success of this initiative was our strategic recruitment of top talent from the SME market, individuals with a deep understanding of SME financing and a proven track record of identifying the best customers.

Our dedicated team ensures that every potential customer undergoes a rigorous 100% visitation and verification process, guaranteeing the highest level of due diligence and risk management. This meticulous approach not only mitigates

the risk of fraudulent activities but also ensures that our financial solutions are tailored to meet the specific needs and aspirations of SMEs.

This extraordinary accomplishment serves as a testament to our unwavering commitment to responsible lending practices and our ability to deliver impactful financial solutions that address the unique needs of SMEs. By fostering a culture of financial inclusion and empowerment, we are not only transforming the lives of individual entrepreneurs but also driving sustainable economic development and prosperity for entire communities.

As we look to the future, we remain dedicated to building upon this foundation of success and further expanding our reach to empower even more SMEs across the nation. Through continued innovation, strategic partnerships, and a steadfast commitment to our mission, we are poised to unlock new opportunities and drive lasting positive change for generations to come.

Charting a Path towards Inclusive Financial Futures

As we look to the future, Meghna Bank remains steadfast in its commitment to empowering futures through Agent Banking. Our journey is guided by a vision of a future where financial inclusion is not just a goal but a reality for all. Building on the foundation of Agent Banking's outreach, we are dedicated to expanding our reach to even more communities, ensuring that no one is left behind in accessing essential banking services.

In line with this vision, Meghna Bank is actively exploring innovative solutions and technologies to further enhance accessibility and convenience for our customers. From digital banking platforms to mobile banking applications, we are continuously investing in cutting-edge technologies to bridge the gap and bring banking services closer to individuals and businesses in remote areas.

Furthermore, our commitment to financial literacy and education remains unwavering. We believe that empowering individuals with the necessary knowledge and skills to manage their finances effectively is key to fostering long-term financial stability and prosperity. Through various educational initiatives and outreach programs, we aim to equip our clients with the tools they need to make informed financial decisions and achieve their goals.

In closing, we extend our heartfelt gratitude to our valued clients, dedicated team members, and strategic partners for their unwavering support and commitment. Together, we are not only charting a path towards a brighter, more inclusive financial future for all but also actively shaping and realizing that future through our collective efforts and dedication to empowering individuals and communities across the nation.

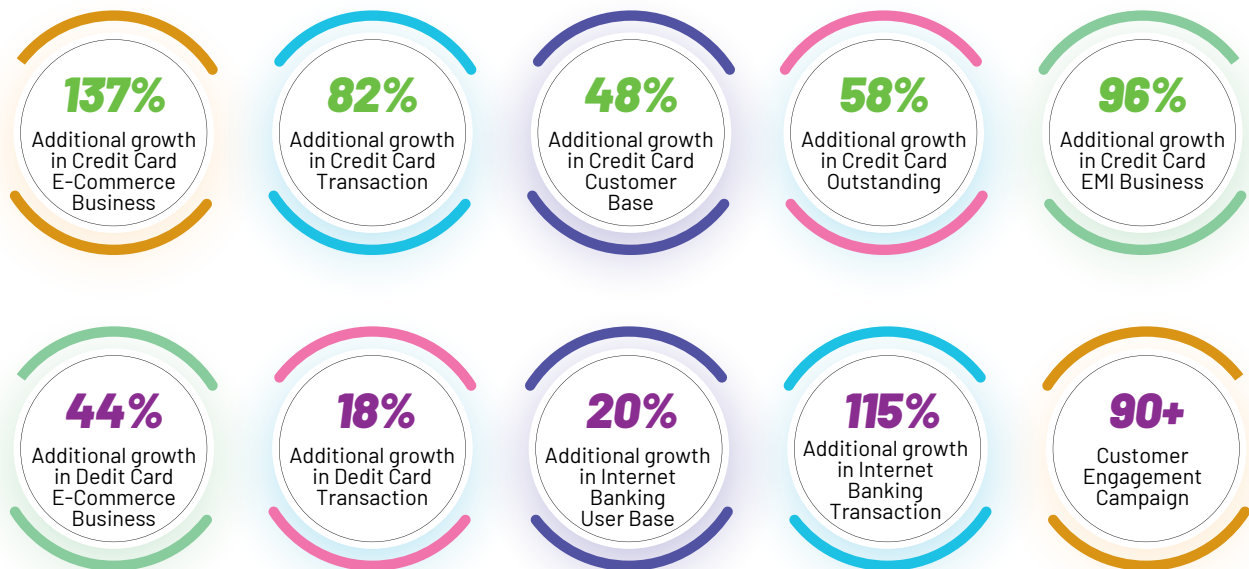
CARDS

82% Additional Transaction Growth

Meghna Cards celebrates a year of remarkable growth and adaptation in the digital payment landscape. With the global shift towards a cashless society accelerating, our commitment to innovation and customer satisfaction has propelled us forward. Leveraging cutting-edge technology, we've seen an additional **48%** increase in the number of customer growth

compared to the previous year, a testament to the trust and confidence our customers place in us. Through seamless digital transactions, enticing cashback campaigns, and engaging promotions, we've not only met but exceeded expectations, positioning ourselves as a leader in the industry.

Key Achievements



As we reflect on the accomplishments of the past year, we are proud to report another period of notable achievements, sustained growth, and unwavering dedication to excellence. Throughout the year, we have remained steadfast in our mission to provide unparalleled banking services, empower individuals

and businesses financially, and drive innovation in the industry. With the ongoing support of our valued customers, dedicated employees, and committed stakeholders, we stand poised to embrace the future with confidence, navigating challenges and seizing opportunities as we continue our journey of success.

Key Highlights



Agreement between Bangkok Hospital Bangladesh Office & Meghna Bank PLC.



Agreement between Air Astra & Meghna Bank PLC.



Excellence in Credit Card Business 2023 at VISA Leadership Conclave 2023



Agreement between Ship International Hospital & Meghna Bank PLC.



Launching Ceremony of LoungeKey



Launching Ceremony of Meghna Dual Currency VISA Debit Card

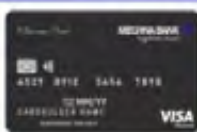
CUSTOMER ENGAGEMENT CAMPAIGNS & PRODUCTS

Throughout the year, we have proficiently executed over 90 customer-centric initiatives, thus exemplifying our steadfast dedication to delivering exemplary customer service. Noteworthy examples include the International Mother Language Day Discount Campaign, presenting a 21% reduction; the Air Astra promotion, offering a 10% discount on domestic airfare; the Electronics and Home Appliances Campaign and Pizza Fest Campaign, extending generous incentives of BDT 5000 and 25% cashback respectively; the TVS and Furniture campaigns providing 0% EMI options for up to 24 months; the

Star Cineplex 50% Cashback Campaign; the VISA Campaign granting a 10% discount on Agoda.com bookings; as well as the Grand Sylhet and Sarah Resort Discount Campaigns, affording discounts of 56% and 25% on accommodations respectively. Furthermore, customer communication initiatives such as LoungeKey facilities for Meghna VISA Cards, the Eid Campaigns commemorating both Eid-ul-Fitr and Eid-ul-Adha celebrations, among others, underscore our unwavering commitment to customer satisfaction and engagement.



মেঘনা ক্রেডিট কার্ড দিয়ে
দেশজুড়ে যেকোনো
এটিএম বুথ থেকে টাকা তুলুন
কোনো চার্জ ছাড়া



CREDIT RISK MANAGEMENT DIVISION

Credit Risk:

Credit risk is broadly defined as the probability of failure of counterparty to meet its obligation as per agreed terms. Banks are very much prone to credit risk due to its core activities i.e. lending to Corporate, Consumer, SME, another Bank/Fl. The main objective of credit risk management is to Identify Risks involved in a Credit proposal, minimize impact of such risks through adopting proper mitigations and to limit risk exposures within appetite of the Bank.

Amidst the current Russia-Ukraine conflict, which has led to a volatile and unpredictable global and local economic climate, credit risk is one of the most important concerns of financial institutions.

With investment being impeded in the post-COVID scenario (that had witnessed initial tailwinds) due to an inflationary and disrupted economic environment, the prospect of non-performing loans (NPLs) continues to be a significant component of credit risk. Furthermore, during the peak COVID pandemic, the payment relaxation or moratorium policies designed to prevent economic stagnation are evolving concurrently and default risks persist.

Amid an upward trend in credit demand in Bangladesh in the post-COVID era, the liquidity strain in the Banking sector is also on the rise, and it is now more important than ever to acquire borrowers with strong credit profile to be able to maintain asset quality and income stream.

Credit Risk Management in MGBPLC:

In this context, the Credit Risk Management (CRM) Department of Meghna Bank amplifies its underwriting and credit risk management practices, as well as credit standards to meet the demands of a fast-transforming economic environment. Meghna Bank's credit risk management includes processes and policies relating to problem recognitions, portfolio reviews, stress tests, watch-lists, stressed and classification triggers.

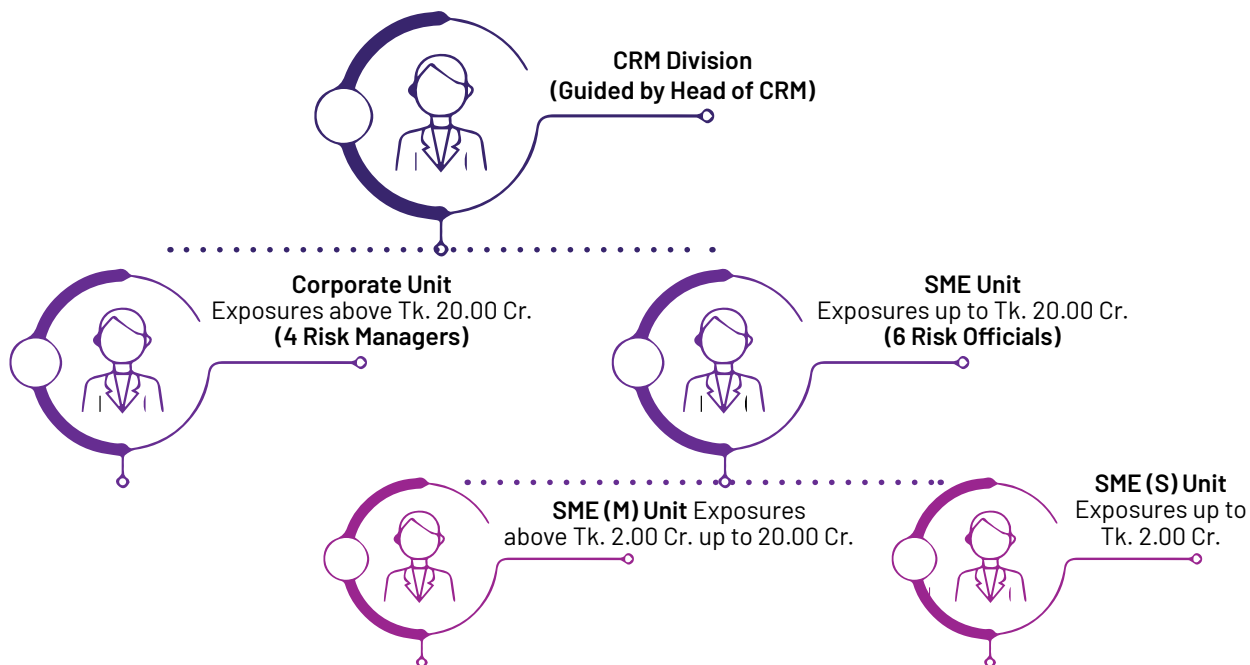
The Board of Directors of Meghna Bank acts as the Bank's final authority vested with the decision making power of sanctioning/non-sanctioning loans. The Board has further assigned credit approval authority to the Managing Director & CEO, who has the discretion to further delegate it to the executives/ officials of CRM based on their credit evaluation abilities, experience, and domain expertise.

CRM policy:

Effective management of credit risk requires establishment of an appropriate risk based culture. At Meghna Bank, we practice a culture developed under a well-established framework under a robust Credit Risk Management Policy for managing credit risks which includes well defined risk appetite and credit limits for both at the business level as well as organization wide. The policy covers structured and standardized CRM processes for corporate and SME exposures. Retail division portfolios are managed separately to reflect the diverse nature of the assets. The policy is updated from time to time based on socio economic and industry dynamism.

Structure of CRM:

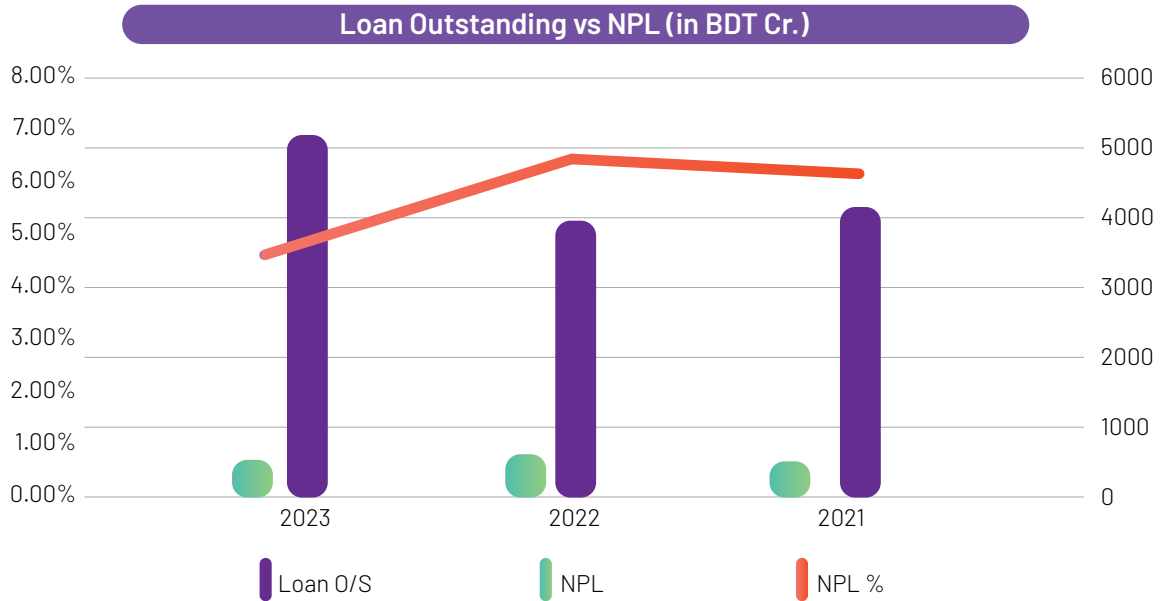
Meghna Bank CRM Division works under main 02 Units:



Growth in loans and advances and asset quality management:

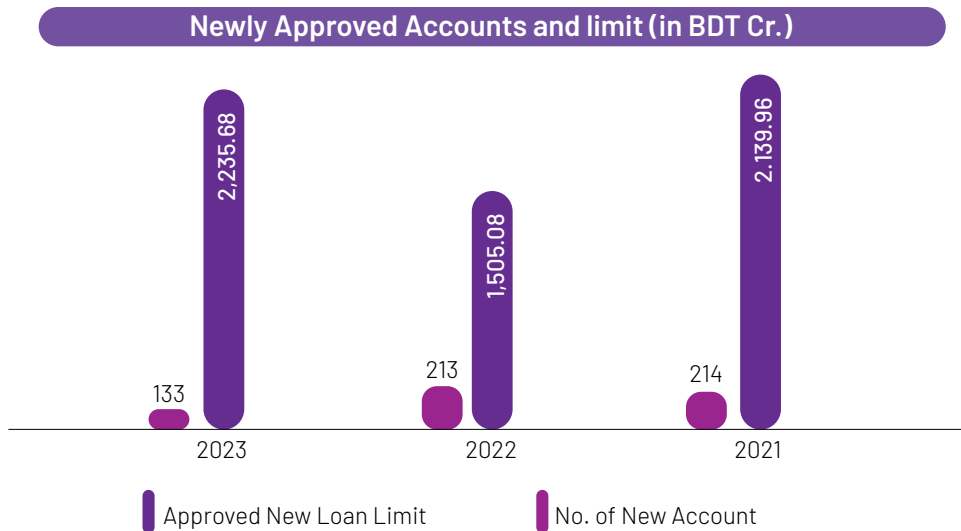
Increasing NPL levels, depressed export markets, fluctuating foreign currency exchange rate, market volatility with frequent interest rate adjustments etc. have effected credit growth in private sector Banking during last few years.

Meghna Bank has achieved and maintained a moderate loan portfolio during last 3 years. The loan portfolio has increased by 30% in 2023 (from Tk. 3997.36 Crore in 2022 to Tk. 5204.22 Crore in 2023), whereas NPL has been reduced.



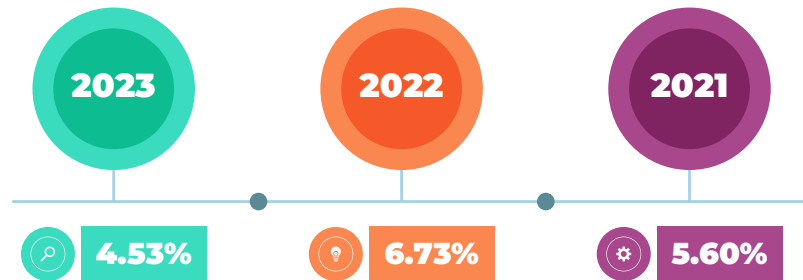
In last 3 years, Meghna Bank CRMD has approved Fresh credit limits to different clients (both Corporate and SME segment) of various Sectors / Industries which represent potential

growth opportunity of the Bank. Number of accounts and limit approved in last 3 years is as follows:



At present, Bank's underlying focus is on asset quality with rigorous performance and risk monitoring strategies for both pre and post loan approval. The Bank has strengthened its recovery strategies to ensure NPL at minimum level. NPL

ratio has also been maintained at below 5% [4.53% in 2023] which is far below industry average NPL [Average NPL ratio in Bangladesh stood at 9.9% in September, 2023]. A year wise comparative NPL ratio is as follows:



Way forward:

In the context of the overall commotion in the financial sector, driven by lethargic credit offtake across the country, Russia-Ukraine war, devaluation of Taka against USD, soaring lending rate and liquidity crisis, we expect the year 2024 to continue to be very challenging. To this extend, Meghna Bank Limited has initiated dynamic strategies, some of our key initiatives include the followings:

- Review and updating sector and business wise risk appetite based on socio economic and industry dynamism.
- Preparation of industry papers on key sectors to facilitate the Bank to take informed decision in accordance with the macro and micro economic aspects.
- Stress account management. More focus on reducing the NPL and NPL%. More Recovery steps have already been taken. Recovery measures should be strengthened in reducing the NPL.
- Updating with more impactful Financial Spread Sheet

and in practicing ICRRS.

- Standardization of credit monitoring process by utilization of various Monitoring tools including Account monitoring checklist for Corporate/Branch/SME to ensure better portfolio health.
- Facilitating the dedicated SME Business Team to ensure proper portfolio diversification.
- Ensure centralization is all aspects to sustain a healthy portfolio.
- Cross-functional training and development as well as personnel capacity development for officers associated with Risk Management.
- As a part of improving inter-personal relationship, knowledge sharing, Team Building, Mental recreation and refreshment, CRM Division has often arrange for outing.



SPECIAL ASSET MANAGEMENT

The Special Asset Management Division (SAMD) at Head Office directly manage problem loans and NPL accounts for regularizing/ recovering/ set up exit plan/ initiating court cases etc. with concurrence of CRM and respective business units and CRO.

The primary functions of Special Asset Management Division are:

- Determining Account Action Plan/Recovery Strategy for the stressed and NPL accounts.
- Pursuing all options viz. restructuring, rescheduling, legal action, sale of collateral to maximize recovery including placing customers into receivership or liquidation as appropriate.
- Ensuring adequate and timely loan loss provisions are made based on actual and expected losses.
- Overseeing loan write off.
- Maintaining MIS for these accounts under litigation and conducting regular review
- Regularly reviewing NPL accounts, rescheduled accounts.
- Taking necessary steps for initiation of legal action against the defaulter borrower's to recover Bank's outstanding dues.
- Representing as legal agent to the courts or coordinate with other legal agents on behalf of the Bank to settle the cases.
- Ensuring proper follow-up of litigation process in the court for the suit filed accounts for getting favorable judgment.
- Following up the suits/cases/writs pending before the Court(s) of Bangladesh.
- Ensuring execution of judgment within shortest possible time through filling of execution case, taking ownership and possession of the assets for realization of bank dues at a minimum cost.

SAMD's responsibilities:

There are two types of customer dealt by SAMD. One, Stressed Customer and two, NPL Customer.

NPL Accounts Management Strategy:

Deals with stressed accounts having chronic overdue, EOLs, unpaid interest/ instalment. But these accounts have underlying cash-flows and by way of proper nurturing through restructuring, rescheduling, time extension, extending fresh financial support, etc., their stressed situation can be overcome.

NPL Accounts Management Strategy:

- If there is any scope for recovering from the group cash flow, voluntary sale of property, the Bank may take supportive steps to regularize the account by way of rescheduling/ restructuring with a view to help the client and their group to overcome the situation.
- For borrowers that have no underlying cash flow or are willful defaulters, legal proceedings will be initiated for recovery of Bank dues.

Divisional update:

Undoubtedly, consequence of corona virus pandemic and the global war between Ukraine and Russia, has made the year a bit more challenging. MGBPLC is always cautious and serious against NPL to keep it in a minimum level. Compared with industry average, it has been consistently running with lower rate of CL percentage. SAMD team successfully minimized the percentage of NPL ratio from 6.73% to 4.47% in Year 2023, compare to previous year.

Last year, SAMD has extended its scope of works in following way:

- Contributes to the bank's income through real recovery against classified accounts and stressed accounts- release of interest suspense or unapplied interest or reduction of provision against classified accounts.
- Re-organizing SAMD organogram with adequate manpower. Recruited skilled manpower to ensure smooth functioning and attainment of targets.
- Re-organizing legal team for coordination of SAMD team.
- Extensive visit to the NPL & Stressed clients of different area of the country.

The summary of SAM Division performance are as follows:

- **Managing** total **BDT 914.04 Crore portfolio** of the bank, out of which BDT 516.18 Crore portfolio are in stressed.
- **Cash recovery** of **BDT 105.15 Crore** from different NPL and stressed customers.
- Contribution in **income of BDT 45.80 Crore**, out of which BDT 17.12 Crore released from interest suspense head.

- **Release of provision** of **BDT 19.77 Crore** through rescheduling or adjustment of classified liability.
- **Fully adjusted NPL & Stressed liability** of 28 nos. of customers, having exposure of **BDT 23.74 Crore**.

Future plan/Outlook Vision and Mission of 2024:

With overall economic situation in mind, our singular focus will be to enhance recovery despite the difficulties. Some of our key initiatives include the following:

- NPL ratio will be within 5.00% by way of upholding the spirit of team work and adding more manpower for acceleration of recovery process.
- Strengthen account monitoring system to ensure recovery.
- Ensuring accurate and timely MIS to facilitate management decisions and compliances.
- Priority set and expediting full settlement of large NPL accounts. Initiation of legal action in all appropriate cases so that the possibility of recovery will be high.



Recovery from "Rupali Corporation" with the assistance of Managing Director & CEO by selling of mortgage property through auction.



Celebrating 100+ Crore Cash recovery from NPL & Stressed clients

LIABILITY & WEALTH MANAGEMENT

Unveiling Excellence in the Liability & Wealth Management Division (LWMD)

In the ever-evolving landscape of modern banking, Meghna Bank takes immense pride in introducing its exclusive Liability & Wealth Management Division (LWMD). As a cornerstone of our commitment to delivering unparalleled financial expertise, LWMD stands as a testament to our dedication to providing tailored solutions and specialized services to a discerning clientele.

Crafting Financial Futures and Driving Mutual Progress

At the heart of Meghna Bank Limited's Liability & Wealth Management Division (LWMD) lies a commitment to crafting financial futures and driving mutual progress for our esteemed clients. Our team of seasoned advisors within the Liability & Wealth Management unit diligently curates personalized strategies, empowering clients to navigate their financial aspirations with precision and confidence. Through strategic investment counsel and meticulous financial planning, we ensure that our clients are equipped with the knowledge and resources necessary to make informed decisions.

In the domain of corporate deposits, LWMD serves as a strategic partner, mobilizing funds from diverse government and corporate entities to fuel the growth of the entire institution. This symbiotic relationship underscores our commitment to fostering mutual progress, where financial empowerment for our clients translates into sustainable growth and success for both parties.

Streamlining Financial Operations: Employee Banking

Complementing LWMD's efforts is the Employee Banking unit, dedicated to providing seamless solutions for organizations seeking to optimize their salary payment processes. With an unwavering focus on convenience, reliability, and security, our Employee Banking unit empowers organizations to efficiently manage salary disbursements, enhancing operational efficiency and fostering employee satisfaction.

Elevating Banking Experiences to New Heights: Priority Banking

Meghna Bank proudly presents its distinguished Priority Banking service, an integral component of our commitment to excellence. Launched with grandeur in April 2021, Priority Banking embodies our dedication to providing high net worth individuals with unparalleled banking experiences, uniquely tailored to their discerning needs.

At Meghna Bank, we believe in delivering exceptional service and luxury to our esteemed Priority Banking clients. Our meticulously crafted range of card products seamlessly integrates lifestyle benefits, ensuring every aspect of our clients' financial journey is adorned with opulence and convenience. As a Meghna Priority Banking client, you are welcomed into a world of exclusive privileges designed to exceed your expectations. Enjoy the personalized attention of dedicated relationship managers, who are committed to addressing your banking needs with expertise and precision.

Our Priority Centers serve as havens of comfort and convenience, providing you with a tranquil environment for all your banking interactions. Whether you require financial advisory services or access to meeting room facilities, our Priority Centers are designed to cater to your every need.

Furthermore, Meghna Priority Banking offers a host of exclusive benefits, including F&B discounts, travel desk services, global insurance purchase assistance, and medical services guidance. Experience the sophistication of airport meet & greet services and lounge access, ensuring seamless travel experiences.

As we reflect on our achievements, Meghna Bank takes pride in offering Priority Banking as a hallmark of excellence and sophistication. We invite you to join us on this journey of financial empowerment and luxury, where every moment is crafted to surpass your expectations.

DIGITAL FINANCIAL SERVICES



In the dynamic landscape of Bangladesh's financial sector, Meghna Bank PLC. continued its significant stride towards digital innovation and customer-centric banking services in the year 2023. Building upon the momentum of previous years, Meghna Bank remained at the forefront of innovation, aiming to enhance convenience, efficiency, and accessibility for its valued customers.

The year 2023 witnessed Meghna Bank further cementing its position in digital banking with the successful commercial launch of 'MeghnaPay,' its Mobile Financial Services (MFS) platform, on the 21st March, 2023. 'MeghnaPay' swiftly gained traction among customers and customer satisfaction was further exemplified through the introduction of new products and services on the 'MeghnaPay' platform throughout 2023. These ongoing efforts aimed to expand the platform's offerings, ensuring that customers had access to a diverse range of convenient and adaptable banking solutions tailored to their evolving needs.

Throughout 2023, Meghna Bank remained steadfast in its commitment to providing exceptional digital banking experiences to its customers through the continuous support and enhancement of its 'i-Banking App'. Recognizing the paramount importance of customer satisfaction and technological advancement, i-Banking App underwent iterative updates aimed at enhancing convenience, security, and accessibility for customers. These efforts included refining the user interface to ensure seamless navigation, optimizing transaction processes for efficiency, and integrating innovative features to empower customers with greater control over their financial affairs.

Looking ahead, Meghna Bank is poised to continue its journey of innovation and excellence in 2024 and beyond, steadfast in its commitment to delivering unparalleled banking experiences that meet the evolving needs of its customers and contribute to the advancement of Bangladesh's financial landscape.



Launching of Meghna Bank Digital Wallet 'MeghnaPay'

Meghna Bank's Mobile Financial Service 'MeghnaPay' was inaugurated on 21st March, 2023 at The Westin, Dhaka. Meghna Bank PLC. has introduced 'MeghnaPay' with a vision to provide smart and convenient banking facilities for the people across the country. This service enabled customers to make transactions effectively and efficiently by using their own mobile phone.

State minister for information and communication technology Zunaïd Ahmed Palak inaugurated the service in the function. Nagad's Managing Director Tanvir A Mishuk was present as the special guest in the event.



Meghna Bank Chairman HN Ashequr Rahman presided over the occasion. Meghna Bank Board of Directors, managing director and chief executive officer Sohail R K Hussain and invited senior officials of Bangladesh Bank, respected guests and prominent members of the society and banking industry were also present on the occasion.

IBSi Global FinTech Innovation Awards 2023

Meghna Bank has achieved the IBSi Global FinTech Innovation Awards 2023 in the category of 'Most Innovative Digital Wallets Deployment' for the Best Program Vision of "MeghnaPay" along with 'Modelfin', the software company that has implemented the

solutions. This recognition highlights the bank's commitment in providing innovative and convenient financial solutions for its customers.



Current Features and Services of MeghnaPay:

Meghna Bank has achieved a significant milestone by commercially launching 'MeghnaPay' within a shortest possible time and introduced various value propositions by partnering with different business clients, banking partners, which includes below:

- a. Customer Registration: Self-Registration using e-KYC, Self-Registration using Meghna Bank Debit Card, Customer registration through Branch Portal
- b. Add Money from locally issued Visa, Amex and MasterCard (Debit, Credit and Prepaid Card)
- c. Real-time Add money (deposit) from Meghna Bank Account to MeghnaPay wallet
- d. Instant fund transfer to any Meghna Bank Account
- e. Add Money to MeghnaPay from any Bank A/C using Nikash System
- f. Fund Transfer to all other Bank A/C using Nikash System
- g. All Bank Credit Card Bill Payment (Visa, Master and Amex card)
- h. Send Money (MeghnaPay to MeghnaPay)
- i. Cash-In (Wallet Deposit) and Cash-out (Withdrawal) from Branch
- j. Mobile Recharge to all operators with bundle packages offered by Mobile Operators
- k. 9,000 + Online e-Commerce Payment
- l. QR Based Merchant Payment (Scan & Pay)
- m. Insurance Policy Purchase: Guardian Life Insurance
- n. Utility Bill Payment:
 - DESCO Postpaid
 - Dhaka WASA
 - Khulna WASA
 - Jalalabad Gas



Newly Introduced Features, Products and Services of MeghnaPay in 2023

Meghna Bank introduced few new value propositions in MeghnaPay platform for customer convenience which are mentioned below:

- **Add Money from Locally (Bangladesh) Issued Visa, Amex & MasterCard:** MeghnaPay customers can instantly add money to their account from locally (Bangladesh) issued any bank debit, credit and prepaid cards. To introduce this service, MeghnaPay has teamed up with The City Bank PLC.
- **All Banks Credit Card Bill Payment:** MeghnaPay has introduced any bank credit card bill payment (BEFTN & Direct integration) through MeghnaPay. This service is introduced to ensure a seamless experience for MeghnaPay customers and the convenience of settling their credit card bills from any place and at any time, simplifying the entire process. Moreover, Meghna Bank credit card bill payment is available in Branch portal.
- **Add Money from Any Other Bank Account:** MeghnaPay customer can add money to their MeghnaPay account from any bank account using Internet banking platform. Through BEFTN procedure using Nikash system, DFS Division has introduced this service for convenient wallet refill.



- **Fund Transfer to Any Other Bank Account:** Fund transfer service of MeghnaPay is launched allowing seamless transactions to any bank account through BEFTN using Nikash system and enables effortless and swift fund transfers at any time and from anywhere, erasing the traditional boundaries that often restricted such transactions. Meghna Bank is working on direct integration with different banks, PSP and MFS.
- **B2B (Business to Business) Payment Collection Solution:** MeghnaPay has developed the B2B payment collection system for integrating with various B2B collection distribution channel partners and managing the cash flow of the payment collection channel through MeghnaPay. Meghna Bank already appointed channel partners who are having widespread network all over the country to collect fund from different well known merchants. Also, onboarding potential clients are ongoing for B2B Payment collection which will positively contribute in business of the Bank.



- Distribution Channel Expansion:** MeghnaPay will appoint local distributors as well as partner distributors with established distribution network. In this regard, bank is connecting with potential business partners with countrywide business network. Already, few major service providers are on-boarded who are ensuring service delivery by addressing customer needs. MeghnaPay will also appoint distribution channel partners regionally considering the business requirement.
- Disbursement Solution:** Disbursement module of MeghnaPay is ready to disburse Govt. fund, stipend, remittance, workers' salary and other benefits like overtime, bonus, bulk mobile recharge etc. For Cash-out, agents of Partner Distributor/Super-Agent / regional distributor of MeghnaPay will be deployed.
- Branch Portal:** MeghnaPay has developed service module to introduce MeghnaPay services at Meghna Bank branches. The initiative allowed Branches to on-board new MeghnaPay customer, existing Core Banking customer and MeghnaPay customers can avail Cash-In, Cash-Out, bills and fees payment services etc. at branches around the country. In addition, Bank's existing customer will get benefits through mapping CBS account and perform necessary financial settlement of their daily life.
- Insurance Package Purchase and Premium Payment:** MeghnaPay has introduced purchasing **Guardian Life Insurance** policies through MeghnaPay. Moreover, communication is ongoing with different insurance partners to introduce this feature in more customer centric manner. Also, premium payment collection will be launched for different insurance services through MeghnaPay.



- Online Merchant Payment:** MeghnaPay has launched online merchant payment to facilitate customers to shop online through MeghnaPay Payment Gateway. This

service is already available at more than 9000 eCommerce merchants for MeghnaPay customers. MeghnaPay will also connect with individual online merchants for eCommerce payment collection.



- QR Based Offline Merchant Payment (Scan & Pay):** MeghnaPay customer can purchase products from registered MeghnaPay merchants by scanning QR code and putting Merchant number. MeghnaPay has introduced this service by collaborating with Orion Footwear for payment using QR code and working to team up with some other merchants like c. Also partnership with other aggregator service providers is ongoing to offer MeghnaPay users to make payment at their Merchant points using QR Code.



- Utility Bills Payment:** Utility bill payment of DESCO Postpaid, Dhaka WASA, Khulna WASA, Jalalabad Gas is live. MeghnaPay may integrate with billers individually (DESCO, DPDC, DWASA etc.) as well as aggregators to incorporate these services at Meghna Bank digital platform. As a part of this, Meghna Bank already signed agreement with different aggregators and started technical integration with ekPay (a2i), Software Shop Limited (SSL), etc.



Digital Banking Initiatives of 2023:

- Loan Origination System:** Meghna Bank PLC is embarking on a transformative journey with the onboarding of a cutting-edge Loan Origination System (LOS). This strategic move aims to revolutionize the bank's lending processes, enhancing operational efficiency and customer satisfaction. The new LOS promises streamlined workflows, reduced processing times, and improved risk management, positioning Meghna Bank as a technologically adept and customer-centric institution. The implementation involves meticulous planning and staff training to ensure a smooth transition. By embracing this advanced system, Meghna Bank PLC anticipates not only staying abreast of industry standards but also exceeding customer expectations with a more seamless and responsive loan application experience. This initiative underscores the bank's commitment to innovation, marking a significant step towards a future-ready financial ecosystem.
- Remittance Management System:** Meghna Bank PLC is advancing its financial services with the onboarding of a cutting-edge Remittance Management System. This strategic move aims to revolutionize the handling of cross-border transactions, offering customers a swift, secure, and seamless remittance experience. The new system integrates advanced features for real-time tracking, automated processing, and enhanced compliance, ensuring a streamlined and efficient remittance workflow. By adopting this innovative technology, Meghna Bank not only reinforces its commitment to staying at the forefront of financial services but also anticipates increased customer satisfaction through expedited fund transfers and improved transparency. The Remittance Management System aligns with the bank's vision for a modern and customer-centric approach to global transactions, underscoring its dedication to providing a superior and technologically advanced banking experience.
- Integration with Bangladesh Investment Development Authority (BIDA) OSS :** The BIDA online One stop service (OSS) portal serves as a pivotal platform for investors



seeking seamless access to various services in Bangladesh. Among its essential functions, the portal facilitates the process of the opening new bank accounts for investors registered with RJSC. Presently, Meghna Bank PLC stands out as the sole institution capable of providing online account opening services through the BIDA OSS portal. This exclusive capability positions Meghna Bank PLC as a key facilitator in the country's investment landscape, streamlining the onboarding process for investors and promoting efficiency and transparency in financial sector.

- **E-Locker:** The transition from manual to digital locker service marks a significant advancement for our institution, introducing greater efficiency and convenience for both customers and branch staff. The hierarchical structure not only enhances security and accountability but also fosters seamless collaboration among branch teams. Overall, our e-locker system represents a progressive step towards modernizing our services and delivering enhanced value to our customers.
- **DPS Opening through Digital Platform:** Customers can open DPS through Meghna Bank website as well as i-Banking platform from anywhere and no need to visit physical branch.
- **i-Banking & MeghnaPay Wallet Transfer:** Meghna Bank already facilitated its customers to transfer fund to bKash and Nagad, after launching MeghnaPay, it also introduced MeghnaPay instant transfer. Add money to MeghnaPay account is convenient from Meghna Bank account without any hassle. Customers need to login to Meghna Bank Internet Banking platform and transfer money to desired MeghnaPay account instantly anytime without any charge.



Strategic Alliance and highlighted Business Propositions:

- **Government Services, Bills and Fees Payment:** MeghnaPay is working on introducing different bills and fees payment like ISP bills, Cable TV, Indian Visa fees, Passport fees, Driving License fees, Govt. fees like Land Tax Development, Holding Tax, NID Correction fees, e-Porcha, e-Mutation, tuition fees, membership fees, DPS and Loan installment payment etc. Meghna Bank will be connected with billers individually or aggregators to acquire these services.
- **USSD Channel:** USSD (Unstructured Supplementary Service Data) channel using Grameenphone network is ready for go live. Technical integration with Robi, Airtel and Banglalink is also ongoing to facilitate customers to use *735# for availing MeghnaPay services.
- **Collaboration with Sonali Bank:** Meghna Bank is collaborating with Sonali Bank PLC. to facilitate customers for availing banking services effortlessly with more freedom and flexibility at their finger-tip.
- **Ticketing and Booking:** To offer customers convenient ticketing and booking services, MeghnaPay will introduce bus, air, cruise, train ticket purchase facility as well as hotel, resort etc. booking. MeghnaPay is working with **CloudWell Digital Services Limited (Paywell), SSL, Shohoz, Paribahan.com etc.** and will try to connect with as many partners as possible with similar proposition.
- **Real-time Money Transfer between MeghnaPay and Other Bank Core Banking Account, MFS, NBFI and PSP:** MeghnaPay is working to integrate MeghnaPay with Bank, Financial Institutions, Payment Systems providers etc.



- **Digital Nano Loan:** MeghnaPay is working on introducing Digital Nano Loan application and disbursement for Meghna Bank leveraging MeghnaPay platform as loan disbursement and repayment channel.
- **International Remittance Disbursement through MeghnaPay:** Meghna Bank is working with Remittance Solution vendor on disbursement of remittance through RMS system which will allow multiple remittance partners. Moreover, Meghna Bank will also connect with Western Union, MoneyGram, RIA, Placid, NEC Money etc. as well as wallet to wallet transfer like MyCash, SEAAPS, Pioneer etc. and sign agreement with these clients.

Non-Financial Digital Banking Initiatives:

- **Free Internet for Using Meghna Bank App without Data Charge:** Meghna Bank intends to offer MeghnaPay and Meghna Bank Internet Banking Mobile App users to avail banking services without any data/internet charge where Bank will bear the charge of internet offered by MNOs (Mobile Network Operators). This offer appeals to customers and encourages them to enjoy the services without worrying about their internet consumption and make customers habituated to Mobile App rather than USSD or other traditional manners which involves cost for the business organization.
- **Women Centric Product:** MeghnaPay has introduced 'MeghnaPay Nari Uddokta' individual merchant account and working on facilitating female customers with attractive offers, discounts, cash-back etc. during special occasions like Women's Day, religious festivals etc. Also, female customer category as 'MeghnaPay Sreyoshi' will be introduced and offer special discount on service charge/fees for different payment services.

- **Donate to Charity:** MeghnaPay is ready to offer its customers a seamless way to support charitable causes by making donations to their preferred charitable organizations with utmost convenience, and no service charges will be applied to these donations. This initiative reflects our commitment to facilitating meaningful contributions and making a positive impact on the community.
- **Personal Retail Account:** As per Bangladesh Bank circular, MeghnaPay is working on launching Personal Retail Accounts which would enable MeghnaPay customers to pay for purchasing retail commodities like fish, vegetables and other grocery items by scanning QR codes. Onboarding process and transaction limit will be imposed as per regulatory guideline.
- **MeghnaPay Account for 14-18 Years Customer:** In reference to the Bangladesh Bank guideline, MeghnaPay will introduce new account category for customers' ages 14-18 years.
- **Customer Segmentation:** Considering different customer need and transaction patterns, multiple wallet facilities will be introduced along with Main MeghnaPay Wallet. Since MFS is being considered as one of the most accessible medium for conducting transactions, multiple wallets will empower customers to select MeghnaPay over other providers due to its benefits.
- **Cybersecurity Awareness Campaigns:** As the digital landscape expands, cybersecurity becomes a paramount concern. Meghna Bank takes a proactive approach to educate customers about online security threats and best practices for safeguarding personal and financial information. Meghna Bank aware its digital platform users through App alerts, Social media contents, SMS etc. to avoid threats and ways to mitigate risks.





- Revamping Meghna Bank Website:** Meghna Bank PLC. intends to improve its online visibility by revamping its website. The goals of this calculated venture are to improve the visual appeal, functionality, and user experience. The redesigned website will have a user-friendly experience for stakeholders and clients, with a focus on modern design, easy navigation, and seamless cross-platform responsiveness. Meghna Bank wants to be a one-stop shop for all things banking online, giving client's quick



access to products, services, and tools for managing their individual accounts. The bank hopes to improve consumer interaction and reinforce its brand image with this digital makeover. The redesigned website is a reflection of Meghna Bank's dedication to remaining ahead of the curve in the digital sphere, where a modern online presence is essential to providing a modern and effective banking experience to its wide range of customers.

- Enterprise Document Management Solution (DMS):** Meghna Bank PLC. is ushering in a new era of operational efficiency with the onboarding of an Enterprise Content Management Solution (ECM). This strategic move reflects the bank's commitment to streamlined processes and digital transformation. The ECM system enables Meghna Bank to organize, store, and manage vast volumes of information effectively, fostering seamless collaboration and quick retrieval of critical documents. This centralized approach not only enhances data security and compliance but also accelerates decision-making processes. By adopting the ECM Solution, Meghna Bank anticipates improved workflow efficiency, reduced manual errors, and increased responsiveness to customer needs. This initiative aligns with the bank's vision to leverage cutting-edge technology for a more agile and customer-centric banking experience, marking a significant step toward a future-ready and digitally empowered financial institution.
- Fostering Teamwork for Future Leadership:** Meghna Bank's Digital Financial Division is a collaborative space fostering teamwork among employees. It promotes financial literacy, supports entrepreneurial ventures, and cultivating a culture of collaboration and leadership. Through digital innovation, Meghna Bank is empowering its team to excel in the ever-evolving landscape of banking and entrepreneurship
- Meghna Bank's digital banking strategies are closely aligned with Bangladesh Bank's overarching vision of establishing a resilient and secure financial system. In a time marked by rapid technological progress and shifting customer preferences, Meghna Bank is dedicated to providing innovative and inclusive financial services that prioritize convenience for the valued customers. Meghna Bank is steadfast in its commitment to fostering innovation and adopting digital solutions to address the dynamic demands of the banking sector and contribute to the advancement of the nation.

HUMAN RESOURCES DIVISION

Meghna Bank PLC. recognizes that its success is deeply embedded in the success of its Human Capital. Human resource is the set of skills & attitude which an employee acquires through training and experience and which increase the employee's value in the marketplace. Meghna Bank highly values its employees that play the vital role in materializing the mission, vision, goals and objectives of the bank. The Bank strives to focus on strategic human resource management that involves a future-oriented process of developing and implementing HR programs to address and solve business problems and directly contribute to major long-term organizational objectives. Human Resources Division of Meghna Bank creates, encourages, and maintains an environment that supports, develops and sustains the well-being of Bank's employees as well as comfortable high performance culture. As on 31st December, 2023 the bank has a total of 924 employees responsible for conducting all banking operations.

Human Resources Division of Meghna Bank has framed its human resource practices through aligning HR strategy with business strategy, creating performance development culture, reward & recognition, HR automation, creates employee value proposition and talent Management.

In 2023, Meghna Bank HR has streamlined the organogram of the all departments and ensure staff strength, implement revised pay scale to comply Bangladesh Bank guidelines and employee benefit related policies to inspire the employees. Mentionable here that Bank has declared highest number of promotions in the year of 2023 in recognition of the contributions and performance and also rewarded its employees through its KPI based Bonus & reward system

HR objective is to provide learning opportunities to our employees to align them with our strategic objectives of the organization. So officials with learning agility and eagerness are recruited and then learning interventions are designed for further capacity building and skill development. In alignment with firm belief in investing heavily for continuous development of its workforce, in 2023, the Bank arranged 152 external and 25 internal training programs where 308 and 1074 officials participated respectively while also many innovative courses including one preparatory course for Banking Professional Exam were also introduced in the eLearning Platform.

Join with the Transformation Team

Meghna Bank Limited started its journey with vision and view to become a trusted custodian of financial assets belonging to all valued clients and delivering innovative products and premier service to our customers. Our success is built on the team and individual achievements of our people. For the individuals who contribute to achieve it, the career potential is huge. The fact is that they can go as far as they want. And that is why we have been able to attract and recruit finest people in the industry. Career at Meghna Bank Limited is performance oriented

and performance will be reviewed periodically and reward & recognition are adopted accordingly.

Group insurance coverage for employee's and their family members

At Meghna Bank, we recognize our employees' physical & mental health and wellbeing as highly important, deserving both protection and promotion. We believe, a healthy employee will be more productive in the workplace and a healthy workplace can lead to organizational success in terms of productivity, teamwork and employee wellbeing. We also take care of our employee's health and safety. Meghna Bank implemented group insurance coverage with Guardian Life Insurance Limited in 2023. This insurance coverage provides comprehensive insurance facilities for Bank's employees and their family members.



Committed to Compliance

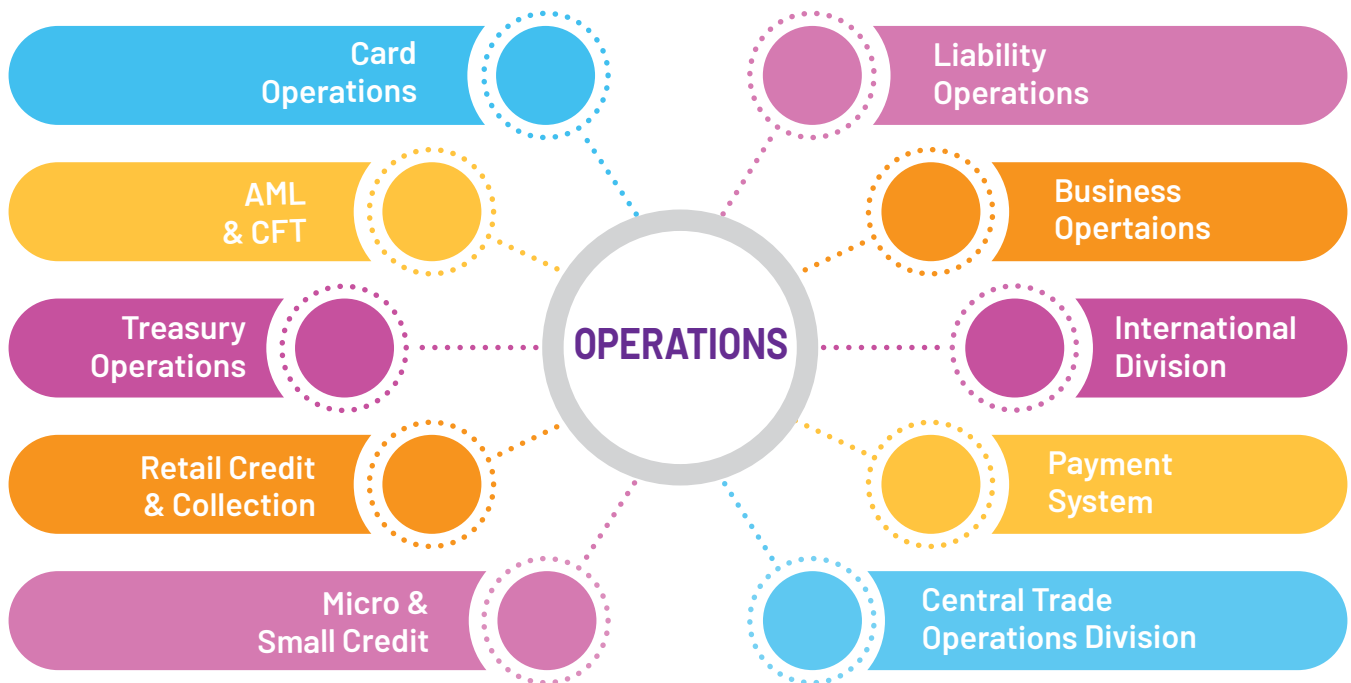
Meghna Bank HR always is always committed to comply to the internal policy as well as regulatory compliance. Bank has done education certificate verification of its employees as per guidance from Bangladesh Bank. Bank also implemented minimum salary fixation for entry level officers in align with the Bangladesh Bank initiatives. In last year Bank included dope test in addition to other medical tests in the pre-employment medical checkup of job candidates. We also ensure police verification clearance report, release letter verification from previous employer, education certification verification, NID verification, checking candidate's information in Corporate Memory Management System of Bangladesh Bank during the recruitment process.

OPERATIONS

Meghna Bank's Operations division has been undergoing through restructuring process with an objective to establish customer centric operational delivery model to provide superior customer experiences.

Continuous process reengineering along with enterprise wise automation has always been the main focus to reinforce the bank's proposition in a competitive market place along with strengthening compliance standards.

In 2023 Meghna bank's Operations division embraced a centralization drive, consists of a number of departments working together in synchronization with other business divisions of the bank to achieve both productivity and efficiency gains.



Liability Operations:

Liability Operations is established to carry out the bulk processing of the daily works of the branches on liability products like CASA, Scheme & FD Accounts of all segments of business (Retail, SME, Corporate, Wealth Management etc.). In centralized operational processes of the bank, Liability Operations operates as a major function to facilitate such services as opening, maintenance, closing, interest payment etc. of these accounts. Liability Operations handles Sanchoyatra process on behalf of branches.

Business Operations:

Business Operations is another centralized wing primarily mandated with the responsibility of ensuring smooth operations. Efforts were also invested in substituting existing process through simplification and automation to reduce manual intervention as much as possible.

International Division:

Meghna Bank's International Division mainly focuses on two key areas i.e Correspondent Banking and Foreign Remittance.

Correspondent Banking:

Meghna Bank maintains active relationships with a reasonable network of banks all over the world considering 10 years of bank's operation. Correspondent network of Meghna Bank includes 02 members, covering 162 banks spread across 47 countries as on December 31, 2023. The Bank also maintains 21 Nostro Accounts in all major currencies with reputed international banks around the world in all the important global financial centers. Meghna Bank enjoys reasonable credit limits with a number of International banks. Besides, Meghna Bank has arrangement with TRADEASSETS, a protected block-chain technology to buy and sell trade assets along with instigation of new transactions.

Foreign Remittance:

The Bank has two major streams of inward remittance categorized as Commercial Remittance and Wage Earners Remittance. Both Commercial and Wage Earner remittance contributed significant flows during the year 2023. For wage remittance, Meghna Bank has bilateral business relationship with the exchange houses in the Middle-east, USA, UK and global MTOs.

Payment System:

Payment system includes BACH Operations and EFTN.

BACH:

BACH is a core operation, performing the crucial role of processing the customer's cheques, pay order under the Bangladesh Bank's BACPS operating rules & procedures. All the inward cheques are being proceed centrally from this wing. Currently, outward clearing process is being done centrally and BACPs service charges are realized automatically. Besides, reconciliation of BEFTN transactions are carried out from this unit.

Central Trade Operations Division:

1. Trade Operations are functioning centrally under two HUBs i.e. CTOD in Dhaka and CTPU (Central Trade Processing Unit) in Chattogram.

Due to COVID-19, Global Trade Business faced unprecedented challenges in 2020. Throughout the year, trade customers in particular were severely impacted by the pandemic.

Confronting the pandemic situations, we could achieve our trade business target in 2022 and run our trade business with full satisfaction of our clients.

We have ended year 2023 with a significant growth i.e. 97% in trade business.

Trade performance in 2023:

Yearly Trade Position	Actual 2023 (in Crore)
Import	2532.48
Export	830.25
BG-new	371.87
BG-renewal	370.72
Acceptance	1520.03
Grand Total	5625.35

2. We have approved "Trade Based Money Laundering" policy paper within the deadline of BFIU, Bangladesh Bank as per their Guidelines.

3. Amid immense impact of COVID-19, we have added BG(including e-GP) operation under the centralization process to ensure smooth operation during pandemic.

We have been operating BG(including e-GP) centrally from May 05, 2021.

4. We have approved "Trade Based Money Laundering" policy paper within the deadline of BFIU, Bangladesh Bank as per their Guidelines.

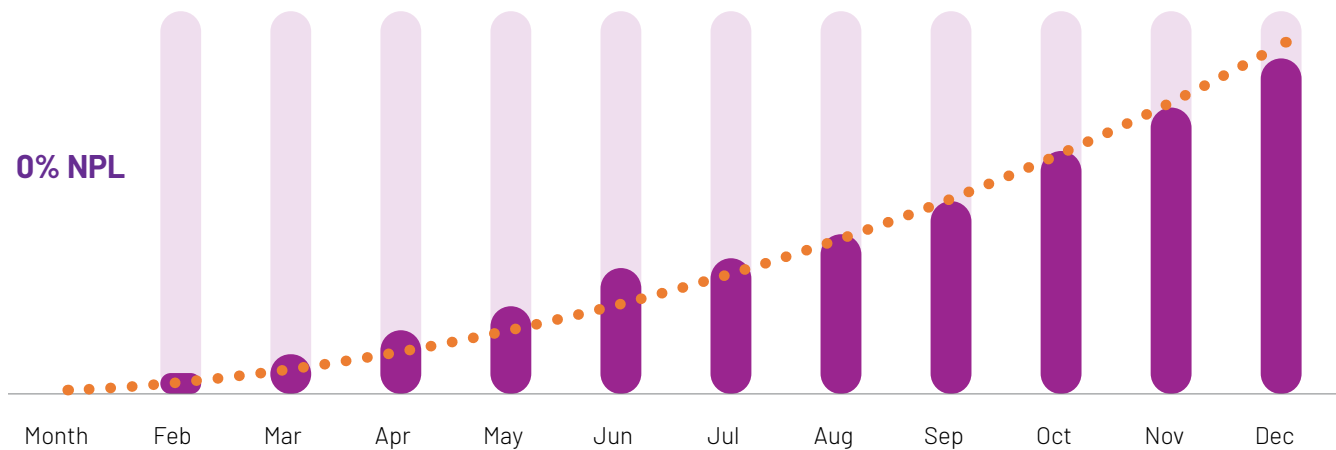
Micro & Small Credit:

Meghna Bank Micro & Small Credit department has formed to ensure faster processing of Micro & Small Loans through 7 (seven) Regional Hubs and 12 (twelve) Branches in selected area of the Country. This department has started to approve loan in February-2023 and end of 2023 outstanding portfolio of S-segment is BDT 59.17 Crore where disbursement amount was BDT 73.30 Crore through 559 customers in which refinancing BDT 53.78 Crore (73%) and regular loan BDT 19.54 crore (27%). Should mention that there is no pass due account as on December 31, 2023. Phase by phase regional hub & branch will be increased based on business potentiality to cover whole country.

To underwrite Micro and Small loans, this department follows the following unique process:

- Receive files from Micro and Small Business & dully check and MIS entry, CIB search, Customer information collection (financial & non-financial).
- Physical visit is mandatory for all submitted loan files.
- Inform queries to Business & compressive credit assessment all loan files as well as provide decision (Approve/Decline) with maintain TAT (Turn Around time).
- Post disbursement visit and regular portfolio health checkup and Recommended for early call back the full outstanding if found any delinquency.
- To develop loan product in compare with the competitor and market.
- To align with all internal & external circular & guidance and assist business to develop new policies & process for growing business portfolio.
- Trained up business and branch staff like Relationship Officer (RO), Business Development Manager (BDM) and Relationship Manager (RM) as per need base.

Month End Outstanding-2023 (In Crore)



In a nutshell, Healthy portfolio and faster decision is the mission of Micro and Small Credit Team.

Retail Credit & Collection:

Retail Credit & Collection (RCC) team is playing multifunctional support unit of business function. RCC is a dedicated and centralized processing and monitoring unit for consumer Loans and Cards. RCC team is playing an important role to approve retail loans and cards. Also monitor retail Asset Portfolios. RCC is working to increase healthy asset portfolio for the Bank. By managing a healthy asset portfolio, RCC is contributing to increase retail earnings.

In 2023; Retail Credit and Collection has successfully implemented fully automated processing system named Loan Originating System (LOS). By implementing LOS; file processing and approval is being faster, convenient and scientific.

In 2023; RCC has processed around 11,500 Credit card files and 300+ retail loan files. At the end of 31st December'2023; Credit Card portfolio was TK 132.83 crore where NPL(BB) was only TK 4.29 crore which is only 3% and Loan portfolio was TK 412.61 crore where NPL(BB) was only TK 6.33 crore which is only 2%. The percentage of NPL is significantly lower than industry NPL.

Treasury Operations:

Meghna Bank's Treasury Operations works as a back office of the Treasury Business to support Service Excellence. In 2023 the success of these Departments are as below:

1. We have handled lots of transactions of Govt. Securities (T.Bill & T.Bond) i.e. Purchase, sale, Repo, ALS etc. From these transactions we earned mentionable amount of profit which was near about 99 crore only from T.Bill and T.Bond.

2. For risk minimization we have participated with business unit and reduced risky investment and collect pending interest.
3. We settled accurately of investment in Preference Share, Capital market investments and other investments.

Anti-Money Laundering Division:

Managing the AML/CFT Risk

Message from the desk of CAMLCO:

To strengthen and implement the effective AML/CFT Compliance culture throughout the Bank, the management of the Bank has set the tone as **"Balancing between Business & Compliance by applying Risk Based Approach"** which is the requirement of international standard setting body like FATF and local regulator as well.

Money Laundering & Terrorist Financing has the devastating economic and social consequences, it increases exposure to organized crime and corruption, weakening financial organizations and increases the reputational, operational, legal & concentration risk for the Banks. Money Laundering (ML) and Terrorist Financing (TF) are viewed as severe global problem that pose threat to the economy and society as a whole. In recent days, the evolving money laundering trends like Trade Based ML (TBML), Illicit Outflows of Fund, Financial Fraud & Credit/Loan Backed money laundering, online betting/gaming, cybercrime, digital hundi, cryptocurrency transaction, misuses of digital/mobile financial/agent banking services, social media fraud has become one of the greatest concern for the development of our economy.

The National ML & TF risk assessment of Bangladesh suggests that banking sector is one of the most vulnerable sectors for

the ML & TF among the financial sectors due to its indigenous nature of business, customer base, product type, delivery channel, external linkage and ownership. Banks can play a vital role in preventing ML, TF & PF and in this regard their roles and responsibilities are delineated in MLPA, 2012, ATA, 2009 and rules and instructions issued under this legal framework by BFIU. To prevent ML, TF & PF and to ensure the implementation of required provisions of Acts, Rules and directives of BFIU, Meghna Bank has developed this guideline and maintains an effective AML and CFT compliance program. This covers at least senior management role, internal policies, procedures and controls, compliance structure including appointment of compliance officer, independent audit function and awareness building.

The intention of wrongdoers to conceal the true source of fund or often purpose of the fund can expose banks to great risk. Financial institutions across the globe are working hard to fight financial crime driven by demands to protect assets and maintain regulatory compliance. To prevent money laundering and combat terrorist financing through our banking channel, Bank has strong Customer Due Diligence (CDD) & Enhanced Due Diligence (EDD) in place for customer on boarding and their lifecycle management. The Bank also has a Central Compliance Committee (CCC) headed by the Chief Anti-Money Laundering Compliance Officer at Head Office and BAMLCOs at the branches. 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. We also monitor credit backed transactions & trade based transactions for preventing money laundering.

Keep in mind that, in Meghna Bank,

- No Bank A/C or Relationship to be opened or established with
 - ◆ Anonymous customer,
 - ◆ Pseudonymous customer,
 - ◆ Only Numbered A/C,
 - ◆ With Shell Bank,
 - ◆ Customer Listed under Local, UN, OFAC, EU, UK Sanction.
- And while performing customer due diligence, the following issues must be ascertained:
 - ◆ Who the customer really is (KYC)
 - ◆ What do the customer do (KYCB)
 - ◆ With whom customers do business (KYCC)
 - ◆ What the ultimate source of income

- ◆ Who is the ultimate controller of the account/who is controlling the fund (UBO)
- ◆ Why they are using your service (Purpose)
- ◆ Where they are from (Geography)
- ◆ What type of risk customers pose for the bank (high/low)
- ◆ What is your customer doing (Transaction/activity monitoring)
- ◆ Who your employee is (KYE)

Ensuring citizens remain safe from harm caused by criminal activity including money laundering and terrorist financing should remain a priority for Meghna Bank. Going forward, Meghna Bank is aware of the new challenges and the changes in the nature of ML & TF threats that the next year may bring to light. We do expect everyone's support as socially responsible citizen by providing all required documents and information to prevent money laundering and terrorist financing as per regulatory requirement to the stability and the integrity of our financial sector. Hope our combined endeavor will help to create a harm free society and stable economy.

Card Operations:

A summary of card operations is a brief overview of the activities and processes involved in managing and servicing card products, such as credit cards, debit cards and prepaid cards. Card operations may include the following aspects:

- **Account Service & Card Services Unit:** The unit manages debit & credit card-related services, including issuing new cards and ensuring their security.
- **Settlement & Accounts Unit:** They ensure timely and accurate settlement of trades, payments, and other financial obligations.
- **ADC & Dispute Management Unit** In summary, the ADC & Dispute Management Unit combines technology-driven data capture with effective dispute resolution, all while prioritizing customer satisfaction.
- **Logistics & Support Unit:** the Logistics & Support Unit combines logistics expertise with efficient facility management and administrative support to keep the organization running seamlessly.

Card operations are essential for ensuring the smooth functioning and profitability of card products, as well as maintaining customer satisfaction and loyalty. Card operations require a high level of coordination and collaboration among various departments, systems, and stakeholders within an organization or a network. Card operations also need to comply with relevant laws, regulations, and standards in the industry.

INFORMATION TECHNOLOGY

In the ever-evolving landscape of the banking industry, Information Technology (IT) remains a cornerstone for economic progress and stability. Meghna Bank PLC. has embarked on a multitude of initiatives aimed at nurturing sustainable growth through digital transformation, thereby strengthening its position to confront the challenges presented by the Fourth Industrial Revolution. Additionally, the directives and guidelines issued by the Central Bank regarding the establishment of Digital Banks have injected fresh momentum into the trajectory of digital economic activities. Meghna Bank continues its steadfast commitment to investing in state-of-the-art global standard technologies. This strategic pursuit is aimed at delivering unparalleled customer satisfaction through services offered within a secure and regulatory compliant environment.

Overview:

In 2023, Meghna Bank achieved significant milestones including the implementation of a Hyper Converge Infrastructure with Enterprise Back-up Solution, Software Defined Network Solution, Next Generation Firewall, and IP Telephone System Deployment, among others. These initiatives, totaling BDT 400.00 Million, enhanced data management, network security, and communication across the bank's operations. Additionally, core banking initiatives and MIS enhancements streamlined processes, while upcoming projects for 2024-25 focus on digital transformations to face the 4th Industrial Revolution, encompassing solutions for information security, asset management, VAT compliance, offshore banking, global trade services, and core banking standards.

Key achievements of 2023:

- **Hyper-converged Infrastructure with Enterprise Back-up Solution:** Hyper-converged Infrastructure (HCI) is an integrated system that combines virtualization, compute, networking and storage on a single platform. HCI lowers the complexity and costs while enabling better scalability, flexibility and agility in managing and deployment of IT Resources. Enterprise Backup Solution are designed to capture a point-in-time-copy (Backup) of enterprise workloads in on-premises, hybrid, multi cloud & SaaS environment and write the data to a secondary storage target for the purpose of recovery in case of data losses. In 2023, Meghna Bank PLC. invested BDT: 200.00 Million for deployment of its Hyper-converged on-premises Cloud System and Enterprise Back-up Solution for its data security and management.
- **Software Defined Data Center Network Solution:** Meghna Bank PLC. Invested over BDT: 130.00 Million in 2023 for

deployment of Software-Defined Data Center Networking (SDN) that uses software-based controls / APIs to communicate with underlying hardware infrastructure and direct traffic on a network. SDN is a great option for large, complex networks that required 100% up-time to ensure un-interrupted service availability. It is also featured with very high performance efficiency, large network integration capacity, enhanced security, easy manageability, cloud compatibility, integration-readiness, data & analytics, programmability and advance support service.

- **Next Generation Firewall:** A next-generation firewall (NGFW) is a firewall designed to protect against the modern cyber threats that companies face. In addition to the core functions of a firewall, NGFWs integrate a range of other capabilities to protect against advanced cyber threats. The Bank invested over BDT: 70.00 Million in 2023 for deployment of Next Generation Firewall to established advanced security features for protection of its valuable data.
- **IP Telephone System Deployment:** To ensure uninterrupted and clear communication both internally and externally, Meghna Bank PLC's IT Division has deployed an IP Telephony Solution at its Head Office, Annex Buildings, Call Center, 51 Branches, and 9 Sub-branches. This solution aims to reduce costs, provide additional features without requiring extra hardware, enhance accessibility, and facilitate unified communications.
- **Remittance Management Solution:** To ensure faster and error free disbursement of both local and foreign remittance Meghna Bank PLC. introduce new Remittance Management Solution.
- **MGBPLC Access Control System:** Access Control Systems are electronic systems that enable authorized personnel to enter controlled, restricted, or secure spaces by presenting an access credential to a credential reader. Timely and rightful access to services is crucial for the prompt delivery of services. To ensure timely and authorized access to bank premises, Meghna Bank PLC has introduced sophisticated Access Control Systems at its Head Office, Annex Buildings, and Agent outlets, Call Center, 51 Branches, and 7 Sub-branches. This initiative aids the Human Resources Department in monitoring time attendance and implementing necessary precautionary measures.

- **Initiatives of better Customer Service:**

- ◆ Introduction of **NIKASH-BEFTN** Solution in compliance with Bangladesh Bank instructions guideline;
- ◆ Introduction of **Virtual Account Management Solution** for Corporate customers' payment collection;
- ◆ Introduction of **Meghna Service 360^o** with a view to bring all related applications under single umbrella to provide service from a single point;
- ◆ Implementation of **SWIFT ISO-20022** to established updated messaging systems that enables in receiving and sending SWIFT Messages both in MT & ISO-20022 format.

Omission of 2024-25: digital transformtions to face 4th industrial revolutions:

As the part of its Digital Transformation Strategies to face the challenges of 4th Industrial Revolution in meeting customers' demands Meghna Bank is focusing on maximizing

customer satisfaction by introducing global standard solutions for business and operational activities. And Information Technology Division has taken the opportunity with utmost priority to achieve global level excellence in banking services and features. Some of the major business imperatives for 2024-25 are:

- ◆ On boarding Solutions for Strengthening the Information Security to combat against cyber threats;
- ◆ Fixed Asset Management Solution for effective management of Banks tangible and intangible assets;
- ◆ VAT Management Solution to comply with activities as government agent;
- ◆ Robust Off-Shore Banking Solution for Managing of banks expanding Off Shore Business;
- ◆ Global Solution for Smoothness of International Trade Service & Treasury Operations;
- ◆ International Standard Core Banking Solution for Banking Operation to meet the future demands.
- ◆ Upgradation of RTGS System in connection with Bangladesh Bank requirement & guidelines.
- ◆ On boarding of SDWAN solution for MGBPLC Branch Network strengthen.



INTERNAL CONTROL AND COMPLIANCE DIVISION

The Bank's internal control system is designed to facilitate effective and efficient operations and to ensure the quality of internal and external reporting and compliance with applicable laws and regulations. A system of internal control is designed to manage, but not to eliminate, the risk of failure to achieve business objectives and provide a reasonable, but not absolute, assurance against the risk of material misstatement, fraud or losses. Individual departments or business lines will be vigilant and will participate fully in the internal control regime where ICCD should act as internal watchdog of the organization.

During the year 2023 Internal Control and Compliance Division had carried out various activities and a summary of those activities are given below:

Internal Audit:

Summary of activities carried out by Internal Audit Department are as follows:

- **Internal Audit:** 48 Branches, 10 Divisions, 48 IT Operational Audit, 48 AML Independent Testing Reports and 3 regulatory required audit as per Risk Based Approved Annual Audit Plan 2023 and submitted the reports to the Bank Management and Audit Committee of the Board for necessary action and corrective measures.
- **Special Audit and Investigation:** 27 Special Audit/ Investigation as required by Bank Management and submitted the reports to the Bank Management and Audit Committee of the Board for necessary action and corrective measures.
- **Surprise Inspection:** Conducted surprise Cash Checking on 03 Branches as per instruction of the Managing Director & CEO.

Compliance:

Summary of activities carried out by Compliance Unit are as follows:

- **Coordination of Bangladesh Bank Inspection and Compliance thereof:**

Compliance team coordinated Bangladesh Bank Inspection team to conduct inspection of 14 (Fourteen) Branches, Core Risk Inspection of 06 (Six) functions, Forex Inspection on 02 (two) branches, 01(one) Quick Summary co-ordination

(Accounts Finalization) and 01(one) Comprehensive Inspection of Head Office. Apart from that 07 (Seven) surprise Inspection and 3 (Three) Special inspection were conducted of the Bank for the year 2023. Meghna Bank has received 32 (Thirty-Two) new reports and 34 (thirty-four) follow up reports from Bangladesh Bank during the year 2023. Since Inception of the bank we have received 126 (One Hundred and Twenty-Six) reports as on December 31, 2023 from Bangladesh Bank.

- **Compliance of Internal Audit Reports:**

Compliance of internal audit reports of 48 branches and 11 Head office divisions for the year 2023 and previous internal audit reports of 47 branches and 08 Head Office Divisions for the year 2022 have been conducted.

- **Compliance of Management Reports issued by External Auditor:**

Compliance of Management Report for the year 2022 and 2021 have been conducted.

Monitoring

Summary of activities carried out by Monitoring Unit are as follows:

- Review of Quarterly Operation reports
- Review of Loan Documentation Checklist
- Self-Assessment of Anti-Fraud Internal Controls of the Bank
- Monitoring of DCFCL of the Branches
- Annual Health Report of the Bank
- Overall Effectiveness of Internal Control and Compliance
- Review and circulation of Regulatory circulars with reporting obligation.
- GL Monitoring of Branches
- Surprise Inspection on Branches
- Staff Account monitoring
- Calendar of regulatory/external returns by Branches/ Divisions

Internal Control and Compliance Division's activities for the year 2024 will be carried on the basis of approved Annual Audit plan for the year 2024 as well as instruction, directives and recommendations from Bank Management, Board and Audit Committee of Board.

FINANCE DIVISION

The Finance Division at Meghna Bank is dedicated to strategically constructing a robust financial framework to achieve the bank's financial objectives and create value. Our focus is on innovative strategies grounded in logic and pragmatism, all while fostering a culture of ethics and compliance.

OPERATING CONTEXT, 2023

In 2023, Meghna Bank navigated a volatile and uncertain operating landscape marked by various macro and microeconomic factors, including the reverberating effects of the Russia-Ukraine conflict, escalating living costs, rising policy rates, USD shortages, and liquidity crises. Amidst these challenges, the Finance Division of the Bank assumed a pivotal role in ensuring stability, adeptly addressing the need for low-cost liquidity, seizing opportunities of alternative investment as they arose.

The culmination of these efforts resulted in favorable financial outcomes for Meghna Bank throughout 2023, accompanied by a strengthened financial position. This strategic preparation positions the Bank resiliently to weather future crises and sustainably pursue financial value creation objectives.

KEY INITIATIVES YEAR, 2023

To enhance the Bank's visibility among both local and global investment communities, the Finance Division successfully developed a comprehensive Banks Information Memorandum. This involved providing detailed updates and fostering an open dialogue with representatives from the global investment community. Through consistent monitoring and assessments throughout the year, the Finance Division ensured a higher credit rating, indicating enhanced stability and efficiency of capital ratios and overall operations.

Moreover, the Finance Division spearheaded various automation initiatives within the organization. These included automating reports, establishing key performance indicators (KPIs) related to financial performance and monitoring them regularly, providing insights into financial performance trends and variances to enable proactive decision-making, and implementing Value Engineering methodologies to enhance the efficiency and effectiveness of processes, products, or services. Additionally, the division contributed to the Bank's cost-saving efforts, resulting in savings of BDT 13 crore by monitoring the cost budget.

65,000+
Transaction Processed



140 Units Budget
Branches & Segments



540+
Regulatory Reports



25+
Financial Statements



04 Ratings
Camels + Bond + Credit



500+
TDS & VDS
Certificates Issued



STRATEGY, 2024

The recent challenges posed by both micro and macro environmental factors have served as a valuable reminder for the division to prioritize acquiring the capacity to tackle unexpected obstacles swiftly. The Finance Division is proactively preparing the Bank for such eventualities, recognizing that the ability to respond promptly to unforeseen trends and developments is crucial.

With this mindset, the Finance Division will continue to focus on ensuring that the Bank maintains adequate capital, provides cohesive information to enhance decision-making, conducts strategic assessments of risk-return profiles, and adheres to all regulatory standards and guidelines.

Stringent cost control measures are being implemented to optimize expenditures and maximize resource utilization.

Moreover, the Finance Division is fostering a knowledge-sharing culture within the organization, encouraging collaboration and innovation across teams.

These proactive measures will not only make the Bank future-ready but also ensure its resilience against future challenges.

The recent challenges posed by both micro and macro environmental factors have served as a valuable reminder for the division to prioritize acquiring the capacity to tackle unexpected obstacles swiftly. The Finance Division is proactively preparing the Bank for such eventualities, recognizing that the ability to respond promptly to unforeseen trends and developments is crucial.

With this mindset, the Finance Division will continue to focus on ensuring that the Bank maintains adequate capital, provides cohesive information to enhance decision-making, conducts strategic assessments of risk-return profiles, and adheres to all regulatory standards and guidelines.

Stringent cost control measures are being implemented to optimize expenditures and maximize resource utilization.

Moreover, the Finance Division is fostering a knowledge-sharing culture within the organization, encouraging collaboration and innovation across teams.

These proactive measures will not only make the Bank future-ready but also ensure its resilience against future challenges.

250+ Automatic MIS
Daily Business
across segments



100+ Customized MIS
Catering to specific
stakeholders



150+ ad-hoc MIS
Addressing
emergent needs



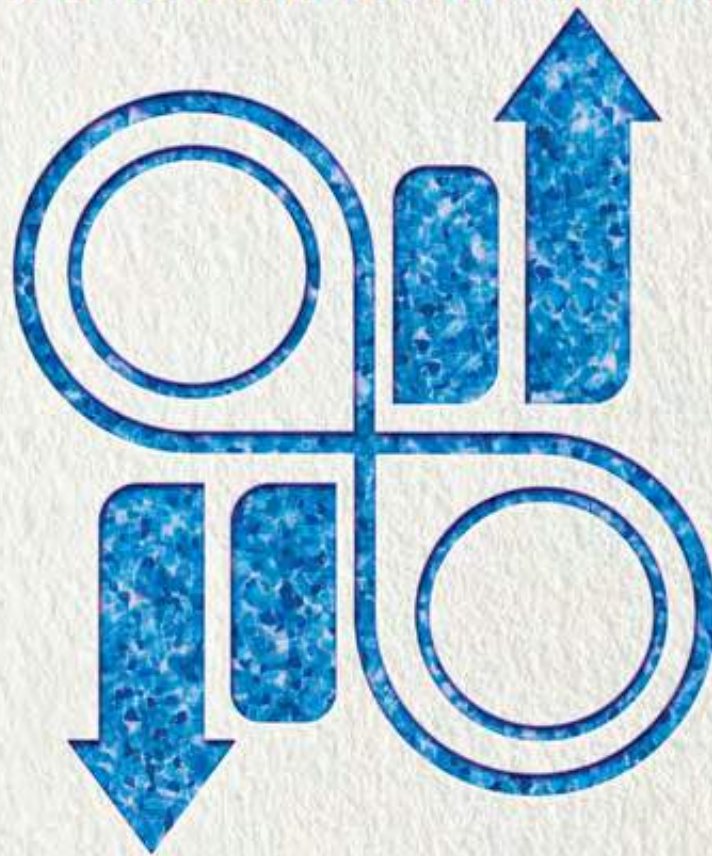
10,000+
A Library of Historical MIS
Trend analysis &
Benchmarking



50+
TAX & VAT Returns



Financial Statements of
MEGHNA BANK LIMITED



INDEPENDENT AUDITORS' REPORT

To the Shareholders of

Meghna Bank PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Meghna Bank PLC and its subsidiary (the "Group") as well as the separate financial statements of Meghna Bank PLC (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2023 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 31 December 2023 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 the 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. For each matter below is our description of how our audit addressed the matter provided in that context.

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 and leases 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>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Completeness of appropriate documentation before disbursement of loans as well as recording of loan balance; • Alternate procedures applied by management to assess new loan/renewal of existing loans where latest audited financial statements of the borrower are not available; • Identification of loss events, including early warning and default warning indicators; and

Description of key audit matters	Our response to key audit matters
<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 31 December 2023 the Bank reported total gross loan and advances BDT 52,042.21 Million (2022: BDT 39,973.58 Million) and total provision for loan and advances BDT 1,480.04 Million (2022: BDT 1,750.49 Million). We have focused on the following significant judgments and estimates which 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, BRPD Circular No. 11 dated 20 June 2023 and BRPD Circular letter No. 20 dated 21 June 2023 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. For the year 2023, 50% of the total installment due for the quarter April-June 2023 to be paid by the end of the month June 2023.</p>	<ul style="list-style-type: none"> 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. <p>Due to long-term impact of COVID 19, and prolonged conflict/war outside the country, many borrowers were adversely impacted during the year. Accordingly, Bangladesh Bank has given certain flexibility from classification requirement for loans vide issuing various circulars such as BRPD 14 dated 22 June 2022, BRPD 51 dated 18 December 2022, and BRPD Circular No. 11 dated 20 June 2023 and BRPD Circular No. 20 dated 21 June 2023 whereby Banks are allowed to keep a loan/customer as unclassified subject to the payment of reduced instalment due by 31 December 2023.</p> <p>The Bank has calculated required provision as per Bangladesh Bank letter DBI-4/135/2024-220 dated February 28, 2024.</p>
<p>See note no 8a, 8a.10, and 14a.1 to the financial statements</p>	
<p>Interest income recognition</p>	
<p>Recognition of interest income has a significant and wide influence on financial statements. Recognition and measurement of interest income is involved in a complex IT environment. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls including automated control over recognition and measurement of interest on loans and advances.</p> <p>For selected customers and loan files on sample basis we have also performed substantive test of details including recalculation and cut-of testing to check accuracy of interest income.</p>

Description of key audit matters	Our response to key audit matters
<p>Moreover, as per Bangladesh Bank BRPD circular no 14 dated 22 June 2022, BRPD circular letter no 51 dated 18 December 2022, and BRPD circular letter no 67 dated 29 November 2023 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>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> <p>However, due to the current uncertainty of the overall economic situation, and in particular impacts from major global events such as continuation of COVID 19 related disruptions, Russia-Ukraine conflict, volatility in fuel and commodity price, strengthening of USD, etc., there is inherent risk that the actual recovery of accrued interest income especially from those clients receiving deferral facility could be materially different than the actual situation in future and a portion of interest accrued during the year ended 31 December 2023.</p>
<p>See note no 24.a to the financial statements</p>	
<p>Adequacy of income tax provision and measurement of deferred tax assets</p>	
<p>Calculation of income tax provision required compliance with the Income Tax Act 2023 including careful consideration of various temporary and permanent differences. Furthermore, upon final settlement of pending tax assessments any excess or short provision of current tax is also adjusted in the current year.</p> <p>Finally, 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>Accordingly, this area has been considered as a key audit matter.</p> <p>At year end of 2023 the Bank reported income tax provision net off AIT of BDT 267.44 million (2022: BDT 337.74 million) and corresponding current income tax charges of BDT 277.50 million (2022: BDT 330.00 million).</p> <p>Correspondingly, the Bank reported total deferred tax assets of BDT 59.02 million (31 December 2022: BDT 58.85 million) and deferred tax income of BDT 0.16 million (31 December 2022: BDT 2.90 million).</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 both current tax and deferred tax, including the assumptions used in estimating the Bank's taxable income.</p> <p>We reviewed tax position for those years where income tax assessment is pending and assess adequacy of tax provision recorded by the Bank. Special focus attention was given to any reversal/adjustment of income tax provision from the prior year.</p> <p>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 the foreseeable future.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition, and measurement of current and deferred tax.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax including deduction of DTA on specific provision from regulatory capital.</p>
<p>See note no 10.a.4, 10.a.4(i) and 14a.2 to the financial statements</p>	
<p>Valuation of treasury bill and treasury bond</p>	
<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 unobservable market data and complex pricing models which require an elevated level of judgment.</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 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>

Description of key audit matters	Our response to key audit matters
See note no 2.11.3 and 7a to the financial statements	
Legal and regulatory matters	
<p>We focused on this area because the Bank and its subsidiaries (the “Group”) operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Pursuant to BRPD Circular Letter No. 28 dated 26 July 2022 and BRPD Circular Letter No. 30 dated 27 July 2022, all schedule banks of Bangladesh are instructed to reduce certain expenses at specific percentage from the allocated amount.</p> <p>In addition to that, BRPD Circular Letter No. 58 dated 15 November 2023, all scheduled banks are hereby instructed to expeditiously resolve pending cases before the Artho Rin Adalat within the stipulated timeframe.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank’s key controls over compliance with various regulatory directives and process to create provision, if any.</p> <p>We enquired to those charged with governance to obtain their view on compliance status of all regulatory matters.</p> <p>We enquired of the Bank’s internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We have checked the calculation of the transfer to the CSR Fund after deducting appropriate tax. We also assessed the Bank’s provisions and contingent liabilities disclosure.</p>
IT Systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank’s IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank’s periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit</p>
Implementation of IFRS 16 Leases	
<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 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>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> <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 PLC's subsidiaries namely, Meghna Bank Securities Ltd. have been audited by Basu Banerjee Nath & Co., 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 19 February 2024 and Bangladesh bank approved given vide letter no. DBI-4/135/2024-220 dated February 28, 2024.
- (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 2,880 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Place: Dhaka, Bangladesh

Date: March 27, 2024

DVC: 2403270824AS334813



Avijit Bhattacharjee, FCA

Partner

Hoque Bhattacharjee Das & co.

Chartered Accountants

Enrolment No. 824

MEGHNA BANK PLC.

CONSOLIDATED BALANCE SHEET

AS AT DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
PROPERTY AND ASSETS			
Cash		4,912,238,982	3,920,090,518
Cash in hand (Including Foreign Currencies)	3	817,534,856	899,992,595
Balance with Bangladesh Bank and Its agent Bank (s) (Including Foreign Currencies)	4	4,094,704,126	3,020,097,923
Balance with other Banks and Financial Institutions	5	4,970,719,800	4,378,700,469
In Bangladesh		4,371,769,082	4,034,091,872
Outside Bangladesh		598,950,718	344,608,597
Money at Call on Short Notice	6	-	1,010,000,000
Investments	7	19,522,534,523	13,796,159,435
Government		14,915,748,950	10,617,914,619
Others		4,606,785,573	3,178,244,816
Loans and Advances/ Investments	8	51,929,432,636	39,908,623,991
Loans, Cash credits, Overdrafts, etc./ Investments		49,955,030,569	39,632,796,738
Bills Purchased and Discounted		1,974,402,067	275,827,253
Fixed Assets Including Premises, Furniture and Fixtures	9	1,125,705,441	697,769,825
Other Assets	10	1,054,644,782	849,137,563
Non Banking Assets		-	-
Total Assets		83,515,276,164	64,560,481,801
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	11	4,219,880,636	1,620,218,321
Deposits and Other Accounts	12	65,012,685,737	49,490,174,007
Current/Al-Wadeeah Current Accounts & Other Accounts		11,202,942,793	6,136,680,593
Bills Payable		439,201,865	239,912,885
Savings/Mudaraba Saving Deposits		4,224,561,932	3,581,095,585
Fixed Deposits/ Mudaraba Term Deposit		49,145,979,147	39,532,484,944
Bearer Certificate of Deposit		-	-
Other Deposits		-	-
Non-Convertible Subordinated Bonds	13	1,800,000,000	2,000,000,000
Other Liabilities	14	5,164,432,222	4,900,377,921
Total Liabilities		76,196,998,595	58,010,770,249
Capital/Shareholders' Equity			
Paid-up Capital	15a.2	5,437,274,500	5,437,274,500
Statutory Reserve	16	1,193,290,166	983,696,846
Revaluation Reserve on Investment in Securities	17	154,930	2,899,111
Retained Earnings	18	687,557,870	125,840,992
Total Shareholders' Equity		7,318,277,466	6,549,711,449
Non-controlling Interest	19	103	103
Total Shareholders' Equity with Non-Controlling Interest		7,318,277,569	6,549,711,552
Total Liabilities & Shareholders' Equity		83,515,276,164	64,560,481,801

MEGHNA BANK PLC.

CONSOLIDATED OFF- BALANCE SHEET ITEMS

AS AT DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
CONTINGENT LIABILITIES			
Acceptances and Endorsements	20	4,115,058,970	1,598,586,059
Letters of Guarantee	21	7,161,926,677	4,950,174,711
Irrevocable Letters of Credit	22	2,786,645,745	1,424,119,061
Bills for Collection		1,297,491,682	1,225,462,527
Other Contingent Liabilities		-	-
Total		15,361,123,074	9,198,342,358
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		15,361,123,074	9,198,342,358

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

Place: Dhaka, Bangladesh
Date: March 27, 2024
DVC: 2403270824AS334813



Avijit Bhattacharjee, FCA
Partner

Hoque Bhattacharjee Das & co.
Chartered Accountants
Enrolment No. 824

MEGHNA BANK PLC.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED AS ON DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
Interest Income/ Profit on Investment	24	4,395,354,319	3,387,294,043
Interest/ Profit paid on Deposits and borrowings etc	25	3,912,301,844	3,026,484,658
Net Interest/ Investment Income		483,052,475	360,809,385
Investment Income	26	2,005,419,979	1,243,541,857
Commission, Exchange and Brokerage	27	683,576,606	453,080,530
Other Operating Income	28	266,849,510	193,091,805
		2,955,846,096	1,889,714,192
Total Operating Income		3,438,898,571	2,250,523,577
Salaries and Allowances	29	973,725,697	778,600,389
Rent, Taxes, Insurances, Electricity etc.	30	115,668,188	91,917,964
Legal Expenses	31	5,266,543	356,422
Postage, Stamps, Telecommunication etc.	32	27,033,641	22,149,893
Stationery, Printings, Advertisements etc.	33	23,420,158	17,302,471
Chief Executive's Salary & Fees	34	18,595,595	17,893,487
Directors' Fees	35	2,162,400	1,999,200
Auditors' Fees	36	489,000	458,475
Charges on Loan Losses		-	-
Depreciation & Repairs of Bank's Assets	37	247,246,547	214,908,569
Other Expenses	38	423,439,859	342,105,487
Total Operating Expenses		1,837,047,628	1,487,692,357
Profit/(Loss) Before Provision	23	1,601,850,943	762,831,220
Specific Provision for Classified Loans and Advances		386,860,095	190,332,906
General Provision for Unclassified Loans and Advances		142,530,987	(16,188,799)
General Provision for Off-Balance Sheet Exposures		60,907,516	(15,870,636)
Special General Provision - Covid-19		(34,690,004)	(3,664,323)
Provision for Diminution in Value of Investments		(1,996,516)	18,481,062
Provision for Other Asset		-	69,500,000
Total Provision	39	553,612,078	242,590,209
Total Profit/(Loss) Before Taxes		1,048,238,865	520,241,011
Provision for Taxation			
Current Tax	14.2	270,272,913	332,213,733
Deferred Tax Expense/ (Income)	10a.4	(620,622)	(2,895,236)
		269,652,291	329,318,497
Net Profit After Taxation		778,586,574	190,922,514
Retained Earnings Brought Forward From Previous Years		125,840,992	39,491,860
		904,427,566	230,414,374
Appropriations			
Statutory Reserve	16.1	209,593,320	106,316,533
Non-controlling Interest	18.1	0.14	1
Start-Up Fund	13a.3	7,781,045	1,858,707
		217,374,365	108,175,241
Retained Surplus		687,053,200	122,239,133
Earnings Per Share (EPS)(Restated if Required)	40	1.43	0.35

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

Place: Dhaka, Bangladesh
Date: March 27, 2024
DVC: 2403270824AS334813


Avijit Bhattacharjee, FCA
Partner
Hoque Bhattacharjee Das & co.
Chartered Accountants
Enrolment No. 824

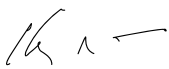
MEGHNA BANK PLC.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED AS ON DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
Cash Flows from Operating Activities			
Interest/ Profit receipts in cash	41	5,358,706,660	4,407,438,146
Interest/ Profit Payments	42	(3,719,400,121)	(2,834,922,273)
Dividends Receipts		238,368,842	253,239,292
Fee & Commission receipts in cash		683,576,606	453,080,530
Recoveries on loans previously written off		-	-
Cash Payments to Employees		(992,321,292)	(796,493,876)
Cash Payments to Suppliers		(23,420,158)	(17,302,471)
Income Taxes Paid		(277,089,336)	(389,474,717)
Receipts from other Operating activities	43	975,620,780	198,438,877
Payments for other Operating activities	44	(745,913,452)	(605,760,303)
Operating Profit before changes in Operating Assets and Liabilities		1,498,128,529	668,243,206
Increase/Decrease in Operating Assets and Liabilities			
Statutory Deposits		-	-
Purchase/Sale of Trading Securities (Treasury bills)		(440,342,306)	(382,475,376)
Loans and Advances/ Investments to Other Banks		-	-
Loans and Advances/ Investments to Customers		(12,813,961,821)	1,908,540,372
Other Assets	45	(193,232,476)	(75,307,944)
Deposits from other Banks		(579,145)	(5,102,751,532)
Deposits from Customers		15,523,090,874	1,927,588,448
Other liabilities on account of customers		-	-
Trading Liabilities		-	-
Other Liabilities	46	132,900,485	224,795,663
Sub Total		2,207,875,611	(1,499,610,369)
A) Net Cash from Operating Activities		3,706,004,140	(831,367,163)
Cash flows from Investing Activities			
Proceeds from sale of Securities		-	-
Payment for purchases of securities		(5,288,619,822)	2,583,472,835
Purchase/Sale of Property, Plant & Equipment		(243,248,808)	(71,662,231)
Purchase/Sale of Subsidiary		-	-
B) Net Cash Used in Investing Activities		(5,531,868,630)	2,511,810,604
Cash flows from Financing Activities			
Borrowing from other banks		2,599,662,315	(484,946,372)
Receipts from issue of Ordinary Share		-	409,365,900
Receipts from issue of Subordinated Coupon Bearing Bonds		(200,000,000)	2,000,000,000
Dividends Paid		-	(282,895,430)
C) Net Cash from Financing Activities		2,399,662,315	1,641,524,098
D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		573,797,825	3,321,967,539
E) Effect of Exchange rate changes on cash & cash equivalents		504,670	522,710
F) Cash and cash equivalents at the beginning of the year		9,309,230,587	5,986,740,338
G) Cash and cash equivalents at the end of the year (D+E+F)	47	9,883,533,082	9,309,230,587

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


Chairman


Director


Director


Managing Director & CEO

MEGHNA BANK PLC.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

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, 2023	5,437,274,500	983,696,846	2,899,111	125,840,992	6,549,711,449	103	6,549,711,552
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	5,437,274,500	983,696,846	2,899,111	125,840,992	6,549,711,449	103	6,549,711,552
Net profit for the year				778,586,574	778,586,574	-	778,586,574
Transfer to statutory reserve		209,593,320		(209,593,320)		-	
Net Surplus/deficit on account of revaluation of Investments			(2,744,181)		(2,744,181)	-	(2,744,181)
Transfer to Start-Up-Fund				(7,781,045)	(7,781,045)		(7,781,045)
Non-controlling Interest				(0.14)	(0.14)	0.14	
Foreign Exchange Rate Changes Gain for Opening Retained Earnings				504,670	504,670		504,670
Balance as at 31 December, 2023	5,437,274,500	1,193,290,166	154,930	687,557,870	7,318,277,466	103	7,318,277,569
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

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


Chairman


Director


Director


Managing Director & CEO

MEGHNA BANK PLC.

BALANCE SHEET

AS AT DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
PROPERTY AND ASSETS			
Cash		4,912,237,200	3,920,090,518
Cash in hand (Including Foreign Currencies)	3a	817,533,074	899,992,595
Balance with Bangladesh Bank and Its agent Bank (s) (Including Foreign Currencies)	4a	4,094,704,126	3,020,097,923
Balance with other Banks and Financial Institutions	5a	4,907,459,021	4,360,021,451
In Bangladesh		4,308,508,303	4,015,412,854
Outside Bangladesh		598,950,718	344,608,597
Money at Call on Short Notice	6a	-	1,010,000,000
Investments	7a	18,703,603,049	13,384,147,934
Government		14,521,710,500	10,617,914,619
Others		4,181,892,549	2,766,233,315
Loans and Advances/ Investments	8a	52,042,206,692	39,973,582,659
Loans, Cash credits, Overdrafts, etc./ Investments		50,067,804,625	39,697,755,406
Bills Purchased and Discounted		1,974,402,067	275,827,253
Fixed Assets Including Premises, Furniture and Fixtures	9a	1,084,940,759	689,205,816
Other Assets	10a	1,800,505,886	1,199,949,048
Non Banking Assets		-	-
Total Assets		83,450,952,607	64,536,997,426
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	11a	4,219,880,636	1,620,218,321
Deposits and Other Accounts	12a	65,029,180,705	49,535,924,245
Current/Al-Wadeeah Current Accounts & Other Accounts		11,202,942,793	6,136,680,593
Bills Payable		439,201,865	239,912,885
Savings/Mudaraba Saving Deposits		4,224,561,932	3,581,095,585
Fixed Deposits/ Mudaraba Term Deposit		49,162,474,115	39,578,235,182
Bearer Certificate of Deposit		-	-
Other Deposits		-	-
Non-Convertible Subordinated Bonds	13	1,800,000,000	2,000,000,000
Other Liabilities	14a	5,095,865,640	4,842,913,209
Total Liabilities		76,144,926,981	57,999,055,775
Capital/Shareholders' Equity			
Paid-up Capital	15a.2	5,437,274,500	5,437,274,500
Statutory Reserve	16a	1,188,112,033	979,023,897
Revaluation Reserve on Investment in Securities	17	154,930	2,899,111
Retained Earnings	18a	680,484,163	118,744,143
Total Shareholders' Equity		7,306,025,626	6,537,941,651
Total Liabilities & Shareholders' Equity		83,450,952,607	64,536,997,426

MEGHNA BANK PLC.

OFF- BALANCE SHEET ITEMS

AS AT DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
CONTINGENT LIABILITIES			
Acceptances and Endorsements	20	4,115,058,970	1,598,586,059
Letters of Guarantee	21	7,161,926,677	4,950,174,711
Irrevocable Letters of Credit	22	2,786,645,745	1,424,119,061
Bills for Collection		1,297,491,682	1,225,462,527
Other Contingent Liabilities		-	-
Total		15,361,123,074	9,198,342,358
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		15,361,123,074	9,198,342,358

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

Place: Dhaka, Bangladesh
Date: March 27, 2024
DVC: 2403270824AS334813


Avijit Bhattacharjee, FCA
Partner
Hoque Bhattacharjee Das & co.
Chartered Accountants
Enrolment No. 824

MEGHNA BANK PLC.


PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED AS ON DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
Interest Income/ Profit on Investment	24a	4,399,446,780	3,390,262,755
Interest/ Profit paid on Deposits and borrowings etc.	25a	3,913,399,675	3,029,082,180
Net Interest/ Investment Income		486,047,105	361,180,575
Investment Income	26a	1,989,288,640	1,231,912,978
Commission, Exchange and Brokerage	27a	675,558,935	436,806,157
Other Operating Income	28a	266,891,690	192,548,153
		2,931,739,265	1,861,267,288
Total Operating Income		3,417,786,370	2,222,447,863
Salaries and Allowances	29a	964,523,068	770,413,269
Rent, Taxes, Insurances, Electricity etc.	30a	114,945,011	91,612,013
Legal Expenses	31a	5,266,543	356,422
Postage, Stamps, Telecommunication etc.	32a	26,937,195	22,054,452
Stationery, Printings, Advertisements etc.	33a	23,292,169	17,120,757
Chief Executive's Salary & Fees	34	18,595,595	17,893,487
Directors' Fees	35a	2,138,400	1,927,200
Auditors' Fees	36a	420,000	398,475
Charges on Loan Losses		-	-
Depreciation & Repairs of Bank's Assets	37a	244,015,445	212,586,939
Other Expenses	38a	420,203,668	337,150,263
		1,820,337,094	1,471,513,277
Total Operating Expenses		1,820,337,094	1,471,513,277
Profit/(Loss) Before Provision	23a	1,597,449,276	750,934,586
Specific Provision for Classified Loans and Advances		386,860,095	190,332,906
General Provision for Unclassified Loans and Advances		142,530,987	(16,188,799)
General Provision for Off-Balance Sheet Exposures		60,907,516	(15,870,636)
Special General Provision - Covid-19		(34,690,004)	(3,664,323)
Provision for Diminution in Value of Investments		(3,600,000)	13,850,000
Provision for Other Asset		-	69,500,000
		552,008,593	237,959,147
Total Provision	39a	552,008,593	237,959,147
Total Profit/(Loss) Before Taxes		1,045,440,683	512,975,439
Provision for Taxation			
Current Tax	14a.2	267,500,000	330,000,000
Deferred Tax Expense/ (Income)	10a.4	(163,848)	(2,895,236)
		267,336,152	327,104,764
Net Profit After Taxation		778,104,531	185,870,675
Retained Earnings Brought Forward From Previous Years		118,744,143	36,804,553
		896,848,674	222,675,228
Appropriations			
Statutory Reserve	16a	209,088,136	102,595,088
Start-Up Fund	13a.3	7,781,045	1,858,707
		216,869,181	104,453,795
Retained Surplus	18a	679,979,493	118,221,433
Earnings Per Share (EPS) (Restated if Required)	40a	1.43	0.34

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


Avijit Bhattacharjee, FCA
Partner

Hoque Bhattacharjee Das & co.
Chartered Accountants
Enrolment No. 824

Place: Dhaka, Bangladesh
Date: March 27, 2024
DVC: 2403270824AS334813

MEGHNA BANK PLC.

CASH FLOW STATEMENT

FOR THE YEAR ENDED AS ON DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
Cash Flows from Operating Activities			
Interest/ Profit receipts in cash	41a	5,362,799,121	4,410,406,858
Interest/ Profit Payments	42a	(3,720,497,952)	(2,837,519,796)
Dividends Receipts		234,224,393	247,231,968
Fee & Commission receipts in cash		675,558,935	436,806,157
Recoveries on loans previously written off		-	-
Cash Payments to Employees		(983,118,663)	(788,306,756)
Cash Payments to Suppliers		(23,292,169)	(17,120,757)
Income Taxes Paid		(273,881,344)	(385,491,583)
Receipts from other Operating activities	43a	965,085,336	195,558,468
Payments for other Operating activities	44a	(741,260,586)	(598,786,393)
Operating Profit before changes in Operating Assets and Liabilities		1,495,617,071	662,778,166
Increase/Decrease in Operating Assets and Liabilities			
Statutory Deposits		-	-
Purchase/Sale of Trading Securities (Treasury bills)		(440,342,306)	(382,475,376)
Loans and Advances/ Investments to Other Banks		-	-
Loans and Advances/ Investments to Customers		(12,861,777,208)	1,902,527,672
Other Assets	45a	(587,801,103)	(64,023,035)
Deposits from other Banks		(579,145)	(5,102,751,532)
Deposits from Customers		15,493,835,604	1,900,805,492
Other liabilities on account of customers		-	-
Trading Liabilities		-	-
Other Liabilities	46a	120,123,863	224,359,075
Sub Total		1,723,459,705	(1,521,557,704)
A) Net Cash from Operating Activities		3,219,076,776	(858,779,539)
Cash flows from Investing Activities			
Proceeds from sale of Securities		-	-
Payment for purchases of securities		(4,881,683,723)	2,591,760,368
Purchase/Sale of Property, Plant & Equipment		(207,841,086)	(70,995,231)
B) Net Cash Used in Investing Activities		(5,089,524,809)	2,520,765,137
Cash flows from Financing Activities			
Borrowing from other banks		2,599,662,315	(484,946,372)
Receipts from issue of Ordinary Share		-	409,365,900
Receipts from issue of Subordinated Coupon Bearing Bonds		(200,000,000)	2,000,000,000
Dividends Paid		-	(251,395,430)
C) Net Cash from Financing Activities		2,399,662,315	1,673,024,098
D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		529,214,282	3,335,009,697
E) Effect of Exchange rate changes on cash & cash equivalents		504,670	522,710
F) Cash and cash equivalents at the beginning of the year		9,290,551,569	5,955,019,162
G) Cash and cash equivalents at the end of the period (D+E+F)	47a	9,820,270,521	9,290,551,569

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


Chairman


Director


Director


Managing Director & CEO

MEGHNA BANK PLC.**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED AS ON DECEMBER 31, 2023

Particulars	Paid-up Capital (Taka)	Statutory Reserve (Taka)	Other Reserve (Taka)	Retained Earnings (Taka)	Total (Taka)
Balance as at 01 January, 2023	5,437,274,500	979,023,897	2,899,111	118,744,143	6,537,941,651
Changes in accounting policy	-	-	-	-	-
Restated Balance	5,437,274,500	979,023,897	2,899,111	118,744,143	6,537,941,651
Net profit for the year				778,104,531	778,104,531
Transfer to statutory reserve		209,088,136		(209,088,136)	-
Transfer to Start-Up-Fund				(7,781,045)	(7,781,045)
Foreign Exchange Rate Changes Gain for Opening Retained Earnings				504,670	504,670
Net Surplus/deficit on account of revaluation of Investments			(2,744,181)		(2,744,181)
Balance as at 31 December, 2023	5,437,274,500	1,188,112,033	154,930	680,484,163	7,306,025,626
Balance as at 31 December, 2022	5,437,274,500	979,023,897	2,899,111	118,744,143	6,537,941,651

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



Chairman



Director



Director



Managing Director & CEO

MEGHNA BANK PLC.

LIQUIDITY STATEMENT

ASSET AND LIABILITY MATURITY ANALYSIS

AS AT DECEMBER 31, 2023

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	817,533,074	-	-	-	-	817,533,074
Balance with other Banks and Financial Institutions	2,827,525,136	2,478,817,891	970,000,000		2,725,820,120	9,002,163,147
Money at Call on Short Notice	-	-	-	-	-	-
Investment	387,297,910	331,944,498	3,280,591,529	2,203,917,444	12,499,851,668	18,703,603,049
Loans and Advances/ Investments	9,658,879,240	8,265,692,340	18,286,030,143	11,358,390,995	4,473,213,974	52,042,206,692
Fixed Assets including Premises, Furniture & Fixtures	13,417,604	26,835,208	120,758,436	573,810,178	350,119,333	1,084,940,759
Other Assets	326,121,140	194,549,169	286,384,666	115,037,057	878,413,854	1,800,505,886
Non-banking Assets	-	-	-	-	-	-
Total Assets (i)	14,030,774,104	11,297,839,106	22,943,764,774	14,251,155,674	20,927,418,949	83,450,952,607
Liabilities						
Borrowing from Other Banks, Financial Institutions & Agents	3,687,171,828	161,300,054	133,214,379	238,194,375	-	4,219,880,636
Deposits and Other Accounts	5,045,850,550	15,311,700,981	22,037,756,710	6,124,064,361	16,509,808,103	65,029,180,705
Provision and Other Liabilities	359,913,534	229,806,831	722,995,428	2,397,487,850	3,185,661,997	6,895,865,640
Total Liabilities (ii)	9,092,935,912	15,702,807,866	22,893,966,517	8,759,746,586	19,695,470,100	76,144,926,981
Net Liquidity Gap (i-ii)	4,937,838,192	(4,404,968,760)	49,798,257	5,491,409,088	1,231,948,849	7,306,025,626


Chairman


Director


Director


Managing Director & CEO

MEGHNA BANK PLC. & ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

AS AT & FOR THE YEAR ENDED DECEMBER 31, 2023

1.0 Background of the Bank

1.1 Legal Status of the Bank

Meghna Bank PLC. (MGBPLC.) 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 2023). At present the bank has fifty one (51) branches, Ten (10) islamic banking window, Six (6) sub branches and thirty five (35) agents covering commercially important locations of the country. Meghna Bank PLC also operates a network of 13 strategically positioned ATMs across Bangladesh. To address limited ATM coverage, Meghna Bank PLC offer to use 17,000 ATMs and CRMs across Bangladesh without any charges by our valued customers.

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, mobile financial services, 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 PLC. 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 PLC. holds 74,99,999 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, 2023 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 2023), 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 2023:

- a) The Bank Companies Act, 1991 (Amended up to 2023)
- 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 Act 2023.
- 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 2023) and provision & circulars issued by Bangladesh Bank differ with those of IASs/IFRSs, the requirements of Banking Company Act 1991 (Amended up to 2023) 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

AIFRS: 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 2023) 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 5% to 20%, 5% to 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 PLC. 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 PLC. 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. Meghna Bank PLC 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, 2023 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 them.

(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 depositors.
- h) Provisions and other liabilities are on the basis of their payment/adjustment schedule.

2.24 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)

2.25 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.

2.26 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.

2.27 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.

2.28 Credit Rating

In compliance with Bangladesh Bank's BRPD circular No. 06, dated July 05, 2006, Alpha Credit Rating Limited (Alpha Rating) has conducted a comprehensive assessment of the bank's operational and financial performance, considering all relevant qualitative and quantitative factors. Based on this in-depth analysis of financial data of the bank up to December 31, 2022, and considered other prevailing factors up to the date of the rating decision, Alpha Credit Rating Limited (Alpha Rating) awarded the following ratings:

Particulars	Periods	Date of Rating	Long Term	Short Term
Entity Rating	January to December 2022	25 th June 2023	AA	ST - 2
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

2.29 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.

MGBPLC's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment, measurement procedures and continuous monitoring. MGBPLC. 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, MGBPLC. manages risk in strategic layer, managerial layer, and operational layer. The assets and liabilities of Meghna Bank PLC. 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:

2.29.1 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 PLC. 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.

2.29.2 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.

2.29.3 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.

2.29.4 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.

2.29.5 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 PLC. 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 PLC. 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.

2.29.6 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.

2.29.7 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.

2.29.8 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.

2.29.9 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.

2.30 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.

2.31 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

2.32 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.

2.32.1 Composition and Qualifications

The Board of Directors as its 150th Board Meeting held on January 26, 2023 constituted with the following Board Members:

SI No.	Name of Committee Members	Status with the Bank	Position in the Committee	Educational Qualification	Meeting Attendance
1	Mr. S. M. Rezaur Rahman	Director	Chairman	BA	4 out of 4
2	Mr. S.M. Jahangir Alam (Manik)	Director	Member	Graduate	0 out of 4
3	Md. Mahamudul Alam*	Director	Member	MSS	2 out of 2
4	Dr. Syed Ferhat Anwar*	Independent Director	Member	Ph.D	2 out of 2
5	Mr. Md. Ahsan Ullah	Independent Director	Member	MA (Economics)	4 out of 4

* Mr. Md. Mahamudul Alam & Dr. Syed Ferhat Anwar has been nominated as a member on November 05, 2023

2.32.2 Meetings of the Audit Committee

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of MGBPLC held 04 (four) meetings in 2023 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:

SI No.	Name of Meeting	Date of Meeting
1	39 th Audit Committee Meeting	April 13, 2023
2	40 th Audit Committee Meeting	June 8, 2023
3	41 st Audit Committee Meeting	November 14, 2023
4	42 nd Audit Committee Meeting	December 19, 2023

2.32.3 Major areas focused by Audit Committee in 2023

- Reviewed and approved the 'Risk Based Annual Audit Plan 2024'.
- Reviewed and approved the 'Risk Based Audit Checklist 2023'.
- Reviewed Annual Financial Statements of the Bank for the year ended 31 December 2022 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 2022 submitted by the External Auditors, Khan Wahab Shafique Rahman & Co. Chartered Accountants and subsequent compliance thereof.
- Reviewed the Financial Statements for the Half Year ended on June 30, 2023 (unaudited).
- Reviewed the Bangladesh Bank inspection reports and compliance thereof.
- Reviewed Internal Audit Reports of both Branch and Head Office Divisions of the Bank and compliance thereof.
- Reviewed the Internal Loan Review Reports of the Bank.
- Reviewed the Special Audit Reports of the Bank.
- Reviewed the half yearly Self-Assessment of Anti-Fraud Internal Control of the Bank.
- Reviewed the Staff accounts monitoring reports for period July to December 2022 and January to June 2023.
- Reviewed the Annual Health report of the Bank for the year 2022.
- Reviewed the effectiveness of Internal Control System of the Bank for the year 2022.
- Reviewed the Report on Loan Documentation Checklist (LDCL) and Quarterly Operation Report (QOR).
- Reviewed the Report on Calendar of Returns.
- Re-appointment of External Auditor for the year 2023, M/s Hoque Bhattacharjee Das & Co.

2.33 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 PLC.	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 Chairperson	1	Meghna Bank PLC.	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. Javed Kaiser Ally	Director	1	Meghna Bank PLC.	1.13%	Director
			2	Navana Pharmaceuticals Ltd.	2.33%	Director
			3	Lighthouse Navigation Ltd.	50.00%	Director
			4	Aquamarine Ltd.	97.00%	Director

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	
4	Cassiopea Fashion Ltd. Represented Mr. Tanveer Ahmed	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	Salim & Brothers Ltd. Represented by Mr. Mohammed Mamun Salam	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	Bismillah Marine Services JAS Ltd. Represented by Ms. Nuran Fatema	Director	1	Bismillah Marine Services J.A.S Limited	50.00%	Partnership
7	Mr. S.M. Jahangir Alam (Manik)	Director	1	Meghna Bank PLC.	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

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	
8	Ms. Rehana Ashequr Rahman	Director	1	Meghna Bank PLC.	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 PLC.	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	Steadfast Management Trading Ltd. Represented by SM Rezaur Rahman	Director	1	United Corporation Advisory Services Ltd	15.00%	Director
11	Ms. Uzma Chowdhury	Director	1	Meghna Bank PLC.	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.	0.003%	Director
			7	PRAN Beverage Limited	0.002%	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.	0.0001%	Director
			24	Advance Personal Care Ltd.	0.14%	Director
			25	RFL Electronic Ltd.	0.001%	Director

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
12	Cogent Bangladesh Ltd. Represented by Dr. Zahara Rasul	Director	1	Navana Pharmaceuticals Ltd.	4.48%	Director
			2	Agro Acers Limited	20.00%	Director
13	Ms. Ishmam Raidah Rahman	Director	1	Meghna Bank PLC.	2.35%	Director
			2	Gold Brticks Limited	40.00%	Director
14	Ms. Aresha Manami Shafiq	Director	1	Meghna Bank PLC.	1.13%	Director
15	Met Connect Management Ltd. Represented by Mr. Abu Haydar Chowdhury	Director	1	Chumki Apparels Ltd.	25.00%	Director
16	Labib Dyeing Mills Ltd. Represented by Mr. Md. Mahamudul Alam	Director	1	Nikebad Builders Ltd.	33.33%	Director
			2	Tista Exim	50.00%	Partnership
17	Mr. Syed Ferhat Anwar	Independent Director	1	N/A	N/A	N/A
18	Ar. Md. Ahsan Ullah	Independent Director	1	N/A	N/A	N/A

2.34 The Significant Related Party Transactions During the Year Were as Follows

Credit Card Facilities

Name of Director of MGBPLC	Approved Limit	Type of Securities	Value of Eligible Securities	Outstanding as on December 31, 2023
Mr. H N Ashequr Rahman	1,000,000	FDR	1,100,000	-
Ms. Rehana Ashequr Rahman	1,000,000	FDR	1,100,000	305
Mr. Mohammed Mamun Salam	900,000	FDR	1,000,000	11,905
Ms. Uzma Chowdhury	720,000	FDR	800,000	-

2.35 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.

2.36 Approval of Financial Statements

These financial statements were reviewed by the audit committee of the Board of the bank in its 43rd meeting held on March 10, 2024 and was subsequently approved by the Board of Directors in its 170th meeting held on March 27, 2024.

2.37 Reporting Period

These financial statements cover the period from 1 January 2023 to 31 December 2023.

2.38 Events after the Reporting Period

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.

The Board of Directors of the Bank at its 170th meeting held on March 27, 2024 has recommended 10% cash dividend & 2.5% stock dividend for the year 2023. This dividend is subject to the approval by the shareholders of the bank at the forthcoming Annual General Meeting (AGM). The effect of the above cash and stock dividend will be accounted for in the period when the shareholders' right to receive the payment will be established.

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.

المستقيم
আল-মুস্তাকিম
মেঘনা ইসলামিক ব্যাংকিং

MEGHNA BANK
together we sail

আধুনিক ইসলামিক ব্যাংকিং-এ
মুনাফা অর্জন করুন
শরীআ'হ অনুযায়ী

আল-ওয়াদি'আহু
কারেন্ট একাউন্ট

মুদারাবা
সেভিংস একাউন্ট

মুদারাবা টার্ম
ডিপোজিট একাউন্ট

মুদারাবা হজ্জ
ডিপোজিট স্কিম

		Amount in Taka	
		2023	2022
3	Consolidated Cash in hand (Including foreign currencies)		
	Meghna Bank PLC. (Note-3a)	817,533,074	899,992,595
	Meghna Bank Securities Ltd	1,782	-
		817,534,856	899,992,595
3a	Cash in hand (Including foreign currencies)		
	In local currency	743,574,808	891,589,424
	In foreign currencies	73,958,266	8,403,171
		817,533,074	899,992,595
4	Consolidated Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		
	Meghna Bank PLC. (Note-4a)	4,094,704,126	3,020,097,923
	Meghna Bank Securities Ltd	-	-
		4,094,704,126	3,020,097,923
4a	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		
	In local currency	3,920,178,711	2,847,393,060
	In foreign currencies	174,525,415	172,704,863
		4,094,704,126	3,020,097,923
	Balance with Sonali Bank Ltd as agent of Bangladesh Bank		
	In local currency	-	-
	In foreign currencies	-	-
		4,094,704,126	3,020,097,923
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 (as amended up to date) 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 2023 is maintained on the basis of weekly ATDTL of October 2023) 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 2023 is maintained on the basis of weekly ATDTL of October 2023) 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 2023 is maintained on the basis of weekly ATDTL of October 2023) for Islamic Banking Unit. Both the reserves maintained by the bank are in excess of the statutory requirements, as shown below:

		Amount in Taka	
		2023	2022
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	2,641,324,280	2,016,503,000
	Actual Reserve held with Bangladesh Bank (In local currency)	3,668,148,394	2,768,360,506
	CRR Surplus	1,026,824,114	751,857,506
	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	84,495,840	28,371,000
	Actual Reserve held with Bangladesh Bank (In local currency)	323,967,700	71,766,600
	CRR Surplus	239,471,860	43,395,600
4a.3	Statutory Liquidity Ratio (SLR): Base on Average Total Demand and Time Liabilities on daily basis.		
	For Domestic Banking Unit (DBU)		
	Required Reserve	8,584,303,910	6,553,633,000
	Actual Reserve held	15,087,047,333	12,207,435,636
	SLR Surplus	6,502,743,423	5,653,802,636
	Held for Statutory Liquidity Ratio		
	Cash in hand (Note-3a)	810,519,769	895,653,111
	Government Securities - Treasury Bills (Note-7a)	-	490,595,854
	Government Treasury Bond (HTM & HFT) (Note-7a)	13,249,703,450	10,069,329,165
	Excess Reserve of CRR (Note-4a.2)	1,026,824,114	751,857,506
		15,087,047,333	12,207,435,636
	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)	-	-
		-	-

		Amount in Taka	
		2023	2022
For Islamic Banking Unit (IBU)			
Required Reserve		116,181,780	39,010,000
Actual Reserve held		304,035,165	105,285,084
SLR Surplus		187,853,385	66,275,084
Held for Statutory Liquidity Ratio			
Cash in hand (Note-3a)		7,013,305	4,339,484
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)		239,471,860	43,395,600
		304,035,165	105,285,084
5	Consolidated Balance with Other Banks and Financial Institutions		
In Bangladesh			
Meghna Bank PLC. (Note-5a)		4,308,508,303	4,015,412,854
Meghna Bank Securities Ltd		79,755,748	64,429,257
		4,388,264,051	4,079,842,110
Less: Inter Company Transaction		16,494,969	45,750,238
		4,371,769,082	4,034,091,872
Outside Bangladesh			
Meghna Bank PLC. (Note-5a)		598,950,718	344,608,597
Meghna Bank Securities Ltd		-	-
		598,950,718	344,608,597
		4,970,719,800	4,378,700,469
5a	Balance with Other Banks and Financial Institutions		
In Bangladesh (Note-5a.1)		4,308,508,303	4,015,412,854
Outside Bangladesh (Note-5a.2)		598,950,718	344,608,597
		4,907,459,021	4,360,021,451

		Amount in Taka	
		2023	2022
5a.1	In Bangladesh		
5a.1a	Current Account		
	Trust Bank Limited, Gulshan Branch	8,549,616	448,227
	Trust Bank Limited, Shathibari Branch	99,334	100,177
	AL-Arafah Islami Bank PLC., Bormi Bazar Branch	1,620	3,039
	Southeast Bank PLC., Bandura Branch	7,342	7,342
	Eastern Bank PLC., Gulshan Branch	1,770,005	514,700
	Social Islami Bank PLC., Sirajgonj Branch	19,700	20,390
	Meghna Bank PLC., Principal Branch TCS	128,256	150
	Jamuna Bank PLC., Kalampur Branch	14	14
	Agrani Bank PLC., Munshirhat Branch	3,062,848	23,441
	BRAC Bank PLC., Gulshan Branch	536,255	409,902,155
	Sonali Bank PLC., Local Office	14,896,955	44,514,759
	Bank Asia Limited, Bogra Branch	-	1
	Sonali Bank PLC., Feni Branch	532,354	38,980
	Sonali Bank PLC., Sirajganj Branch	2,660	3,350
	Sonali Bank PLC., Kishoreganj Branch	8,005,294	21,545
	Sonali Bank PLC., Munshiganj Corporate Branch 2	20,984	34,906
	Sonali Bank PLC., Kushtia Corporate Branch	3,543,919	10,043,919
	Sonali Bank PLC., Rangpur Corporate Branch	300,000	6,992,032
	Sonali Bank PLC., Jashore Corporate Branch	12,270,989	45,007,671
	Sonali Bank PLC., Chehelgazi Branch	65,622	61,256
		53,813,767	517,738,054
5a.1b	Special Notice Deposits		
	Mercentile Bank PLC., Agrabad Branch	12,314,785	11,989,373
	Meghna Bank PLC., Special Fund	24,549,174	15,372,165
	NCC Bank PLC., Laldighirpar Branch	285,994	5,165,023
	Trust Bank Limited,	62,700,000	-
	Sonali Bank PLC., Nalchity Branch	10,830	10,830
	Sonali Bank PLC., Mithapukur Branch	2,239,612	26,685,346
		102,100,395	59,222,737

		Amount in Taka	
		2023	2022
5a.1c	FDR with Other Banks & Financial Institutions		
	FDR with Other Banks (Note-5a.1c.i)	945,000,000	795,000,000
	FDR with Financial Institutions (Note-5a.1c.ii)	3,207,594,141	2,643,452,063
		4,152,594,141	3,438,452,063
5a.1c.i	FDR with Other Banks		
	Padma Bank PLC.	295,000,000	295,000,000
	United Commercial Bank PLC.	500,000,000	-
	Modhumoti Bank PLC.	150,000,000	300,000,000
	EXIM Bank Limited	-	200,000,000
		945,000,000	795,000,000
5a.1c.ii	FDR with Financial Institutions		
	IDLC Finance PLC.	1,250,000,000	1,250,000,000
	FAS Finance & Investment Ltd	53,776,250	53,776,250
	International Leasing Financial Service Limited	85,697,846	74,675,813
	GSP Finance Company (Bangladesh) Limited	348,120,045	295,000,000
	IPDC Finance Limited	1,000,000,000	500,000,000
	Lanka Bangla Finance PLC.	470,000,000	470,000,000
		3,207,594,141	2,643,452,063
		4,308,508,303	4,015,412,854
5a.2	Outside Bangladesh (NOSTRO Account)		
	AB Bank Ltd, Mumbai, ACU	22,018,699	19,870,006
	Mashreq Bank p.s.c. New York, USD	392,730,117	189,958,483
	Habib American Bank, New York. USD	48,647,617	70,599,378
	MCB Bank Limited, Karachi, Pakistan, ACU	890,143	1,473,389
	BANCA Popolare Di Sondrio, Sondrio, Italy, EURO	12,461,773	2,209,057
	Kookmin Bank, Seoul Korea, USD	3,005,721	3,875,610
	Kookmin Bank, Seoul Korea, GBP	1,636,007	2,659,819
	Kookmin Bank, Seoul Korea, CAD	374,486	324,263
	National Bank of Pakistan, Tokoyo, Japan., JPY	526,487	8,569,742
	Kookmin Bank, Seoul Korea, AUD	1,333,537	-

	Amount in Taka	
	2023	2022
HDFC Bank Limited, Mumbai, India, ACU	10,742,432	11,100,880
Bank Al Jazira, KSA, SAR	4,739,479	4,539,113
AXIS Bank Ltd. Kolkata, India, ACU	14,832,827	18,128,476
Bhutan National Bank, ACU	3,168,072	4,921,964
Sonali Bank UK, USD	4,175,846	893,373
Sonali Bank UK, EUR	7,823,005	-
Agricultural Bank of China, CYN	60,260,790	-
Punjab National Bank, Kolkata, ACU	9,583,680	5,485,044
	598,950,718	344,608,597

Currency wise Distribution:

Foreign Currency	BDT	Composition
USD/ACU	511,128,690	85.34%
GBP	1,636,007	0.27%
EUR	20,284,778	3.39%
JYP	526,487	0.09%
SAR	4,739,479	0.79%
CYN	60,260,790	10.06%
CAD	374,487	0.06%
	598,950,718	100%

5a.3 In accordance with Bangladesh Bank Foreign Exchange Policy Department, Circular FEPD (DEM0/01/2005-677) dated 13 September 2005, the quarterly review of NOSTRO Accounts for the quarter ended 31 December 2023 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				Amount in US\$					
	Debit entries		Credit entries		As per Correspondents' Book		Debit entries		Credit entries	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 3 months	3	214,605.51	20	937,050.74	4	22,200.59	69	2,135,631.38		
From 03 months to 06 months	-	-	-	-	-	-	-	-	-	-
From 06 months to 09 months	-	-	-	-	-	-	-	-	-	-
From 09 months to 12 months	-	-	-	-	-	-	-	-	-	-
More than 12 months	-	-	-	-	-	-	-	-	-	-
	3	214,605.51	20	937,050.74	4	22,200.59	69	2,135,631.38		

		Amount in Taka	
		2023	2022
5a.4	Maturity-wise Groupings of Balance with Other Banks and Financial Institutions		
	On Demand	53,813,767	921,569,388
	Not more than 3 months	3,883,645,254	2,468,452,063
	More than 3 months but less than 1 year	970,000,000	970,000,000
	More than 1 year but less than 5 years	-	-
	More than 5 years	-	-
		4,907,459,021	4,360,021,451
6	Consolidated Money at Call and Short Notice		
	Meghna Bank PLC. (Note-6a)	-	1,010,000,000
	Meghna Bank Securities Ltd	-	-
		-	1,010,000,000
6a	Money at Call and Short Notice		
	With Bank		
	Modhumoti Bank PLC.	-	410,000,000
	United Commercial Bank PLC.	-	400,000,000
	Midland Bank Limited	-	200,000,000
		-	1,010,000,000
7	Consolidated Investment:		
	Government Securities		
	Meghna Bank PLC. (Note-7a,ii,a)	14,521,710,500	10,617,914,619
	Meghna Bank Securities Ltd	394,038,450	-
		14,915,748,950	10,617,914,619
	Other Investments		
	Meghna Bank PLC. (Note-7a,ii,b)	4,181,892,549	2,766,233,315
	Meghna Bank Securities Ltd	424,893,024	412,011,501
		4,606,785,573	3,178,244,816
		19,522,534,523	13,796,159,435

7a**Investment:**

i) Investment Classified as per Bangladesh Bank Circular:

Held for Trading (HFT)

Held to Maturity (HTM)

Other Investment

ii) Investment Classified as per Nature:**a) Government Securities:****1) Treasury Bills (HFT) Encumbered**

91 Days Treasury Bills

182 Days Treasury Bills

364 Days Treasury Bills

2) Government Bond (HTM & HFT)

2,5,10,15 & 20 Years Bonds (Note-7a.2)

Prize Bond in Hand

Total (1+2)**b) Other Investment**

1) Trust Bank Limited Subordinate Bond-II

2) Investment in MAXCAP DPA-IDLC (Note - 7a.3)

3) Investment in Shares at cost (Note - 7a.4)

4) Investment in Shares at cost under Special Fund (Note - 7a.5)

7a.1**Maturity-wise Grouping of Investment:**

On demand

Not more than 3 months

More than 3 months but less than 1 year

More than 1 year but less than 5 years

More than 5 years

Amount in Taka	
2023	2022
1,633,206,802	1,744,364,277
12,887,929,398	8,873,110,742
4,182,466,849	2,766,672,915
18,703,603,049	13,384,147,934
386,723,610	-
260,343,450	-
283,855,530	490,595,854
930,922,590	490,595,854
13,590,213,610	10,126,879,165
574,300	439,600
13,590,787,910	10,127,318,765
14,521,710,500	10,617,914,619
-	-
450,441	441,517
3,717,537,728	2,304,359,768
463,904,380	461,432,030
4,181,892,549	2,766,233,315
18,703,603,049	13,384,147,934
-	-
1,261,471,408	280,482,183
2,738,362,529	1,843,617,286
2,203,917,444	3,008,258,093
12,499,851,668	8,251,790,372
18,703,603,049	13,384,147,934

		Amount in Taka	
		2023	2022
7a.2	Government Bond		
	HTM		
	2 Years Bangladesh Government Treasury Bonds	-	-
	5 Years Bangladesh Government Treasury Bonds	-	-
	10 Years Bangladesh Government Treasury Bonds	921,362,630	1,276,290,599
	15 Years Bangladesh Government Treasury Bonds	2,844,726,622	1,617,274,150
	20 Years Bangladesh Government Treasury Bonds	9,064,290,146	5,921,995,993
	HFT		
	2 Years Bangladesh Government Treasury Bonds - Encumbered	282,960,160	19,576,040
	5 Years Bangladesh Government Treasury Bonds	-	716,164,638
	10 Years Bangladesh Government Treasury Bonds	-	204,128,934
	15 Years Bangladesh Government Treasury Bonds	209,514,842	313,898,811
	20 Years Bangladesh Government Treasury Bonds	209,809,210	-
	SUKUK BOND		
	5 Years Sukuk Bonds	57,550,000	57,550,000
	Total	13,590,213,610	10,126,879,165
7a.3	Investment in MAXCAP DPA-IDLC		
	Ordinary Share		
	Cash Balance	450,441	441,517
		450,441	441,517
7a.4	Investment in Shares at cost		
	Quoted		
	British American Tobacco Company Limited	4,405,269	4,405,269
	BSRM Steels Limited	8,676,634	8,676,634
	Agro Organica PLC.	36,950	-
	City Bank PLC.	5,634,995	5,634,995
	Eastern Bank PLC.	8,007,181	8,007,181
	Grameen Phone Limited	9,456,812	9,456,812
	Global Islami Bank PLC.	13,173,680	13,173,680
	Heidelberg Cement Bangladesh Limited	9,291,098	9,291,098

	Amount in Taka	
	2023	2022
IDLC Finance PLC.	7,087,500	7,087,500
IFAD Autos Limited	1,927,117	1,927,117
Islami Commercial Insurance Company Limited	-	87,990
Jamuna Oil Company Limited	15,840,873	15,840,873
Jamuna Bank PLC.	4,851,611	4,851,611
MJL Bangladesh PLC.	11,537,652	11,537,652
Olympic Industries Limited	20,203,202	20,203,202
Robi Asiata Limited	1,500,000	1,500,000
Square Pharmaceuticals PLC.	11,784,594	11,784,594
Summit Power Limited	18,130,495	18,130,495
Titas Gas Transmission & Dist. Co. Limited	5,702,317	5,702,317
United Commercial Bank PLC.	16,060,748	16,060,748
Unquoted - Preference Share		
Karnaphuli Power Limited	360,000,000	480,000,000
Shah Cement Industries Limited	350,000,000	-
Baraka Shikalbaha Power Limited	336,000,000	448,000,000
Flamingo Fashions Limited	276,000,000	368,000,000
Jinnat Knitwears Limited	270,000,000	360,000,000
City Seed Crushing Industries Limited	400,000,000	400,000,000
Super Petrochemical Limited	542,229,000	-
Nitol Motors Limited	900,000,000	-
Independent Export (BD) Limited	60,000,000	-
Confidence Power Bogra Limited	50,000,000	75,000,000
	3,717,537,728	2,304,359,768
7a.5 Investment in Shares at cost under Special Fund		
Quoted		
British American Tobacco Company Limited	128,910,464	128,910,465
City Bank PLC.	15,094,136	15,094,136
Grameen Phone Limited	75,139,846	75,139,846
IDLC Finance PLC.	60,707,730	60,707,730
Jamuna Bank PLC.	12,300,298	12,300,298
Prime Bank PLC.	11,721,231	11,721,231
Lafarge Holcim Bangladesh Limited	2,472,350	-
Renata Limited	40,739,613	40,739,613
Square Pharmaceuticals PLC.	48,227,861	48,227,860
Summit Power Limited	68,590,851	68,590,851
	463,904,380	461,432,030

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

		Amount in Taka	
		2023	2022
8	Consolidated Loans and Advances/ Investments		
	Meghna Bank PLC. (Note-8a)	50,067,804,625	39,697,755,406
	Meghna Bank Securities Ltd	37,921,897	34,107,161
		50,105,726,522	39,731,862,568
	Less: Inter Company Transaction	150,695,953	99,065,830
		49,955,030,569	39,632,796,738
	Bills purchased and discounted		
	Meghna Bank PLC. (Note-8a)	1,974,402,067	275,827,253
	Meghna Bank Securities Ltd	-	-
		1,974,402,067	275,827,253
		51,929,432,636	39,908,623,991
8a	Loans and Advances/ Investments		
	i) Loans, Cash Credits, Overdraft, etc.		
	Inside Bangladesh		
	Cash Credit	4,255,637,320	4,383,968,083
	Secured overdraft	1,829,400,338	739,264,133
	General overdraft	4,541,647,587	4,143,047,619
	Import finance	1,649,179,894	2,856,852,646
	Export finance	54,385,114	-
	Other Demand Loans	18,374,215,637	10,134,322,592
	Hire Purchase Finance	104,630,327	439,998,907
	Demand Loan (Forced Loan)	-	101,637,304
	Consortium/Syndicate Finance	971,464,642	883,349,913
	House Building Loan	2,304,139,163	2,560,722,440
	Credit Card A/C	1,314,034,458	831,392,557
	General Term Loans	13,397,541,604	11,697,880,055
	Agricultural and Rural Credit Scheme	283,044,330	315,765,743
	SME Loans and Advances	532,801,222	95,511,875
	Personal/Professionals Loan Scheme	455,682,989	514,041,539
		50,067,804,625	39,697,755,406
	Outside Bangladesh	-	-
		50,067,804,625	39,697,755,406

		Amount in Taka	
		2023	2022
ii) Bills purchased and discounted			
Payable Inside Bangladesh			
Inland bills purchased and discounted		1,918,643,176	154,633,478
Payable outside Bangladesh			
Foreign bills purchased and discounted		55,758,891	121,193,775
		1,974,402,067	275,827,253
		52,042,206,692	39,973,582,659
8a.1 Net Loans and Advances/ Investments			
Gross performing loans and advances/ Investments		52,042,206,692	39,973,582,659
Less:			
Interest Suspense (Note-14a)		1,149,057,338	1,029,797,712
Provision for loans and advances/ Investments (Note-14a)		1,480,039,852	1,750,494,107
Special General Provision - Covid-19 (Note-14a)		65,702,005	100,392,009
		2,694,799,195	2,880,683,828
		49,347,407,497	37,092,898,831
8a.2 Residual Maturity Grouping of Loans and Advances/ Investments Including Bills Purchased and Discounted			
Re-payable on Demand		-	-
Not more than 3 months		17,924,571,580	15,601,676,226
Over 3 months but not more than 1 year		18,286,030,143	11,247,319,732
Over 1 year but not more than 5 years		11,358,390,995	9,331,687,283
Over 5 years		4,473,213,974	3,792,899,418
		52,042,206,692	39,973,582,659
8a.3 Residual Maturity Grouping of Bills Purchased and Discounted			
Re-payable:-			
Within 1 month		434,368,454	3,102,778
Over 1 month but less than 3 months		651,552,682	82,681,481
Over 3 months but less than 6 months		866,397,414	190,042,994
6 months or more		22,083,517	-
		1,974,402,067	275,827,253

		Amount in Taka	
		2023	2022
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	243,316,952	268,829,684
	(c) Advances to Customer Groups:		
	i) Commercial Lending	4,163,070,276	4,877,857,618
	ii) Export Financing	54,385,114	986,776,398
	ii) House Building Loan	2,194,983,072	2,440,628,645
	iii) Retail Loan	352,773,589	1,194,290,697
	iv) Small and Medium Enterprises	532,801,222	7,762,386,920
	vi) Special Program Loan		-
	v) Industrial Loans Details (Note-8a.4a)	28,680,243,955	21,164,487,563
	vi) Others Loan	13,991,232,174	1,023,480,117
	vii) Other Loans and Advances/ Investments (SOD)	1,829,400,338	254,845,017
		51,798,889,740	39,704,752,975
		52,042,206,692	39,973,582,659
8a.4a	Details of Industrial Loans and Advances/ Investments		
	i) Agricultural industries		
	ii) Textile industries	535,305,129	2,005,804,525
	iii) Food and allied industries	6,695,195,805	1,623,039,741
	iv) Pharmaceutical industries	2,148,315,131	496,663,458
	v) Leather, Chemical, Cosmetics etc	348,498,251	228,454,626
	iv) Tobacco industries		-
	v) Cement and Ceramic industries	1,710,172,165	373,521,030
	vi) Service industries	4,815,519,908	1,418,029,402
	vii) Transport and Communication Industries	19,460,382	856,906,380
	viii) Other industries including bills purchased and discounted	12,407,777,184	14,162,068,401
		28,680,243,955	21,164,487,563

Amount in Taka	
2023	2022

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	2147.88 Crore	1,827.59 Crore
Number of such types of customers	44	38
Amount of Classified Advances thereon	64.15	-
Measures taken for recovery	-	-

Each of the forty four customers exceeds the limit of 10% of Bank's total capital in the year 2023. 10% of Bank's total capital stood as on December 31, 2023 Tk. 94.13 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	52,042,206,692	39,973,582,659
	52,042,206,692	39,973,582,659

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

Area	As at 31 December 2023		As at 31 December 2022	
	Amount	Composition	Amount	Composition
i) Inside Bangladesh (Note-8a.8)				
a) In Rural Areas	2,933,438,094	5.64%	3,241,494,565	8.11%
b) In Urban Areas	49,108,768,598	94.36%	36,732,088,094	91.89%
Sub-total	52,042,206,692	100.00%	39,973,582,659	100.00%
ii) Outside Bangladesh	-	-	-	-
Total	52,042,206,692	100.00%	39,973,582,659	100.00%

8a.8 Inside Bangladesh

Division	As at 31 December 2023		As at 31 December 2022	
	Amount	Composition	Amount	Composition
Dhaka	40,783,246,584	78.37%	31,247,813,157	78.17%
Chittagong	8,871,076,530	17.05%	6,254,539,972	15.65%
Sylhet	374,568,873	0.72%	321,832,913	0.81%
Rajshahi	812,518,138	1.56%	926,583,811	2.32%
Rangpur	362,248,705	0.70%	623,204,857	1.56%
Khulna	158,723,339	0.30%	400,501,359	1.00%
Barisal	679,824,523	1.31%	199,106,590	0.50%
Total	52,042,206,692	100.00%	39,973,582,659	100.00%

Amount in Taka	
2023	2022

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

Status	As at 31 December 2023		As at 31 December 2022	
	Amount	Composition	Amount	Composition
a) Unclassified				
Unclassified (including staff Loans)	48,421,119,225	93.04%	36,283,323,297	90.77%
Special Mention Account (SMA)	1,262,496,068	2.43%	999,430,837	2.50%
	49,683,615,293		37,282,754,134	
a) Classified				
Substandard	58,143,576	0.11%	303,247,532	0.76%
Doubtful	352,889,787	0.68%	156,199,490	0.39%
Bad or loss	1,947,558,036	3.74%	2,231,381,503	5.58%
	2,358,591,399		2,690,828,525	
Total	52,042,206,692	100.00%	39,973,582,659	100.00%

Amount in Taka	
2023	2022

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

Status	Rate	Basis for Provision	2023	2022
Unclassified (Excluding staff Loans)	1%	36,668,693,657	366,686,936	259,639,426
Staff Loans	0%	-	-	-
Consumer Financing (Credit Card)	2%	2,826,141,324	56,522,826	16,375,636
Consumer Financing (Other than HF & LP)	2%	471,288,024	9,425,760	7,526,519
Small & Medium Enterprise	0.25%	7,014,033,816	17,535,085	16,933,227
Housing Finance	1%	1,939,679,252	19,396,793	22,562,985
Loan for professionals	2%	45,480,569	909,611	1,717,686
Share Business	2%	220,274,388	4,405,488	5,333,206
Short Term Agri. Credit	1%	222,264,072	2,222,641	3,034,605
Special Mention Account	Applicable Rate			
			477,105,140	333,123,290

			Amount in Taka	
			2023	2022
Substandard	5% (CMSME) and 20%	30,077,618	4,790,319	18,307,102
Doubtful	5% (Agri), 20% (CMSME) and 50%	183,174,568	40,543,435	11,931,509
Bad or loss	100%	955,787,112	955,787,112	1,383,109,852
			1,001,120,866	1,413,348,463
Required provision for Loans and Advances/ Investments			1,478,226,006	1,746,471,753
Total provision maintained {Note-14a.1 (a) & (b)}			1,480,039,852	1,750,494,107
Surplus Provision			1,813,846	4,022,354

The Bank has maintained provision on loans and advances/ Investments amounting to Tk. 1,480,039,852 {note - 14a.1(a) & (b)}. The bank has also maintained special general provision for COVID 19 of Tk. 65,702,005 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	4,115,058,970	41,150,590	15,985,861
Bills	1,297,491,682	-	-
Letters of Guarantee	7,161,926,677	71,619,267	49,501,747
Irrevocable Letters of Credit	2,786,645,745	27,866,457	14,241,190
Required provision for Off Balance Sheet Items	15,361,123,074	140,636,314	79,728,798
Provision maintained {Note-14a.1(c)}		140,636,314	79,728,798
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.	1,829,400,338	739,264,133
(ii)	Loans and Advances/ Investments considered good for which the banking company holds no other security than the debtor's personal guarantee.	315,982,271	1,064,345,727
(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.	49,896,824,083	38,169,972,799
(iv)	Loans and Advances/ Investments adversely classified; provision not maintained there against.	-	-
		52,042,206,692	39,973,582,659

		Amount in Taka	
		2023	2022
(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.	243,316,952	268,829,684
(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
(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	2,358,591,399	2,690,828,525
	a) Amount of classified loans and advances/ investments on which interest/ profit has not been charged	2,176,391,234	2,231,381,503
	b) Provision on classified loans and advances/ investments	1,002,297,664	1,415,282,906
	c) Provision kept against loans and advances/ investments classified as bad loss	955,787,112	1,383,109,852
	d) Interest credited to Interest suspense Account	1,149,057,338	1,029,797,712
(xi)	Cumulative amount of written off Loans and Advances/ Investments	799,845,337	-

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 2023	Preserved Audited FS	Rate of Compliance
New Loans & Advances/ Investments	28	23	82%
Loans & Advances/ Investments Renewal	151	138	91%

9 Consolidated Fixed Assets including Premises, Furniture & Fixtures

Cost:

Meghna Bank PLC. (Note-9a)	2,146,079,573	1,584,988,222
Meghna Bank Securities Ltd	52,509,792	17,102,069
	2,198,589,365	1,602,090,291

Accumulated Depreciation:

Meghna Bank PLC. (Note-9a)	1,061,138,814	895,782,406
Meghna Bank Securities Ltd	11,745,110	8,538,060
	1,072,883,924	904,320,466
Carrying value	1,125,705,441	697,769,825

		Amount in Taka	
		2023	2022
9a	Fixed Assets including Premises, Furniture & Fixtures		
	A. Cost:		
	Opening balance	1,584,988,222	1,389,577,497
	Add: Addition during the year	645,801,375	202,983,937
	Less: Disposal during the year	84,710,025	7,573,212
	Closing balance at cost	2,146,079,573	1,584,988,222
	B. Depreciation:		
	Opening balance	895,782,406	697,316,061
	Add: Addition during the year	233,676,924	204,342,253
	Less: Adjustment / disposal during the year	68,320,516	5,875,908
	Accumulated Depreciation	1,061,138,814	895,782,406
	Carrying value	1,084,940,759	689,205,816
	A schedule of fixed assets is given in Annexure-B		
10	Consolidated Other Assets		
	Meghna Bank PLC. (Note-10a)	1,800,505,886	1,199,949,048
	Meghna Bank Securities Ltd	14,403,194	4,881,768
		1,814,909,080	1,204,830,816
	Less: Inter Company Transaction	760,264,298	355,693,253
		1,054,644,782	849,137,563
10a	Other Assets		
	Stock of Stationery, Stamps and Printing Materials etc. (valued at cost)	20,706,850	15,004,855
	Advance Rent	148,759,607	127,530,738
	Suspense Account (Note-10a.1)	177,824,571	109,749,701
	Interest receivable (Note-10a.2)	276,018,356	194,889,278
	Security Deposit	225,955	225,955
	Advance against proposed Branch	13,160,243	8,930,000
	Cash Remittance	4,000,000	10,000,000
	Interest on Sanchaypatra	6,498,612	15,316,504
	Receivable from MGBPLC Islamic Banking Project	39,000	39,000
	Receivable from MGBPLC OBU-USD	-	(2,436,277)

	Amount in Taka	
	2023	2022
Meghna Bank Securities Ltd	7,054,915	1,569,596
Meghna Bank Securities Ltd - Special Fund	3,209,483	4,123,757
Prepaid Expenses	12,706,140	22,120,200
Investment in Subsidiary (Note-10a.3)	749,999,900	349,999,900
Deferred Tax Assets (Note-10a.4)	59,015,325	58,851,477
BEFTN Adjustment Account	55,510	43,446
S/D RFA SEBL - Western Union	318,642	445,215
Interest on Investment Bond- Customer	-	0.02
Chargeback Account for VISA Cards	2,484,227	1,516,732
Head Office General Account	295,916	
MGBPLC MFS Funding Account	100	
Receivable from MiTP	123,387,999	123,387,999
Trans-Fast-Remittance Payment Account	947,462	143,271
Advance against Assets	185,168,663	84,267,000
Accrued Income	8,628,410	74,230,702
	1,800,505,886	1,199,949,048

10a.1 Suspense Account:

Sundry Debtors	121,366,204	52,178,467
Advance against TA/DA	112,798	121,600
Advance against Petty Cash	35,000	35,000
Advance Against Suits/ Cases for NPL A/C	12,729,588	8,217,078
Encashment of Sanchaypatra	14,000,000	39,125,000
Settlement A/C for Credit Card Fund Transfer Through I-Banking	427,840	119,484
IBFT Other Bank Account to MGBPLC Account NPSB	24,113,440	8,739,228
IBFT Other Bank Account to MGBPLC Account QCASH	2,183,015	264,027
IBFT Other Bank Account/Card to MGBPLC Card NPSB	2,856,686	949,816
Premature Encashment of Sanchaypatra	-	1
	177,824,571	109,749,701

Amount in Taka	
2023	2022

The detail breakup of unadjusted suspense accounts are given below:

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	82,863,573	10,290,005	245,000	-	27,967,626
2	Advance against TA/DA	112,798	-	-	-	-
3	Advance against Petty Cash	35,000	-	-	-	-
4	Advance Against Suits/ Cases for NPL A/C	1,068,056	1,642,180	2,513,149	1,502,814	6,003,389
5	Encashment of PSP/BSP/BG	13,000,000	-	-	1,000,000	-
6	Others	29,580,980	-	-	-	-
	Grand Total	126,660,407	11,932,185	2,758,149	2,502,814	33,971,015

10a.2 Interest Receivable:

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

34,532,255	59,528,778
26,410	55,000
-	483,958
11,945,285	16,891,625
229,514,406	117,929,917
276,018,356	194,889,278

10a.3 Investment in Subsidiary:

Meghna Bank PLC. holds 74,99,999 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

58,851,477	55,956,241
163,848	2,895,236
59,015,325	58,851,477

Deferred Tax on Fixed Assets

Carrying Amount
Tax Base
Deductible Temporary Difference
Effective Tax Rate

311,246,183	182,718,286
458,784,496	329,846,978
147,538,313	147,128,692
40.00%	40.00%
59,015,325	58,851,477

Deferred Tax Assets

		Amount in Taka	
		2023	2022
10a.4.i	Deferred Tax Income		
	Closing Balance of Deferred Tax Assets	59,015,325	58,851,477
	Opening Balance of Deferred Tax Assets	58,851,477	55,956,241
	Deferred Tax Income	163,848	2,895,236
10a.5	Non-Income Generating Other Assets:		
	Stock of Stationery, Stamps and Printing Materials etc. (valued at cost)	20,706,850	15,004,855
	Advance Rent	148,759,607	127,530,738
	Suspense Account (Note-10a.1)	177,824,571	109,749,701
	Interest receivable (Note-10a.2)	276,018,356	194,889,278
	Security Deposit	225,955	225,955
	Advance against proposed Branch	13,160,243	8,930,000
	Cash Remittance	4,000,000	10,000,000
	Interest on Sanchaypatra	6,498,612	15,316,504
	Receivable from MGBPLC Islamic Banking Project	39,000	39,000
	Receivable from MGBPLC OBU-USD	-	(2,436,277)
	Meghna Bank Securities Ltd	7,054,915	1,569,596
	Meghna Bank Securities Ltd - Special Fund	3,209,483	4,123,757
	Prepaid Expenses	12,706,140	22,120,200
	Deferred Tax Assets (Note-10a.4)	59,015,325	58,851,477
	BEFTN Adjustment Account	55,510	43,446
	S/D RFA SEBL - Western Union	318,642	445,215
	Interest on Investment Bond- Customer	-	0.02
	Chargeback Account for VISA Cards	2,484,227	1,516,732
	Receivable from MiTP	123,387,999	123,387,999
	Head Office General Account	295,916	-
	MGBPLC MFS Funding Account	100	-
	Trans-Fast-Remittance Payment Account	947,462	143,271
	Advance against Assets	185,168,663	84,267,000
	Accrued Income	8,628,410	74,230,702
		1,050,505,986	849,949,148

		Amount in Taka	
		2023	2022
11	Consolidated Borrowings from other Banks & Financial Institutions and Agents		
	Meghna Bank PLC. (Note-11a)	4,219,880,636	1,620,218,321
	Meghna Bank Securities Ltd	-	-
		4,219,880,636	1,620,218,321
11a	Borrowings from other Banks & Financial Institutions and Agents		
	In Bangladesh (Note-11a.1)	4,219,880,636	1,620,218,321
	Outside Bangladesh	-	-
		4,219,880,636	1,620,218,321
11a.1	In Bangladesh		
	Refinance from Bangladesh Bank	2,019,880,636	1,310,425,721
	NCC Bank PLC.	440,000,000	-
	Agrani Bank PLC.	550,000,000	-
	Jamuna Bank PLC.	660,000,000	-
	One Bank PLC.	330,000,000	-
	Basic Bank Limited	220,000,000	309,792,600
		4,219,880,636	1,620,218,321
11a.2	Security against Borrowings from other Banks & Financial Institutions and Agents		
	Secured	-	-
	Unsecured	4,219,880,636	1,620,218,321
		4,219,880,636	1,620,218,321
11a.3	Maturity grouping of Borrowings from other Banks & Financial Institutions and Agents		
	Payable on demand	-	-
	Up to 1 Month	3,687,171,828	344,502,162
	Over 1 Month but within 3 Months	161,300,054	258,556,524
	Over 3 Months but within 1 Year	133,214,379	939,263,200
	Over 1 Year but within 5 Years	238,194,375	77,896,435
	Over 5 Years	-	-
		4,219,880,636	1,620,218,321

		Amount in Taka	
		2023	2022
12	Consolidated Deposits and Other Accounts		
	Current/Al-Wadeeah Current Accounts & Other Accounts:		
	Meghna Bank PLC. (Note-12a)	11,202,942,793	6,136,680,593
	Meghna Bank Securities Ltd	-	-
		11,202,942,793	6,136,680,593
	Less: Inter Company Transaction	-	-
		11,202,942,793	6,136,680,593
	Bills Payable:		
	Meghna Bank PLC. (Note-12a)	439,201,865	239,912,885
	Meghna Bank Securities Ltd	-	-
		439,201,865	239,912,885
	Savings/Mudaraba Saving Deposits:		
	Meghna Bank PLC. (Note-12a)	4,224,561,932	3,581,095,585
	Meghna Bank Securities Ltd	-	-
		4,224,561,932	3,581,095,585
	Fixed Deposits/ Mudaraba Term Deposit:		
	Meghna Bank PLC. (Note-12a)	49,162,474,115	39,578,235,182
	Meghna Bank Securities Ltd	-	-
		49,162,474,115	39,578,235,182
	Less: Inter Company Transaction	16,494,969	45,750,238
		49,145,979,147	39,532,484,944
		65,012,685,737	49,490,174,007
12a	Deposits and Other Accounts		
	1) Deposits from banks	2,814,920	3,394,064
	2) Deposits from customers	65,026,365,785	49,532,530,181
		65,029,180,705	49,535,924,245
	1) Deposits from banks		
	i) Current/Al-Wadeeah Current Accounts & Other Accounts		
	Current/Al-Wadeeah Current Accounts	-	-
	Foreign Currency Deposits	-	-
	Sundry Deposits [Note Y]	2,814,920	3,394,064
		2,814,920	3,394,064

	Amount in Taka	
	2023	2022
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]	-	-
	-	-
	2,814,920	3,394,064
2) Deposits from customer		
i) Current/Al-Wadeeah Current Accounts & Other Accounts:		
Current/Al-Wadeeah Current Accounts	6,227,099,219	3,902,139,820
Foreign Currency Deposits	456,342,083	9,578,772
Sundry Deposits [Note Y]	4,516,686,571	2,221,567,937
	11,200,127,873	6,133,286,529
ii) Bills Payable:		
Payable inside Bangladesh		
Payment Order Issued	438,801,465	239,536,900
Payable outside Bangladesh	438,801,465	239,536,900
	400,400	375,985
	400,400	375,985
	439,201,865	239,912,885
iii) Savings/Mudaraba Saving Deposits:		
Savings/Mudaraba Saving Deposits	4,224,561,932	3,581,095,585
	4,224,561,932	3,581,095,585

		Amount in Taka	
		2023	2022
iv) Fixed Deposits/ Mudaraba Term Deposit:			
	Fixed Deposits/ Mudaraba Term Deposit	37,790,028,723	28,658,476,402
	Short Notice Deposits	5,245,272,182	3,995,463,420
	Scheme Deposit [Note-X]	6,127,173,210	6,924,295,360
		49,162,474,115	39,578,235,182
		65,026,365,785	49,532,530,181
X Scheme Deposits:			
	Deposit Pension Scheme/ Mudaraba Deposit Pension Scheme	3,501,677,243	3,393,681,666
	Meghna Millionaire Scheme	54,560,560	27,863,680
	Meghna Kotipoti Scheme	11,157,546	8,783,836
	Meghna Child Education Plan	75,237,672	65,756,898
	Monthly Income Scheme Deposit	1,867,692,966	2,794,926,660
	Mudaraba Super Saving Scheme	3,635,450	1,960,000
	Mudaraba Bibaho Scheme	135,000	20,000
	Mudaraba Hajj Scheme	213,000	63,000
	Mudaraba Mohor Scheme	5,000	-
	Meghna Money Builder Scheme	2,324,198	1,320,655
	Meghna Multiplier Scheme	610,534,574	629,918,965
		6,127,173,210	6,924,295,360
12a.1 Deposits and Other Accounts:			
Current/AI-Wadeeah Current Accounts & Other Accounts:			
	a) Deposits from banks	2,814,920	3,394,064
	b) Deposits from customers	11,200,127,873	6,133,286,529
		11,202,942,793	6,136,680,593
Bills Payable			
	a) Deposits from banks	-	-
	b) Deposits from customers	439,201,865	239,912,885
		439,201,865	239,912,885
Savings/Mudaraba Saving Deposits:			
	a) Deposits from banks	-	-
	b) Deposits from customers	4,224,561,932	3,581,095,585
		4,224,561,932	3,581,095,585

		Amount in Taka	
		2023	2022
Fixed Deposits/ Mudaraba Term Deposit:			
a) Deposits from banks		-	-
b) Deposits from customers		49,162,474,115	39,578,235,182
		49,162,474,115	39,578,235,182
Y. Sundry Deposits			
Margin on letter of guarantee		240,129,375	169,925,873
Margin on letter of credit		1,920,719,175	823,616,328
VAT/Tax/Excise duty payable to Government Authority		292,218,594	197,020,687
Others		2,066,434,347	1,034,399,113
		4,519,501,491	2,224,962,001
12a.2 Maturity wise classification of Deposits are as under with a residual maturity of:			
Repayable on demand		582,111,165	529,191,969
Within 1 month		4,463,739,384	5,529,075,856
Over 1 month but not more than 6 months		27,330,443,298	17,571,640,711
Over 6 months but not more than 1 year		10,019,014,394	5,099,124,737
Over 1 year but not more than 5 years		6,124,064,361	15,793,436,579
Over 5 years		16,509,808,103	5,013,454,393
		65,029,180,705	49,535,924,245
13 Non-Convertible Subordinated Bonds			
Balance at the beginning of the year		2,000,000,000	-
Add: Issue during the year		-	2,000,000,000
Less : Redemption during the year		200,000,000	-
		1,800,000,000	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 MGBPLC Non-Convertible Subordinated Bonds

Particulars	Features of 1st MGBPLC Non-Convertible Subordinated Bonds
Issuer	Meghna Bank PLC.
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)

		Amount in Taka	
		2023	2022
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 1st year from the date of drawdown in the following manner.		
	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, 2023	December 31, 2022
Janata Bank Limited	6-Jan-22	1,000,000,000	900,000,000	1,000,000,000
Sonali Bank Limited	6-Jan-22	500,000,000	450,000,000	500,000,000
Brac Bank Limited	17-Jan-22	200,000,000	180,000,000	200,000,000
Agrani Bank Limited	3-Mar-22	300,000,000	270,000,000	300,000,000
Total		2,000,000,000	1,800,000,000	2,000,000,000

14

Consolidated Other Liabilities

Meghna Bank PLC. (Note-14a)	5,095,865,640	4,842,913,209
Meghna Bank Securities Ltd	229,526,933	162,223,895
	5,325,392,573	5,005,137,104
Less: Inter Company Transaction	160,960,351	104,759,183
	5,164,432,222	4,900,377,921

14a Other Liabilities

	Amount in Taka	
	2023	2022
Interest Payable on Deposits & Borrowings	877,344,247	684,442,524
Provision for Loans and Advances/ Investments (Note-14a.1(a) & (b))	1,480,039,852	1,750,494,107
Special General Provision-COVID-19	65,702,005	100,392,009
Provision for Off-Balance Sheet items (Note-14a.1(c))	140,636,314	79,728,798
Provision for other Assets (Note-14a.1(d))	162,894,438	162,894,438
Provision for Investment in Securities (Note-14a.1(e))	38,000,000	41,600,000
Interest Suspense A/C (Note-14a.1(f))	1,149,057,338	1,029,797,712
Provision for Taxation (Note-14a.2)	257,443,605	337,739,941
Lease Obligation on ROU Assets	734,821,426	474,542,547
Start-Up Fund (Note-14a.3)	17,730,413	9,949,368
Non-Resident Accounts	-	2,065,854
Settlement with NPSB	50,445	50,445
BEFT Settlement Account	1,974,061	350,550
RTGS Settlement Account	-	100
Agent Monitoring & Collection Account	100,500	100,500
Payable against CPV	29,000	9,650
MGBPLC General Account	-	39,656
Payable to B-KASH	1,749,081	475,839
Payable against Gift Solution	20,159	20,159
Agent Payable for Commission	-	26
MGBPLC MFS Payable Accounts	1,623,755	1,623,755
Compensation Realisable Account of IBW	6,945,016	-
Compensation and Penalty Realised Account of IBW	8,517,988	-
Adjusting Account Credit	151,185,997	166,595,231
	5,095,865,640	4,842,913,209

14a.1 Provision for Loans and Advances/ Investments:**(a) Provision on Classified Loans and Advances/ Investments:**

Provision held at the beginning of the year	1,415,282,906	1,224,950,000
Less: Adjustment due to written off	(799,845,337)	-
Add: Specific Provision made/(released) during the year	386,860,095	190,332,906
Provision held at the end of the year	1,002,297,664	1,415,282,906

	Amount in Taka	
	2023	2022
(b) General Provision on Unclassified Loans and Advances/ Investments		
Provision held at the beginning of the year	335,211,201	351,400,000
Provision made/ (released) during the year	142,530,987	(16,188,799)
Balance at the end of the year	477,742,188	335,211,201
Total Provision for Loans and Advances/ Investments (a+b)	1,480,039,852	1,750,494,107
(c) General Provision on Off-Balance Sheet items:		
Provision held at the beginning of the year	79,728,798	95,599,435
Provision made/ (released) during the year	60,907,516	(15,870,636)
Balance at the end of the year	140,636,314	79,728,798
(d) Provision for other Assets:		
Provision held at the beginning of the year	162,894,438	93,394,438
Provision made/ (released) during the year	-	69,500,000
Balance at the end of the year	162,894,438	162,894,438
(e) Provision for Investment in Securities:		
Provision held at the beginning of the year	41,600,000	27,750,000
Provision made/ (released) during the year	(3,600,000)	13,850,000
Balance at the end of the year	38,000,000	41,600,000
(f) Interest Suspense Account:		
Balance at the beginning of the year	1,029,797,712	788,064,947
Amount transferred to interest suspense account during the year	302,920,608	241,732,765
Amount written off/ waived during the year	(183,660,982)	-
Balance at the end of the year	1,149,057,338	1,029,797,712
14.2 Consolidated Provision for Taxation		
Provision for Current tax		
Meghna Bank PLC. (Note-43a.2)	480,779,657	538,951,197
Meghna Bank Securities Ltd	21,871,725	19,098,812
	502,651,382	558,050,009
Advance tax		
Meghna Bank PLC. (Note-14a.2)	223,336,052	201,211,256
Meghna Bank Securities Ltd	25,963,641	22,755,649
	249,299,693	223,966,905
Balance at the end of the year	253,351,689	334,083,104

		Amount in Taka	
		2023	2022
Consolidated Provision for Taxation Addition			
	Meghna Bank PLC. (Note-14a.2)	267,500,000	330,000,000
	Meghna Bank Securities Ltd	3,207,992	2,213,733
		270,707,992	332,213,733
14a.2	Provision for Taxation		
	Provision for Current tax		
	Balance at the beginning of the year	538,951,197	504,174,152
	Less : Settlement of Income tax for the Income year 2016	44,451,749	-
	Less : Settlement of Income tax for the Income year 2018	-	14,827,868
	Less : Settlement of Income tax for the Income year 2019	-	47,324,568
	Less : Settlement of Income tax for the Income year 2020	19,840,979	-
	Less : Settlement of Income tax for the Income year 2021	-	233,070,519
	Less : Settlement of Income tax for the Income year 2022	261,378,812	-
	Add: Provision made during the year	267,500,000	330,000,000
		480,779,657	538,951,197
	Advance tax		
	Balance at the beginning of the year	201,211,256	110,942,628
	Add: Paid during the year	273,881,344	323,339,147
	Less : Settlement of Income tax for the Income year 2020	11,732,254	-
	Less : Settlement of Income tax for the Income year 2021	-	233,070,519
	Less : Settlement of Income tax for the Income year 2022	240,024,294	-
		223,336,052	201,211,256
	Balance at the end of the year	257,443,605	337,739,941
14a.3	Start-Up Fund		
	Opening balance	9,949,368	8,090,661
	Add: Addition for the year	7,781,045	1,858,707
		17,730,413	9,949,368
15a	Capital		
15a.1	Authorized Capital:		
	200,00,00,000 ordinary shares of Tk. 10 each	20,000,000,000	20,000,000,000

		Amount in Taka	
		2023	2022
15a.2	Issued, Subscribed and Paid up Capital:		
	The Paid-up Capital of the Bank is Tk. 5,437,274,500 divided into 543,727,450 Ordinary Shares of Tk. 10 each	5,437,274,500	5,437,274,500
	Issued for cash: shares of Tk. 10 each in the year 2013	4,433,000,000	4,433,000,000
	Issued other than cash: bonus shares of Tk. 10. each for the year 2017	265,980,000	265,980,000
	Issued other than cash: bonus shares of Tk. 10. each for the year 2020	328,928,600	328,928,600
	Issued for cash: shares of Tk. 10 each in the year 2022	409,365,900	409,365,900
		5,437,274,500	5,437,274,500
	Holding		
	Sponsor Shareholders Group-A	100%	5,437,274,500
			5,437,274,500
		5,437,274,500	5,437,274,500
15.3	Consolidated Capital Adequacy:		
	Position of capital adequacy are given below:-		
	a) Core Capital (Tier -I):		
	i) Paid-up Capital (Note-15a.2)	5,437,274,500	5,437,274,500
	ii) Statutory Reserve (Note-16)	1,193,290,166	983,696,846
	iii) Retained Earnings (Note-18)	687,557,870	125,840,992
	iv) Non-Controlling Interest (Note-19)	103	103
	v) Adjustment of Goodwill and all other Intangible Assets	(17,762,842)	(16,593,087)
		7,300,359,797	6,530,219,354
	b) Supplementary Capital (Tier-II):		
	i) General Provision (Note 14a)	684,459,727	525,827,108
	ii) Non-Convertible Subordinated Bonds	1,440,000,000	1,600,000,000
		2,124,459,727	2,125,827,108
	c) Total Capital (a +b)	9,424,819,524	8,656,046,462
	d) Total Risk Weighted Assets (Note-15.4)	51,064,742,922	40,669,845,278
	e) Required Capital	6,383,092,865	5,083,730,660
	f) Total Capital Surplus (c-e)	3,041,726,659	3,572,315,802

Capital Adequacy Ratio:

Particulars	2023 (Under Basel III)		2022 (Under Basel III)	
	Requirement	Maintained	Requirement	Maintained
Core Capital	6.00%	14.30%	6.00%	16.06%
Supplementary Capital		4.16%		5.23%
Total	12.50%	18.46%	12.50%	21.28%

Amount in Taka	
2023	2022

15.4 Consolidated Risk Weighted Assets (RWA) for

1. Credit Risk

On-Balance Sheet

37,991,416,603

32,629,368,623

Off-Balance Sheet

9,001,461,337

4,485,795,296

2. Market Risk

951,310,994

434,127,372

3. Operational Risk

3,120,553,987

3,120,553,987

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

51,064,742,922

40,669,845,278

15a.5 Capital Adequacy:

Position of capital adequacy are given below:-

a) Core Capital (Tier -I):

i) Paid-up Capital (Note-15a.2)

5,437,274,500

5,437,274,500

ii) Statutory Reserve (Note-16)

1,188,112,033

979,023,897

iii) Retained Earnings (Note-18a)

680,484,163

118,744,143

iv) Adjustment of Goodwill and all other Intangible Assets

(17,321,756)

(16,013,881)

7,288,548,940

6,519,028,659

b) Supplementary Capital (Tier-II):

i) General Provision (Note 14a)

684,080,507

515,332,009

ii) Non-Convertible Subordinated Bonds

1,440,000,000

1,600,000,000

2,124,080,507

2,115,332,009

c) Total Capital (a + b)

9,412,629,447

8,634,360,667

d) Total Risk Weighted Assets (Note-15a.6)

51,136,575,160

40,528,362,524

e) Required Capital

6,392,071,895

5,066,045,315

f) Total Capital Surplus (c-e)

3,020,557,552

3,568,315,352

Capital Adequacy Ratio:

Particulars	2023 (Under Basel III)		2022 (Under Basel III)	
	Requirement	Capital Maintained	Requirement	Capital Maintained
Core Capital	6.00%	14.25%	6.00%	16.09%
Supplementary Capital		4.15%		5.22%
Total	12.50%	18.41%	12.50%	21.30%

		Amount in Taka	
		2023	2022
15a.6	Risk Weighted Assets (RWA) for		
	1. Credit Risk		
	On-Balance Sheet	38,231,416,603	32,629,368,623
	Off-Balance Sheet	9,001,461,337	4,485,795,296
	2. Market Risk	840,486,860	349,988,246
	3. Operational Risk	3,063,210,359	3,063,210,359
	Total Risk Weighted Assets (1+2+3)	51,136,575,160	40,528,362,524
16	Consolidated Statutory Reserve		
	Meghna Bank PLC. (Note-16a)	1,188,112,033	979,023,897
	Meghna Bank Securities Ltd	5,178,133	4,672,949
		1,193,290,166	983,696,846
16.1	Consolidated Statutory Reserve Addition During the Year		
	Meghna Bank PLC. (Note-16a)	209,088,136	102,595,088
	Meghna Bank Securities Ltd	505,184	3,721,445
		209,593,320	106,316,533
16a	Statutory Reserve		
	Opening balance	979,023,897	876,428,809
	Add: Addition during the year (20% of Pre-tax profit)	209,088,136	102,595,088
		1,188,112,033	979,023,897
17	Other Reserve (Revaluation of HFT & HTM Securities)		
	HTM Securities (Note 17.1)	-	-
	HFT Securities (Note 17.2)	154,930	2,899,111
		154,930	2,899,111
17.1	HTM Securities		
	Opening balance	-	-
	Add: Gain from revaluation on investment	-	-
	Less: Adjustment for sale/maturity of securities	-	-
		-	-
17.2	HFT Securities		
	Opening balance	2,899,111	1,226,905
	Less: Adjustment for sale/maturity of securities	(2,744,181)	1,672,206
		154,930	2,899,111

		Amount in Taka	
		2023	2022
18	Consolidated Retained Earnings		
	Meghna Bank PLC. (Note-18a)	680,484,163	118,744,143
	Meghna Bank Securities Ltd	7,073,711	7,096,852
		687,557,874	125,840,995
	Less: Non-controlling Interest	3	3
		687,557,870	125,840,992
18.1	Consolidated Current year retained Earnings		
	Current Year		
	Meghna Bank PLC. (Note-18a)	561,235,349	81,416,880
	Meghna Bank Securities Ltd	(23,141)	1,330,395
		561,212,208	82,747,275
	Less: Non-Controlling Interest	0.14	1
		561,212,208	82,747,273
18a	Retained Earnings of the Bank		
	Opening balance	118,744,143	288,199,983
	Add: Foreign Exchange Rate Changes Gain for Opening Retained Earnings	504,670	522,710
	Less: Dividend Paid	-	251,395,430
	Add: Transfer from Profit & Loss Account	561,235,349	81,416,880
		680,484,163	118,744,143
	Consolidated Retained Earnings Brought Forward from Previous Year		
	Balance of 01 January	125,840,992	293,966,438
	Less: Transfer to Start-Up Fund	-	3,079,149
	Less: Dividend paid	-	251,395,430
		125,840,992	39,491,860
	Retained Earnings Brought Forward from Previous Year		
	Balance of 01 January	118,744,143	288,199,983
	Less: Dividend paid	-	251,395,430
	Balance at 31 December	118,744,143	36,804,553
19	Non-Controlling Interest		
	Share Capital	100	100
	Retained Earnings	3	3
		103	103

		Amount in Taka	
		2023	2022
20	Acceptance and Endorsements		
	Accepted Bills (Foreign)	4,065,453,074	1,406,794,624
	Accepted Bills (Inland)	29,204,139	81,809,159
	Endorsements (Shipping Guarantee)	20,401,757	109,982,276
		4,115,058,970	1,598,586,059
	Less: Margin	-	-
		4,115,058,970	1,598,586,059
21	Letters of Guarantees		
	Letters of Guarantee	7,161,926,677	4,950,174,711
	Less: Margin {Note-12.a(i) Y}	240,129,375	169,925,873
		6,921,797,302	4,780,248,838
	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	2,366,879,792	639,369,008
	Banks and other financial institutions	1,207,262,007	814,216,434
	Others	3,587,784,878	3,496,589,269
		7,161,926,677	4,950,174,711
	Less: Margin {Note-12.a(i) Y}	240,129,375	169,925,873
		6,921,797,302	4,780,248,838
22	Irrevocable Letters of Credit		
	Letters of credit	2,786,645,745	1,424,119,061
	Less: Margin {Note-12.a(i) Y}	1,920,719,175	823,616,328
		865,926,570	600,502,733
23	Consolidated Profit & Loss Account		
	Income:		
	Interest/ Profit, discount and similar income (Note-24 & 26)	5,447,364,396	4,398,953,228
	Dividend income (Note-26)	252,366,636	228,451,753
	Fees, Commission and Brokerage (Note-27)	173,738,765	106,545,071
	Gains less losses arising from dealing securities	4,595,773	6,034,536
	Gains less losses arising from investment securities	696,447,494	(2,603,617)
	Gains less losses arising from dealing in foreign currencies (Note-27)	509,837,841	346,535,459
	Income from non-banking assets	-	-
	Other operating income (Note-28)	266,849,510	193,091,805
	Profit less losses on interest rate changes	-	-
	Nominal value of bonus share received	-	-
		7,351,200,415	5,277,008,235

23a

Profit & Loss Account of the Bank**Income:**

	Amount in Taka	
	2023	2022
Interest/ Profit, discount and similar income (Note-24a & 26a)	5,443,928,199	4,401,921,940
Dividend income (Note-26a)	246,332,920	218,679,632
Fees, Commission and Brokerage (Note-27a)	165,721,094	90,270,698
Gains less losses arising from dealing securities	2,026,807	4,177,778
Gains less losses arising from investment securities	696,447,494	(2,603,617)
Gains less losses arising from dealing in foreign currencies (Note-27a)	509,837,841	346,535,459
Income from non-banking assets	-	-
Other operating income (Note-28a)	266,891,690	192,548,153
Profit less losses on interest rate changes	-	-
Nominal value of bonus share received	-	-
	7,331,186,045	5,251,530,043

Expenses:

Interest/ Profit paid on Deposits, borrowings etc. (Note-25a)	3,913,399,675	3,029,082,180
Losses on Loans and Advances	-	-
Administrative expenses	1,166,456,502	930,020,761
Other operating expenses	420,203,668	337,150,263
Depreciation on banking assets (Annexure-B)	233,676,924	204,342,253
	5,733,736,769	4,500,595,457
Income over expenditure	1,597,449,276	750,934,586

		Amount in Taka	
		2023	2022
24	Consolidated Interest Income:		
	Meghna Bank PLC. (Note-24a)	4,399,446,780	3,390,262,755
	Meghna Bank Securities Ltd	5,103,727	9,408,622
		4,404,550,507	3,399,671,377
	Less: Inter Company Transaction	9,196,188	12,377,334
		4,395,354,319	3,387,294,043
24a	Interest Income/ Profit on Investments:		
	Interest/ Profit on Loans and Advances/ Investments: (Note-24a.1)	3,795,932,967	3,221,138,571
	Interest/ Profit on balance with other Banks & Financial Institutions	603,513,813	169,124,184
		4,399,446,780	3,390,262,755
24a.1	Interest/ Profit on Loans and Advances/ Investments:		
	Interest Income/ Profit on Cash Credit	328,940,779	340,822,834
	Interest Income/ Profit on Secured Over Draft	109,677,041	60,933,038
	Interest Income/ Profit on General Over Draft	384,502,647	429,097,387
	Interest Income/ Profit on Inland Bill Purchased/Discount	18,835,822	12,367,104
	Interest Income/ Profit on Foreign Bill Purchased/Discount	143,750,493	26,226,196
	Interest Income/ Profit on Import Finance	103,564,974	137,630,813
	Interest Income/ Profit on Export Finance	19,196,757	11,247,235
	Interest Income/ Profit on Demand Loan (General)	1,305,540,801	978,100,523
	Interest Income/ Profit on Consortium/Syndicate Finance	62,161,090	55,443,716
	Interest Income/ Profit on Hire Purchase Finance	14,892,272	18,211,394
	Interest Income/ Profit on House Building Loan/ Investments	216,496,694	224,678,394
	Interest Income/ Profit on General Term Loan/ Investments	857,210,299	748,945,221
	Interest Income/ Profit on SME Loan & Advance/ Investments	22,287,283	5,873,812
	Interest Income/ Profit on Personal Loan/ Investments	41,329,008	35,515,477
	Interest Income/ Profit on Credit Card	123,386,656	75,645,159
	Interest Income/ Profit on Agricultural and Rural Loan/ Investments	44,160,351	60,400,268
		3,795,932,967	3,221,138,571
25	Consolidated Interest/ Profit Paid on Deposits, Borrowing, etc:		
	Meghna Bank PLC. (Note-25a)	3,913,399,675	3,029,082,180
	Meghna Bank Securities Ltd	8,098,357	9,779,812
		3,921,498,032	3,038,861,992
	Less: Inter Company Transaction	9,196,188	12,377,334
		3,912,301,844	3,026,484,658

		Amount in Taka	
		2023	2022
25a	Interest/ Profit Paid on Deposits, Borrowing, etc:		
	a) Interest/ Profit on Deposits		
	Interest/ Profit Paid on Meghna Supreme Account	114,229,015	152,769,647
	Interest/ Profit Paid on Savings Deposit	183,122,021	81,000,739
	Interest/ Profit Paid on Short Notice Deposit	200,442,637	101,048,143
	Interest/ Profit Paid on Fixed Deposit Receipt	2,497,680,258	1,880,118,257
	Interest/ Profit Paid on Foreign Currency Deposit	3,491,624	-
	Interest/ Profit Paid on Deposit Pension Scheme	238,497,011	285,494,449
	Interest/ Profit Paid on Deposit Millionaire Scheme	2,070,871	1,038,036
	Interest/ Profit Paid on Mudaraba Bibaho Scheme	6,516	78
	Interest/ Profit Paid on Mudaraba Hajj Scheme	11,093	664
	Interest/ Profit Paid on Mudaraba Mohor Scheme	109	
	Interest/ Profit Paid on Deposit Kotipoti Scheme	430,983	355,032
	Interest/ Profit Paid on Meghna Child Education Plan	6,205,670	6,236,460
	Interest/ Profit Paid on Monthly Income Scheme	168,014,503	191,599,855
	Interest/ Profit Paid on Meghna Multiplier Scheme	46,405,321	67,032,765
	Interest/ Profit Paid on Mudaraba Super Savings Scheme	230,975	58,281
	Interest/ Profit Paid on Money Builder Scheme	101,312	51,823
		3,460,939,919	2,766,804,229
	b) Interest/ Profit Paid on Borrowings	452,459,756	262,277,951
		3,913,399,675	3,029,082,180
26	Consolidated Investment Income:		
	Meghna Bank PLC. (Note-26a)	1,989,288,640	1,231,912,978
	Meghna Bank Securities Ltd	16,131,339	11,628,879
		2,005,419,979	1,243,541,857
26a	Investment Income:		
	Interest Income/ Profit from Treasury Bills	133,284,808	15,665,793
	Interest Income/ Profit from Treasury Bonds	911,196,612	995,993,392
	Gain/ (Loss) on Revaluation against Govt. Bills/ Bonds	696,447,494	(2,603,617)
	Dividend Income from Investment in Preference Share	230,341,827	196,178,228
	Dividend Income	15,991,092	22,501,404
	Gain/ (Loss) on Sale of Shares	2,026,807	4,177,778
		1,989,288,640	1,231,912,978

		Amount in Taka	
		2023	2022
27	Consolidated Commission, Exchange & Brokerage:		
	Meghna Bank PLC. (Note-27a)	675,558,935	436,806,157
	Meghna Bank Securities Ltd	8,017,671	16,274,373
		683,576,606	453,080,530
27a	Commission, Exchange & Brokerage:		
	Income from Commission	165,721,094	90,270,698
	Exchange Earnings	509,837,841	346,535,459
		675,558,935	436,806,157
28	Consolidated Other Operating Income:		
	Meghna Bank PLC. (Note-28a)	266,891,690	192,548,153
	Meghna Bank Securities Ltd	437,820	1,023,652
		267,329,510	193,571,805
	Less: Inter Company Transaction	480,000	480,000
		266,849,510	193,091,805
28a	Other Operating Income:		
	Income From Fees & Charges	191,018,065	141,319,963
	Income From Services	58,843,842	38,779,792
	Postage, Telex, Swift etc.	6,258,309	3,813,994
	Gain/(Loss) on Sale of Bank's Property	280,654	(1,436,153)
	Other charges (Note-28a.1)	10,490,820	10,070,557
		266,891,690	192,548,153
28a.1	Other Charges		
	Rent of Lockers	369,375	351,501
	Rent on Property/ Rental Income	480,000	480,000
	Notice Pay Earnings	5,204,719	6,829,383
	Rebate Received	3,122,237	1,779,385
	Miscellaneous Income	1,314,489	630,288
		10,490,820	10,070,557
29	Consolidated Salary & Allowances:		
	Meghna Bank PLC. (Note-29a)	964,523,068	770,413,269
	Meghna Bank Securities Ltd	9,202,629	8,187,120
		973,725,697	778,600,389

		Amount in Taka	
		2023	2022
29a	Salary & Allowances:		
	Basic Salary	442,805,286	364,445,690
	Allowances	246,084,531	194,466,173
	Consolidated Pay	81,642,620	59,000,400
	Leave Salary Encashment	7,230,260	8,178,522
	Bonus	74,888,085	61,221,419
	Gratuity	67,801,921	46,674,298
	Bank's Contribution to Provident Fund	44,070,365	36,426,767
		964,523,068	770,413,269
30	Consolidated Rent, Taxes, Insurance, Electricity etc.:		
	Meghna Bank PLC. (Note-30a)	114,945,011	91,612,013
	Meghna Bank Securities Ltd	1,203,178	785,951
		116,148,188	92,397,964
	Less: Inter Company Transaction	480,000	480,000
		115,668,188	91,917,964
30a	Rent, Taxes, Insurance, Electricity etc.:		
	Rent, Rates & Taxes (Note-30a.1)	33,693,556	27,983,570
	Service Charge	12,610,683	11,096,461
	Insurance, Electricity & Lighting	68,640,772	52,531,982
		114,945,011	91,612,013
30a.1	Rent, Rates & Taxes		
	Actual Payment for Rent, Rates & Taxes	223,416,984	190,185,121
	Less: Separate Presentation for Implementation of IFRS 16 "Leases"		
	Depreciation for ROU of Lease Assets	161,011,248	137,042,881
	Interest Charge for ROU of Lease Assets	28,712,180	25,158,670
		189,723,428	162,201,551
		33,693,556	27,983,570

Amount in Taka

2023

2022

As per BRPD circular no. 28, dated 26 July 2022, information regarding fuel and electricity expense for the period from January 2023 to June 2023 are given below:

Particulars	Budget from January to June, 2023	Actual Expenditure from January to June, 2023	Budget Surplus/ (Deficit)	% of Saving on Budget
Electricity Expenses	15,655,000	15,593,289	61,711	0.39%
Fuel Expenses	1,872,000	1,346,524	525,476	28%

31 Consolidated Legal Expenses:

Meghna Bank PLC. (Note-31a)	5,266,543	356,422
Meghna Bank Securities Ltd	-	-
	5,266,543	356,422

31a Legal Expenses:

Legal Fees	5,140,810	56,223
Legal Charges	125,733	300,199
	5,266,543	356,422

32 Consolidated Postage, Stamps, Telecommunication etc:

Meghna Bank PLC. (Note-32a)	26,937,195	22,054,452
Meghna Bank Securities Ltd	96,446	95,441
	27,033,641	22,149,893

32a Postage, Stamps, Telecommunication etc:

Postage	3,650,798	1,956,216
Internet charge	55,188	83,292
SWIFT Charges	1,081,123	756,575
Telephone charges	724,415	394,614
Mobile phone charges	8,061,448	5,348,601
Network Connection Expense	9,422,018	9,654,906
Online Communication Expense	-	157,219
Bloomberg Charges	3,942,205	3,703,029
	26,937,195	22,054,452

33 Consolidated Stationery, Printing & Advertisements etc:

Meghna Bank PLC. (Note-33a)	23,292,169	17,120,757
Meghna Bank Securities Ltd	127,989	181,714
	23,420,158	17,302,471

		Amount in Taka	
		2023	2022
33a	Stationery, Printing & Advertisements etc:		
	Petty Stationery	4,205,362	3,219,091
	Printing Stationery	3,690,630	5,350,132
	Security Stationery	6,554,945	3,161,504
	Computer Stationery	7,191,145	4,402,569
	Publicity and Advertisement	1,650,087	987,461
		23,292,169	17,120,757
34	Chief Executive's Salary & Fees:		
	Basic Salary	9,000,000	9,000,000
	Allowances	7,195,595	6,493,487
	Bonus	1,500,000	1,500,000
	Bank's Contribution to Provident Fund	900,000	900,000
		18,595,595	17,893,487
35	Consolidated Directors' Fees:		
	Meghna Bank PLC. (Note-35a)	2,138,400	1,927,200
	Meghna Bank Securities Ltd	24,000	72,000
		2,162,400	1,999,200
35a	Directors' Fees:		
	Directors Fees	2,138,400	1,927,200
	Other Benefits	-	-
		2,138,400	1,927,200
Each director of the bank is provided for Tk. 8,000.00 (excluding VAT) per board or board committee meeting attended in 2023 as per BRPD circular no. 11 dated 4 October 2015.			
36	Consolidated Auditors' Fees:		
	Meghna Bank PLC. (Note-36a)	420,000	398,475
	Meghna Bank Securities Ltd	69,000	60,000
		489,000	458,475
36a	Auditors' Fees:		
	Auditors Fees	420,000	398,475
		420,000	398,475

		Amount in Taka	
		2023	2022
37	Consolidated Depreciation, Amortization and Repair on Bank's Assets:		
	Meghna Bank PLC. (Note-37a)	244,015,445	212,586,939
	Meghna Bank Securities Ltd	3,231,102	2,321,630
		247,246,547	214,908,569
37a	Depreciation, Amortization and Repair on Bank's Assets:		
	a) Depreciation on Bank's Assets (Annexure-B):		
	Land & Building	-	-
	Vehicles	5,366,314	4,414,245
	Machinery & Equipment	10,378,291	12,271,402
	Furniture & Fixtures	30,525,420	28,208,163
	Computer and Peripherals	20,116,773	16,083,672
	Office Tools & Accessories	1,081,403	1,405,450
	Right of Use - Lease Assets under IFRS 16	161,011,248	137,042,881
		228,479,449	199,425,813
	b) Amortization (Annexure-B):		
	Software	5,197,475	4,916,440
	c) Repair on Bank's Assets:		
	Fitting and Replacement	718,671	602,190
	Vehicles	725,543	65,545
	Machinery & Equipment	4,674,525	3,902,968
	Furniture & Fixtures	470,190	1,230,762
	Computer and Peripherals	955,103	471,768
	Maintenance Expense	2,794,489	1,971,453
		10,338,521	8,244,686
		244,015,445	212,586,939
38	Consolidated Other Expenses:		
	Meghna Bank PLC. (Note-38a)	420,203,668	337,150,263
	Meghna Bank Securities Ltd	3,236,191	4,955,224
		423,439,859	342,105,487

38a Other Expenses:

	Amount in Taka	
	2023	2022
Wasa Bill	2,111,681	1,343,687
Drinking water Expenses	965,871	806,437
Car Expenses	93,609,231	78,125,134
Software Maintenance Expenses	31,151,837	30,109,711
Entertainment	8,837,556	6,732,820
Training, Seminar, Workshop Expenses	3,381,090	1,691,805
Travelling and Conveyance	11,785,525	9,875,137
Subscription	3,780,996	6,147,375
Corporate Social Responsibility	29,943,755	31,253,928
Office Maintenance	2,635,965	2,285,134
Bank Charges	3,896,149	4,674,077
Complain Box	21,250	4,140
NPSB Charges	679,771	521,915
Charges From VISA	24,670,402	11,859,098
Credit Card CIB Charge	1,279,160	1,108,800
NID Verification Charges	672,282	359,265
Card Maintenance Expenses, ETC	9,657,663	6,954,017
Debit Card ATM Transaction Fee	5,409,598	4,331,622
IBFT Transaction Fee	166,204	105,854
Commission Expenses for Agent & MFS	7,210,687	5,892,649
Board, EC and Other Meeting Expenses	3,024,776	1,069,925
Professional & Consultancy Fees	11,063,942	8,287,457
Business development & Promotion	35,894,035	17,562,220
Cash Carrying Charges	3,119,225	1,451,287
Leverage and Uniform	48,520	721,165
Washing & Cleaning	2,377,319	2,156,595
Leave Fare Assistance	61,701,346	49,150,299
Security Service-Outsourcing	24,924,872	18,840,294
Crockerries Expenses	292,297	238,782

		Amount in Taka	
		2023	2022
	Newspaper & Magazine Expenses (Office)	115,108	171,839
	Priority Banking Expenses	3,176,808	4,431,346
	Expenses for Bond	2,885,376	3,253,408
	Branch Inauguration Expenses	485,792	44,865
	AGM Expenses	515,400	429,506
	Interest Charge for ROU Lease Assets under IFRS 16	28,712,180	25,158,670
		420,203,668	337,150,263
39	Consolidated Provision for Loans, Investments, Off-Balance Sheet & Others Assets		
	Meghna Bank PLC. (Note-39a)	552,008,593	237,959,147
	Meghna Bank Securities Ltd	1,603,484	4,631,062
		553,612,078	242,590,209
39a	Provision for Loans, Investments, Off-Balance Sheet & Others Assets		
	Provision for Unclassified Loans and Advances/ Investments	142,530,987	(16,188,799)
	Provision for Classified Loans and Advances/ Investments	386,860,095	190,332,906
	Provision for Off-Balance Sheet Exposure	60,907,516	(15,870,636)
	Special General Provision - Covid-19	(34,690,004)	(3,664,323)
	Provisions for Diminution in Value of Investments	(3,600,000)	13,850,000
	Provision for Other Assets	-	69,500,000
		552,008,593	237,959,147
40	Consolidated Earning Per Share (EPS)		
	Net Profit after Tax	778,586,574	190,922,513
	Number of Ordinary Shares outstanding (Denominator)	543,727,450	543,727,450
	Consolidated Earning Per Share (EPS) (Restated if Required)	1.43	0.35
40a	Earning Per Share (EPS)		
	Net Profit after Tax	778,104,531	185,870,675
	Number of Ordinary Shares outstanding (Denominator)	543,727,450	543,727,450
	Earning Per Share (EPS) (Restated if Required)	1.43	0.34

Earning per share has been calculated in accordance with IAS - 33: "Earnings Per Share (EPS)".

		Amount in Taka	
		2023	2022
41	Consolidated Interest/ Profit Receipts in Cash		
	Meghna Bank PLC. (Note-41a)	5,362,799,121	4,410,406,858
	Meghna Bank Securities Ltd	5,103,727	9,408,622
		5,367,902,848	4,419,815,480
	Less: Inter Company Transaction	9,196,188	12,377,334
		5,358,706,660	4,407,438,146
41a	Interest/ Profit Receipts in Cash		
	Interest income/ Profit receipt (Note-24a & 26a)	5,443,928,199	4,401,921,940
	Add: Opening Interest/ Profit Receivable (Note-10a.2)	194,889,278	203,374,195
	Less: Closing Interest/ Profit Receivable (Note-10a.2)	276,018,356	194,889,278
		5,362,799,121	4,410,406,858
42	Consolidated Interest/ Profit Payments		
	Meghna Bank PLC. (Note-42a)	3,720,497,952	2,837,519,796
	Meghna Bank Securities Ltd	8,098,357	9,779,812
		3,728,596,309	2,847,299,607
	Less: Inter Company Transaction	9,196,188	12,377,334
		3,719,400,121	2,834,922,273
42a	Interest/ Profit Payments		
	Interest/ Profit Paid on Deposits & Borrowings (Note-25a)	3,913,399,675	3,029,082,180
	Add: Opening Interest/ Profit Payable on Deposit (Note-14a)	684,442,524	492,880,140
	Less: Closing Interest/ Profit Payable on Deposit (Note-14a)	877,344,247	684,442,524
		3,720,497,952	2,837,519,796
43	Consolidated Cash Receipts from Other Operating Activities		
	Meghna Bank PLC. (Note-43a)	965,085,336	195,558,468
	Meghna Bank Securities Ltd	10,535,444	2,880,409
		975,620,780	198,438,877
43a	Cash Receipts from Other Operating Activities		
	Income From Fees & Charges	191,018,065	141,319,963
	Income From Services	58,843,842	38,779,792
	Postage, Telex, Swift etc.	6,258,309	3,813,994
	Gain on Sale of Treasury Bonds and Shares	698,474,300	1,574,162
	Other charges (Except Income from Sale of Fixed Assets)	10,490,820	10,070,557
		965,085,336	195,558,468

		Amount in Taka	
		2023	2022
44	Consolidated Cash Payments for other Operating activities		
	Meghna Bank PLC. (Note-44a)	741,260,586	598,786,393
	Meghna Bank Securities Ltd	4,652,866	6,973,910
		745,913,452	605,760,303
44a	Cash Payments for other Operating activities		
	Rent, Taxes, Insurance, Lighting etc. (Note-30a)	275,956,259	228,654,895
	Legal Expenses (Note-31a)	5,266,543	356,422
	Postage, Stamp, Telegram & Telephone (Note-32a)	26,937,195	22,054,452
	Directors' Fees (Note-35a)	2,138,400	1,927,200
	Auditors' Fees (Note-36a)	420,000	398,475
	Repair & Maintenance of Bank's Assets (Note-37a.c)	10,338,521	8,244,686
	Other Expenses	420,203,668	337,150,263
		741,260,586	598,786,393
45	Consolidated Cash Increase/ Decrease in Other Assets		
	Meghna Bank PLC. (Note-45a)	1,465,472,205	877,671,102
	Meghna Bank Securities Ltd	11,119,388	1,116,970
		1,476,591,593	878,788,072
	Less: Inter Company Transaction	760,264,298	355,693,253
		716,327,295	523,094,819
	Consolidated Cash (Increase)/ Decrease in Other Assets	(193,232,476)	(75,307,944)
45a	Cash Increase/ Decrease in Other Assets		
	Stock of Stationery and Stamps	20,706,850	15,004,855
	Advance Rent	148,759,607	127,530,738
	Suspense Account	177,824,571	109,749,701
	Security Deposits	225,955	225,955
	Advance Against Proposed Branch	13,160,243	8,930,000
	Cash Remittance	4,000,000	10,000,000
	Interest on Sanchaypatra	6,498,612	15,316,504
	Receivable from MGBPLC Islamic Banking Project	39,000	39,000

	Amount in Taka	
	2023	2022
Receivable from MGBPLC OBU-USD	-	(2,436,277)
Meghna Bank Securities Ltd	7,054,915	1,569,596
Meghna Bank Securities Ltd - Special Fund	3,209,483	4,123,757
Prepaid Expenses	12,706,140	22,120,200
Investment in Subsidiary	749,999,900	349,999,900
BEFTN Adjustment Account	55,510	43,446
S/D RFA SEBL - Western Union	318,642	445,215
Interest on Investment Bond-Customer	-	0.02
Trans-Fast-Remittance Payment Account	947,462	143,271
Head office General Account	295,916	-
Receivable from MiTP	123,387,999	123,387,999
Advance Against Assets	185,168,663	84,267,000
Accrued Income	8,628,410	5,693,510
MGBPLC MFS Funding Account	100	-
Chargeback Account for VISA Cards	2,484,227	1,516,732
	1,465,472,205	877,671,102
Cash (Increase)/ Decrease in Other Assets	(587,801,103)	(64,023,035)
46 Consolidated Cash Increase/ Decrease in Other Liabilities		
Meghna Bank PLC. (Note- 46a)	1,321,253,340	1,201,129,477
Meghna Bank Securities Ltd	228,725,105	159,747,315
	1,549,978,445	1,360,876,791
Less: Inter Company Transaction	160,960,351	104,759,183
	1,389,018,094	1,256,117,609
Cash Increase/ (Decrease) in Other Liabilities	132,900,485	224,795,663
46a Cash Increase/ Decrease in Other Liabilities		
Non-Resident Accounts	-	2,065,854
Interest Suspense A/C	1,149,057,338	1,029,797,712
Settlement with NPSB	50,445	50,445
BEFT Settlement Account	1,974,061	350,550
Agent Monitoring & Collection Account	100,500	100,500
MGBPLC MFS Payable Accounts	1,623,755	1,623,755
MGBPLC General Account	-	39,656

		Amount in Taka	
		2023	2022
	Payable to B-Kash	1,749,081	475,839
	Payable against Gift Solution	20,159	20,159
	Agent Payable for Commission	-	26
	RTGS Settlement Account	-	100
	Compensation Realisable Account of IBW	6,945,016	-
	Compensation and Penalty Realised Account of IBW	8,517,988	
	Payable against CPV	29,000	9,650
	Adjusting account credit	151,185,997	166,595,231
		1,321,253,340	1,201,129,477
	Consolidated Cash Increase/ (Decrease) in Other Liabilities	120,123,863	224,359,075
47	Consolidated Cash and Cash Equivalent		
	Meghna Bank PLC. (Note-47a)	9,820,270,521	9,290,551,569
	Meghna Bank Securities Ltd	79,757,530	64,429,257
		9,900,028,051	9,354,980,825
	Less: Inter Company Transaction	16,494,969	45,750,238
		9,883,533,082	9,309,230,587
47a	Cash and Cash Equivalent		
	Cash in Hand	817,533,074	899,992,595
	Balance with Bangladesh Bank & Sonali Bank Ltd (as agent of Bangladesh Bank)	4,094,704,126	3,020,097,923
	Balance with Other Banks & Financial Institutions	4,907,459,021	4,360,021,451
	Money at Call on Short Notice	-	1,010,000,000
	Prize Bond in Hand	574,300	439,600
		9,820,270,521	9,290,551,569

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 1196.


Chairman


Director


Director


Managing Director & CEO

MEGHNA BANK PLC.

INVESTMENT IN SHARES - QUOTED & UNQUOTED

AS AT DECEMBER 31, 2023

Annexure-A

Sl No	Name of the Company	No. of Shares/ Securities	Market Price per Share	Market Value December 31, 2023	Cost Price December 31, 2023	Unrealized Gain/(Loss)
Quoted: Regular Investment						
1	British American Tobacco Company Limited	7,000	518.70	3,630,900	4,405,269	(774,369)
2	BSRM Steels Limited	100,000	63.90	6,390,000	8,676,634	(2,286,634)
3	Eastern Bank PLC.	253,125	29.40	7,441,875	8,007,181	(565,306)
4	Global Islami Bank PLC.	1,383,236	8.60	11,895,830	13,173,680	(1,277,850)
5	City Bank PLC.	229,500	21.40	4,911,300	5,634,995	(723,695)
6	Grameenphone Limited	25,000	286.60	7,165,000	9,456,812	(2,291,812)
7	Jamuna Bank PLC.	217,000	20.90	4,535,300	4,851,611	(316,311)
8	Heidelberg Cement Bangladesh Limited	16,805	239.50	4,024,798	9,291,098	(5,266,300)
9	IDLC Finance Limited	105,000	46.50	4,882,500	7,087,500	(2,205,000)
10	IFAD Autos Limited	17,671	44.10	779,291	1,927,117	(1,147,825)
11	Jamuna Oil Company Limited	75,000	168.50	12,637,500	15,840,873	(3,203,373)
12	Summit Power Limited	400,000	34.00	13,600,000	18,130,495	(4,530,495)
13	MJL Bangladesh Limited	100,000	86.70	8,670,000	11,537,652	(2,867,652)
14	Olympic Industries Limited	100,000	152.00	15,200,000	20,203,202	(5,003,202)
15	Robi Axiata Limited	150,000	30.00	4,500,000	1,500,000	3,000,000
16	Square Pharmaceuticals Limited	50,000	210.30	10,515,000	11,784,594	(1,269,594)
17	AOPLC	3,695	17.60	65,032	36,950	28,082
18	Titas Gas Transmission & Dist. Co. Limited	100,000	40.90	4,090,000	5,702,317	(1,612,317)
19	United Commercial Bank PLC.	910,470	12.40	11,289,828	16,060,748	(4,770,920)
Sub Total				136,224,153	173,308,728	(37,084,575)
Unquoted: Preference Share						
20	Karnaphuli Power Limited	36,000,000	10.00	360,000,000	360,000,000	-
21	Shah Cement Industries Limited	35,000,000	10.00	350,000,000	350,000,000	-
22	Baraka Shikalbaha Power Limited	33,600,000	10.00	336,000,000	336,000,000	-

MEGHNA BANK PLC.

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, 2023	Cost Price December 31, 2023	Unrealized Gain/(Loss)
23	Flamingo Fashions Limited	27,600,000	10.00	276,000,000	276,000,000	-
24	Jinnat Knitwears Limited	27,000,000	10.00	270,000,000	270,000,000	-
25	City Seed Crushing Industries Limited	40,000,000	10.00	400,000,000	400,000,000	-
26	Super Petrochemical Limited	54,222,900	10.00	542,229,000	542,229,000	-
27	Nitol Motors Limited	90,000,000	10.00	900,000,000	900,000,000	-
28	Independent Export (BD) Limited	6,000,000	10.00	60,000,000	60,000,000	(600,000)
29	Confidence Power Bogra Limited	5,000,000	10.00	50,000,000	50,000,000	-
Sub Total				3,544,229,000	3,544,229,000	(600,000)
Quoted: Special Fund						
30	British American Tobacco Bangladesh	225,000	518.70	116,707,500	128,910,464	-
31	City Bank PLC.	612,000	21.40	13,096,800	15,094,136	-
32	Grameenphone Limited	225,000	286.60	64,485,000	75,139,846	-
33	IDLC Finance Limited	1,000,000	46.50	46,500,000	60,707,730	-
34	Renata Limited	32,100	1,217.90	39,094,590	40,739,613	-
35	Jamuna Bank PLC.	542,500	20.90	11,338,250	12,300,297	-
36	Prime Bank PLC.	500,000	21.00	10,500,000	11,721,231	-
37	Square Pharmaceuticals Limited	200,000	210.30	42,060,000	48,227,860	-
38	LHBL	35,000	69.30	2,425,500	2,472,350	-
39	Summit Power Limited	1,500,000	34.00	51,000,000	68,590,851	-
Sub Total				397,207,640	463,904,380	-
Grand Total				4,077,660,793	4,181,442,108	(37,684,575)

	Taka
Provision Requirement as on December 31, 2023.	37,684,575
Provision Maintained as on December 31, 2023.	38,000,000
Provision Surplus/Shortage at the end of December 31, 2023.	315,425

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 PLC.

SCHEDULE OF FIXED ASSETS

AS AT DECEMBER 31, 2023

Annexure-B

A) Tangible Assets :

Particulars	COST				Rate of Dep./ Amort.	DEPRECIATION/ AMORTIZATION				WDV as on December 31, 2022
	Balance as on January 1, 2023	Additions during the year	Disposal/ Transfer during the year	Balance as on December 31, 2023		Balance as on January 1, 2023	Transfer/ Adjustment during the year	Charge for the year	Balance as on December 31, 2023	
Vehicles	43,074,937	12,928,167	-	56,003,104	29,094,801	-	5,366,314	34,461,115	21,541,989	13,980,136
Machinery and Equipment	185,165,989	19,246,347	4,779,344	199,632,992	157,289,157	4,779,333	10,378,291	162,888,115	36,744,877	27,876,832
Furniture & Fixtures	291,319,481	40,135,422	6,388,018	325,066,885	163,488,449	5,235,067	30,525,420	188,778,802	136,288,083	127,831,032
Computer & Computer Peripherals	208,866,588	127,009,054	-	335,875,642	182,656,038	-	20,116,773	202,772,811	133,102,831	26,210,550
Office Tools & Accessories	24,711,338	3,450,362	-	28,161,700	21,960,500	-	1,081,403	23,041,903	5,119,797	2,750,838
Sub Total (A)	753,138,333	202,769,352	11,167,362	944,740,323	554,488,945	10,014,400	67,468,201	611,942,746	332,797,577	198,649,388

B) Intangible Assets :

Software	95,215,619	6,505,350	-	101,720,969	79,201,738	-	5,197,475	84,399,213	17,321,756	16,013,881
Sub Total (B)	95,215,619	6,505,350	-	101,720,969	79,201,738	-	5,197,475	84,399,213	17,321,756	16,013,881

C) ROU - Assets for Lease Rent :

ROU - Assets for Lease Rent	736,634,270	436,526,673	73,542,663	1,099,618,281	262,091,723	58,306,116	161,011,248	364,796,855	734,821,426	474,542,547
Sub Total (C)	736,634,270	436,526,673	73,542,663	1,099,618,281	262,091,723	58,306,116	161,011,248	364,796,855	734,821,426	474,542,547
Total (A+B+C)	1,584,988,222	645,801,375	84,710,025	2,146,079,573	895,782,406	68,320,516	233,676,924	1,061,138,814	1,084,940,759	689,205,816

MEGHNA BANK PLC.

BALANCE WITH OTHER BANKS-OUTSIDE BANGLADESH (NOSTRO ACCOUNT)

AS AT DECEMBER 31, 2023

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	200,169.99	110.00	22,018,698.90	192,366.02	103.29	19,870,005.60
2	Mashreq Bank p.s.c. New York, USD	USD	2,356,565.70	166.65	392,730,116.90	1,839,143.46	103.29	189,958,483.27
3	Habib American Bank, New York, USD	USD	442,251.06	110.00	48,647,616.60	683,488.55	103.29	70,599,377.75
4	MCB Bank Limited, Karachi, Pakistan, ACU	ACUD	8,092.21	110.00	890,143.10	14,264.21	103.29	1,473,388.76
5	BANCA Popolare Di Sondrio, Sondrio, Italy, EURO	EURO	101,924.29	122.27	12,461,773.32	20,135.93	109.71	2,209,056.50
6	Kookmin Bank, Seoul Korea, USD	USD	27,324.74	110.00	3,005,721.40	37,520.66	103.29	3,875,610.27
7	Kookmin Bank, Seoul Korea, GBP	GBP	11,612.11	140.89	1,636,006.95	21,396.18	124.31	2,659,819.05
8	Kookmin Bank, Seoul Korea, CAD	CAD	4,493.50	83.34	374,486.49	4,265.32	76.02	324,263.28
	Kookmin Bank, Seoul Korea, AUD	AUD	17,685.00	75.41	1,333,537.43	-	-	-
9	National Bank of Pakistan, Tokyo, Japan., JPY	JPY	676,110.00	0.78	526,486.86	11,103.578	0.77	8,569,741.50
10	Bank Al Jazira, KSA, SAR	SAR	161,586.00	29.33	4,739,478.97	165,186.00	27.48	4,539,113.06
11	AXIS Bank Ltd. Kolkata, India, ACU USD	ACUD	114,562.26	129.47	14,832,826.80	175,505.88	103.29	18,128,476.21
12	Sonali Bank UK, EUR	EURO	63,984.01	122.27	7,823,004.98	-	-	-
13	Agricultural Bank of China, CYN	CYN	3,900,122.31	15.45	60,260,789.81	-	-	-
14	Bhutan National Bank, ACU	ACUD	28,800.65	110.00	3,168,071.50	47,650.65	103.29	4,921,964.30
15	HDFC Bank Ltd., Mumbai, India, ACU	ACUD	97,658.47	110.00	10,742,431.70	107,470.13	103.29	11,100,879.90
16	Sonali Bank UK, USD	USD	37,962.24	110.00	4,175,846.40	8,648.95	103.29	893,373.40
17	Punjab National Bank, Kolkata, ACU	NZD	87,124.36	110.00	9,583,679.60	53,101.95	103.29	5,485,043.79
	Total				598,950,718			344,608,597

MEGHNA BANK PLC.**DETAILS INFORMATION OF LOANS AND ADVANCES MORE THAN 10% OF BANK'S TOTAL CAPITAL (FUNDED & NON-FUNDED)**

AS AT DECEMBER 31, 2023

Annexure-D
(Tk. In Crore)

SL. No.	Name of Customers	Outstanding		Total	% of Loans to Total Capital		Total
		Funded	Non-funded		Funded	Non-funded	
1	AKIJ GROUP	180.02	11.09	191.11	12.75%	19.28%	32.03%
2	CONFIDENCE GROUP	143.75	18.36	162.11	15.30%	19.87%	35.17%
3	BSRM GROUP	85.65	66.95	152.60	10.09%	14.87%	24.97%
4	ACI GROUP	139.34	5.95	145.29	12.75%	3.19%	15.94%
5	RANCON GROUP	35.87	107.28	143.15	10.62%	17.00%	27.62%
6	CITY GROUP	76.42	42.25	118.67	13.28%	18.73%	32.01%
7	MEGHNA EXECUTIVE HOLDINGS	107.99	3.09	111.08	12.86%	0.53%	13.39%
8	RSRM GROUP	102.94	-	102.94	8.88%	0.00%	8.88%
9	BAIZID STEEL INDUSTRIES LTD.	100.55	-	100.55	10.36%	0.00%	10.36%
10	NOMAN GROUP	100.29	0.05	100.34	9.77%	0.85%	10.62%
11	BURO BANGLADESH	99.95	-	99.95	12.75%	0.00%	12.75%
12	GPH ISPAT LIMITED	96.59	-	96.59	10.09%	1.06%	11.16%
13	SEACOM GROUP	95.45	-	95.45	10.09%	5.84%	15.94%
14	RANGS GROUP	85.43	7.71	93.13	11.76%	0.11%	11.87%
15	BANGLALINK	71.41	18.96	90.36	11.94%	7.44%	19.38%
16	EON GROUP	81.60	1.05	82.65	6.85%	2.27%	9.12%
17	RENATA LIMITED (RL)	75.02	0.06	75.08	5.84%	7.44%	13.28%
18	INDEPENDENT GROUP	71.08	0.22	71.30	10.44%	4.18%	14.61%
19	SAMUDA GROUP	53.99	14.50	68.49	10.09%	6.91%	17.00%
20	UNITED GROUP	20.57	45.00	65.57	12.75%	22.69%	35.44%
21	ABUL KHAIR GROUP	57.25	5.21	62.46	7.97%	5.31%	13.28%
22	M/S. KHOKAN TRADING AGENCY	50.75	4.41	55.16	4.80%	7.97%	12.77%
23	SUPER GROUP	54.28	-	54.28	8.13%	3.43%	11.56%
24	NEW ASIA GROUP	49.07	-	49.07	10.09%	2.66%	12.75%

MEGHNA BANK PLC.

DETAILS INFORMATION OF LOANS AND ADVANCES MORE THAN 10% OF BANK'S TOTAL CAPITAL (FUNDED & NON-FUNDED)

AS AT DECEMBER 31, 2023

Annexure-D
(Tk. In Crore)

SL. No.	Name of Customers	Outstanding		Total	% of Loans to Total Capital		
		Funded	Non-funded		Funded	Non-funded	Total
25	AKOTA SOTOTA GROUP	32.95	8.27	41.23	5.42%	5.21%	10.63%
26	MEGHNA GROUP OF INDUSTRIES (MGI)	15.30	15.56	30.86	13.28%	18.38%	31.66%
27	HAMKO GROUP	20.99	1.24	22.23	8.50%	0.89%	9.39%
28	BANGLADESH PETROLEUM CORPORATION	-	19.29	19.29	0.00%	31.87%	31.87%
29	ABA GROUP	18.11	-	18.11	10.40%	3.82%	14.22%
30	CROWN GROUP	16.20	-	16.20	9.96%	25.50%	35.46%
31	BARAKA GROUP	-	9.91	9.912	12.32%	7.56%	19.88%
32	ACME GROUP	9.045	-	9.045	7.44%	2.02%	9.46%
33	BANGLADESH-INDIA FRIENDSHIP POWER COMPANY (PVT.) LIMITED	-	2.22	2.22	15.94%	15.94%	31.87%
34	MAX GROUP	0.002	-	0.002	9.77%	6.37%	16.15%
35	NITOL-NILOY GROUP	-	-	-	10.62%	2.66%	13.28%
36	ANWAR LANDMARK LIMITED AND OTHERS	-	-	-	6.91%	7.97%	14.87%
37	SUMMIT GROUP	-	-	-	9.56%	1.06%	10.62%
38	AHMED GROUP	-	-	-	5.84%	10.09%	15.94%
39	IPDC FINANCE LTD.	-	-	-	13.45%	0.00%	13.45%
40	APEX GROUP	-	-	-	10.62%	0.00%	10.62%
41	WALTON	-	-	-	13.28%	13.81%	27.09%
42	BRB GROUP	-	-	-	12.75%	17.53%	30.28%
43	DEKKO LEGACY GROUP	-	-	-	4.57%	6.06%	10.62%
44	SHUN SHING GROUP	-	-	-	10.62%	11.69%	22.31%
	Total	2,147.88	408.63	2,556.50			

Bank's total Capital as on 31 December 2023 is Tk. 941.26 Crore

MEGHNA BANK PLC.

FINANCIAL HIGHLIGHTS

(Amount in Taka)

SL	PARTICULARS	2023	2022
1	Paid up Capital	5,437,274,500	5,437,274,500
2	Total Capital (Core + Supplementary)	9,412,629,447	8,634,360,667
3	Capital Surplus	3,020,557,552	3,568,315,352
4	Total Assets	83,450,952,607	64,536,997,426
5	Total Deposit	65,029,180,705	49,535,924,245
6	Total Loans & Advances/ Investments	52,042,206,692	39,973,582,659
7	Total Contingent Liabilities and Commitments	15,361,123,074	9,198,342,358
8	Credit Deposit Ratio (%)*	76%	76%
9	Percentage of Classified Loans against total Loans and Advances/ Investments	4.53%	6.73%
10	Profit after Tax and Provision	778,104,531	185,870,675
11	Amount of Classified Loans & Advances/ Investments	2,358,591,399	2,690,828,525
12	Provisions kept against Classified Loans & Advances/ Investments	1,002,297,664	1,415,282,906
13	Provisions Surplus	1,813,846	4,022,354
14	Cost of Fund	9.18%	8.63%
15	Interest Earning Assets	76,335,954,868	58,514,360,000
16	Non-Interest Earning Assets	7,114,997,739	6,022,637,425
17	Return on Investment (ROI)	11.55%	7.66%
18	Return on Assets (ROA)	1.05%	0.29%
19	Income from Investment	1,989,288,640	1,231,912,978
20	Earning Per Share	1.43	0.34
21	Net Income Per Share	1.43	0.34
22	Price Earning Ratio	N/A	N/A

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

MEGHNA BANK PLC.

BALANCE SHEET OF ISLAMIC BANKING

AS AT DECEMBER 31, 2023

Particulars	Notes	Amount in Taka	
		2023	2022
PROPERTY AND ASSETS			
Cash in Hand		330,981,009	77,033,093
Cash in hand (Including Foreign Currencies)	1b	7,013,305	4339484
Balance with Bangladesh Bank and Its agent Bank (s) (Including Foreign Currencies)	2b	323,967,704	72693609
Balance with other Banks and Financial Institutions	3b	-	-
In Bangladesh		-	-
Outside Bangladesh		-	-
Placement with Banks & other Financial Institutions	4b	-	200,000,000
Investments in Shares & Securities	5b	57,550,000	57,550,000
Government		57,550,000	57,550,000
Others		-	-
Investments	6b	1,572,335,406	439,998,907
General Investments		1,572,335,406	439,998,907
Bills Purchased and Discounted		-	-
Fixed Assets Including Premises	7b	2,801,969	3,749,589
Other Assets	8b	11,327,118	327,355,892
Non Banking Assets		-	-
Total Assets		1,974,995,502	1,105,687,481
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	9b	-	-
Deposits and Other Accounts	10b	1,739,607,977	1,094,677,661
Al-Wadeeah Current Accounts & Other Accounts		326,973,384	225,293,723
Bills Payable		-	2,600,684
Mudaraba Saving Deposits		114,894,110	112,672,858
Mudaraba Term Deposits		1,297,740,483	754,110,396
Other Mudaraba Deposits		-	-
Other Liabilities	11b	235,387,525	11,009,820
Total Liabilities		1,974,995,502	1,105,687,481

MEGHNA BANK PLC.

OFF- BALANCE SHEET ITEMS OF ISLAMIC BANKING

AS AT DECEMBER 31, 2023

Particulars	Notes	2023 Taka	2022 Taka
CONTINGENT LIABILITIES			
Acceptances and Endorsements		-	-
Letters of Guarantee		-	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Other Contingent Liabilities		-	-
CONTINGENT LIABILITIES		-	-

MEGHNA BANK PLC.

PROFIT AND LOSS ACCOUNT OF ISLAMIC BANKING

FOR THE PERIOD FROM JANUARY 01 TO DECEMBER 31, 2023

Particulars	Notes	2023 Taka	2022 Taka
Investment Income	12b	130,809,983	31,575,840
Profit paid on Deposits	13b	95,945,391	25,269,625
Net Investment Income		34,864,592	6,306,215
Income from Investment in Shares/ Securities	14b	2,665,607	2,682,307
Commission, Exchange and Brokerage	15b	7,527,494	55,325
Other Operating Income	16b	1,521,446	1,501,479
		11,714,547	4,239,111
Total Operating Income		46,579,139	10,545,326
Salaries and Allowances	17b	18,656,291	14,142,156
Rent, Taxes, Insurances, Electricity etc.	18b	878,535	214,595
Legal Expenses	19b	1,995	-
Postage, Stamps, Telecommunication etc.	20b	18,115	7,177
Stationery, Printings, Advertisements etc.	21b	59,018	90,905
Shariah Supervisory Committee's Fees & Expenses	22b	62,618	217,407
Depreciation & Repairs of Bank's Assets	23b	1,106,631	1,062,316
Other Expenses	24b	2,993,946	2,564,067
Total Operating Expenses		23,777,149	18,298,623
Profit/(Loss) Before Provision		22,801,990	(7,753,297)
General Provision for Unclassified Loans and Advances		11,161,228	834,408
Total Provision		11,161,228	834,408
Total Profit/(Loss) Before Taxes		11,640,762	(8,587,705)

		Amount in Taka	
		2023	2022
1b	Cash in hand (Including foreign currencies)		
	In local currency	7,013,305	4,339,484
	In foreign currencies	-	-
		7,013,305	4,339,484
2b	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		
	In local currency	323,967,704	72,693,609
	In foreign currencies	-	-
		323,967,704	72,693,609
	Balance with Sonali Bank Ltd as agent of Bangladesh Bank		
	In local currency	-	-
	In foreign currencies	-	-
		323,967,704	72,693,609
2b.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 subsequent Bangladesh Bank Circular No. 02 dated December 10, 2013 & MPD circular no. 03, dated April 09, 2020.		
	The bank has been maintaining 3.50% as CRR on daily basis and 4.00% as CRR on bi-weekly basis for Islamic Banking. 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 2023 is maintained on the basis of weekly ATDTL of October 2023) and maintained with Bangladesh Bank. The bank also maintaining 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 2023 is maintained on the basis of weekly ATDTL of October 2023) for Islamic Banking. Both the reserves maintained by the bank are in excess of the statutory requirements, as shown below:		
2b.2	Cash Reserve Requirement (CRR): Base on Average Total Demand and Time Liabilities on bi-weekly basis.		
	Required Reserve	84,495,840	28,371,000
	Actual Reserve held with Bangladesh Bank (In local currency)	323,967,700	71,766,600
	CRR Surplus	239,471,860	43,395,600
2b.3	Statutory Liquidity Ratio (SLR): Base on Average Total Demand and Time Liabilities on daily basis.		
	Required Reserve	116,181,780	39,010,000
	Actual Reserve held	304,035,165	105,285,084
	SLR Surplus	187,853,385	66,275,084
	Held for Statutory Liquidity Ratio		
	Cash in hand (Note-1b)	7,013,305	4,339,484
	Sukuk Bond (Note-5b)	57,550,000	57,550,000
	Excess Reserve of CRR (Note-2b.2)	239,471,860	43,395,600
		304,035,165	105,285,084

		Amount in Taka	
		2023	2022
3b	Balance with Other Banks and Financial Institutions		
	In Bangladesh	-	-
	Outside Bangladesh	-	-
		-	-
4b	Placement with Banks & other Financial Institutions		
	Placement with Other Banks (Note-4a.1)	-	200,000,000
	Placement with Financial Institutions	-	-
		-	200,000,000
4b.1	FDR with Other Banks		
	EXIM Bank Limited	-	200,000,000
		-	200,000,000
5b	Investments in Shares & Securities		
	Government		
	5 Years Sukuk Bonds	57,550,000	57,550,000
	Total	57,550,000	57,550,000
6b	Investments:		
	i) General Investments		
	Inside Bangladesh		
	Hire Purchase under Shirkatul Melk	104,630,327	189,248,907
	Bai Murabaha	179,186,420	-
	Musharaka	1,288,518,659	250,750,000
		1,572,335,406	439,998,907
	Outside Bangladesh	-	-
		1,572,335,406	439,998,907
	ii) Bills purchased and discounted		
	Payable Inside Bangladesh		
	Inland bills purchased and discounted	-	-
	Payable outside Bangladesh		
	Foreign bills purchased and discounted	-	-
		-	-
		1,572,335,406	439,998,907
7b	Fixed Assets Including Premises		
	A. Cost:		
	Opening balance	5,098,304	4,523,272
	Add: Addition during the year	127,000	575,032
	Less: Disposal during the year	-	-
	Closing balance at cost	5,225,304	5,098,304

		Amount in Taka	
		2023	2022
B. Depreciation:			
	Opening balance	1,348,715	336,455
	Add: Addition during the year	1,074,620	1,012,260
	Less: Adjustment / disposal during the year	-	-
	Accumulated Depreciation	2,423,335	1,348,715
	Carrying value	2,801,969	3,749,589
A schedule of fixed assets is given in Annexure-A			
8b	Other Assets		
	Stock of Stationery, Stamps and Printing Materials etc.	80,843	29,006
	Advance Income Tax	9,905,121	2,374,234
	MGBPLC General Account	-	323,574,842
	Accrued Income	1,341,154	1,377,810
		11,327,118	327,355,892
9b	Placement from Banks & other Financial Institutions		
	In Bangladesh (Note-11a.1)	-	-
	Outside Bangladesh	-	-
		-	-
10b	Deposits and Other Accounts		
	1) Deposits from banks	1,526,482	120,665,761
	2) Deposits from customers	1,738,081,496	974,011,900
		1,739,607,978	1,094,677,661
	1) Deposits from banks		
	i) Al-Wadeeah Current Accounts & Other Accounts		
	Al-Wadeeah Current Accounts	-	-
	Sundry Deposits [Note Y]	-	-
		-	-
	ii) Bills Payable:		
	Payable inside Bangladesh	-	-
		-	-
	Payable outside Bangladesh	-	-
		-	-
		-	-

		Amount in Taka	
		2023	2022
iii) Mudaraba Saving Deposits:			
Mudaraba Saving Deposits		-	-
		-	-
iv) Mudaraba Term Deposit:			
Mudaraba Term Deposit		-	-
Mudaraba Short Notice Deposits		1,526,482	120,665,761
Mudaraba Scheme Deposit [Note-X]		-	-
		1,526,482	120,665,761
		1,526,482	120,665,761
2) Deposits from customer			
i) Al-Wadeeah Current Accounts & Other Accounts:			
Al-Wadeeah Current Accounts		123,979,684	142,045,225
Sundry Deposits [Note Y]		202,993,700	83,248,498
		326,973,384	225,293,723
ii) Bills Payable:			
Payable inside Bangladesh			
Payment Order Issued		-	2,600,684
		-	2,600,684
Payable outside Bangladesh		-	-
		-	-
		-	2,600,684
iii) Mudaraba Saving Deposits:			
Mudaraba Saving Deposits		114,894,110	112,672,858
		114,894,110	112,672,858
iv) Mudaraba Term Deposit:			
Mudaraba Term Deposit		1,202,384,296	622,675,025
Mudaraba Short Notice Deposits		2,835,713	791,410
Mudaraba Scheme Deposit [Note-X]		90,993,992	9,978,200
		1,296,214,001	633,444,635
		1,738,081,496	974,011,900
X	Scheme Deposits:		
Mudaraba Deposit Pension Scheme		18,405,000	7,035,200
Mudaraba Bibaho Scheme Deposit		135,000	20,000
Mudaraba Hajj Scheme Deposit		213,000	63,000
Mudaraba Monthly Income Scheme Deposit		68,600,542	900,000
Mudaraba Mohor Scheme Deposit		5,000	-
Mudaraba Super Saving Scheme Deposit		3,635,450	1,960,000
		90,993,992	9,978,200

		Amount in Taka	
		2023	2022
10b.1	Deposits and Other Accounts:		
	Al-Wadeeah Current Accounts & Other Accounts:		
	a) Deposits from banks	-	-
	b) Deposits from customers	326,973,384	225,293,723
		326,973,384	225,293,723
	Bills Payable		
	a) Deposits from banks	-	-
	b) Deposits from customers	-	2,600,684
		-	2,600,684
	Mudaraba Saving Deposits:		
	a) Deposits from banks	-	-
	b) Deposits from customers	114,894,110	112,672,858
		114,894,110	112,672,858
	Mudaraba Term Deposit:		
	a) Deposits from banks	1,526,482	120,665,761
	b) Deposits from customers	1,296,214,001	633,444,635
		1,297,740,483	754,110,396
Y.	Sundry Deposits		
	VAT/Tax/Excise duty payable to Government Authority	4,765,564	1,789,046
	Margin	198,212,908	81,369,653
	Charges Payable to Bangladesh Bank	28	24
	Others	15,200	-
	Sundry Deposit A/C for FDR	-	89,775
		202,993,700	83,248,498
11b	Other Liabilities		
	Profit Payable on Deposits	31,100,649	6,543,171
	Provision for Investments	15,587,177	4,425,949
	Profit Receivable on Investments	6,945,016	-
	Compensation Realized on Investments	2,499	2,500
	Penalty Receivable on Investments	8,389,303	10,634
	Penalty Realized on Investments	126,186	27,567
	MGBPLC General Account	170,183,638	-
	Profit Payable to HO	3,053,057	-
		235,387,525	11,009,820

		Amount in Taka	
		2023	2022
12b	Investments Income		
	Income from Investments: (Note-12b.1)	83,469,705	18,211,394
	Profit on Placement with Banks & Financial Institutions	47,340,278	13,364,446
		130,809,983	31,575,840
12b.1	Investments Income		
	Profit on Hire Purchase under Shirkatul Melk	14,892,272	17,260,094
	Profit on Bai Murabaha	3,174,024	12,300
	Profit on Bai Musharaka	65,403,409	939,000
		83,469,705	18,211,394
13b	Profit Paid on Deposits		
	a) Profit on Deposits		
	Profit Paid on Mudaraba Supreme Account	6,210,046	166,892
	Profit Paid on Mudaraba Savings Deposit	5,333,131	1,563,626
	Profit Paid on Mudaraba Special Notice Deposit	310,388	1,644,607
	Profit Paid on Mudaraba Fixed Deposit Receipt	80,086,266	21,625,465
	Profit Paid on Scheme Deposit	4,005,560	269,035
		95,945,391	25,269,625
14b	Income from Investment in Shares/ Securities		
	Income from 5 Years Sukuk Bond	2,665,607	2,682,307
		2,665,607	2,682,307
15b	Commission, Exchange and Brokerage		
	Income from Commission	7,527,494	55,325
	Income From Services	-	-
		7,527,494	55,325
16b	Other Operating Income:		
	Income From Fees & Charges	841,085	1,014,892
	Other Income	558,740	361,843
	Income From Services	121,621	124,744
		1,521,446	1,501,479

		Amount in Taka	
		2023	2022
17b	Salary & Allowances:		
	Basic Salary	8,997,177	7,053,143
	Allowances	5,533,777	4,304,535
	Consolidated Pay	170,129	156,043
	Bonus	1,632,254	1,178,055
	Gratuity	1,323,675	674,663
	Leave Salary Encashment	99,564	70,389
	Bank's Contribution to Provident Fund	899,715	705,328
		18,656,291	14,142,156
18b	Rent, Taxes, Insurance, Electricity etc.:		
	Rent, Rates & Taxes	-	-
	Insurance, Electricity & Lighting	878,535	214,595
		878,535	214,595
19b	Legal Expenses:		
	Legal Fees	-	-
	Legal Charges	1,995	-
		1,995	-
20b	Postage, Stamps, Telecommunication etc.:		
	Postage	310	110
	Mobile Bill	17,805	7,067
		18,115	7,177
21b	Stationery, Printing & Advertisements etc.:		
	Petty Stationery	29,881	37,152
	Computer & Equipment Expenses	24,829	8,413
	Security Stationery	3,488	-
	Printing Stationery	820	45,340
		59,018	90,905
22b	Shariah Supervisory Committee's Fees & Expenses		
	Shariah Supervisory Committee's Fees	46,000	174,800
	Shariah Supervisory Committee's Expenses	16,618	42,607
		62,618	217,407
23b	Depreciation, Amortization and Repair on Bank's Assets:		
	a) Depreciation on Bank's Assets (Annexure-A):		
	Machinery & Equipment	4,720	4,038
	Furniture & Fixtures	42,990	38,195
	Computer and Peripherals	226,910	170,027
		274,620	212,260

		Amount in Taka	
		2023	2022
b) Amortization (Annexure-A):			
Software		800,000	800,000
c) Repair on Bank's Assets:			
Fitting and Replacement		12,193	21,048
Machinery & Equipment		9,870	4,715
Furniture & Fixtures		-	19,555
Maintenance Expenses		5,374	-
Computer and Peripherals		4,574	4,738
		32,011	50,056
		1,106,631	1,062,316
24b Other Expenses:			
Car Expenses		1,380,000	1,380,000
Entertainment Expenses		65,584	20,838
Training, Seminar & Workshop Expenses		13,685	-
Office Maintenance		6,225	15,955
Travelling and Conveyance		33,400	19,860
Bank Charges		200,028	130,000
NID Verification Charge		10,746	1,055
Professional & Consultancy Fees		3,833	25,000
Business development & Promotion		51,074	111,250
Washing and Cleaning		22,592	12,152
Crockeries		2,173	1,967
Leave Fare Assistance		1,204,606	845,990
		2,993,946	2,564,067

MEGHNA BANK PLC. SCHEDULE OF FIXED ASSETS OF ISLAMIC BANKING

AS AT DECEMBER 31, 2023

Annexure-A

Particulars	COST				Rate of Dep./ Amort.	DEPRECIATION/ AMORTIZATION				WDV as on December 31, 2022	
	Balance as on January 1, 2023	Additions during the year	Disposal/ Transfer during the year	Balance as on December 31, 2023		Balance as on January 1, 2023	Transfer/ Adjustment during the year	Charge for the year	Balance as on December 31, 2023		WDV as on December 31, 2023
A) Tangible Assets :											
Machinery and Equipment	23,600	-	-	23,600	20%	5,012	-	4,720	9,732	13,868	18,588
Furniture & Fixtures	429,898	-	-	429,898	10%	54,852	-	42,990	97,842	332,056	375,046
Computer & Computer Peripherals	644,806	127,000	-	771,806	33%	199,536	-	226,910	426,446	345,360	445,270
Sub Total (A)	1,098,304	127,000	-	1,225,304		259,400	-	274,620	534,020	691,284	838,904
B) Intangible Assets :											
Software	4,000,000	-	-	4,000,000	20%	1,089,315	-	800,000	1,889,315	2,110,685	2,910,685
Sub Total (B)	4,000,000	-	-	4,000,000		1,089,315	-	800,000	1,889,315	2,110,685	2,910,685
Total (A+B)	5,098,304	127,000	-	5,225,304		1,348,715	-	1,074,620	2,423,335	2,801,969	3,749,589

MEGHNA BANK PLC.

BALANCE SHEET OF OFF-SHORE BANKING UNIT

AS AT DECEMBER 31, 2023

Particulars	Notes	2023		2022	
		USD	TK.	USD	TK.
PROPERTY AND ASSETS					
Cash		-	-	-	-
Cash in hand (Including Foreign Currencies)		-	-	-	-
Balance with Bangladesh Bank and Its agent Bank (s) (Including Foreign Currencies)		-	-	-	-
Balance with other Banks and Financial Institutions	1c	1,233,990	135,738,868	73,072	7,547,797
In Bangladesh		-	-	-	-
Outside Bangladesh		1,233,990	135,738,868	73,072	7,547,797
Investments		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Loans and Advances	2c	16,851,177	1,853,629,473	897,801	92,736,257
Loans, Cash credits, Overdrafts, etc.		-	-	-	-
Bills Purchased and Discounted		16,851,177	1,853,629,473	897,801	92,736,257
Fixed Assets Including Premises, Furniture and Fixtures		-	-	-	-
Other Assets		-	-	-	-
Non Banking Assets		-	-	-	-
Total Assets		18,085,167	1,989,368,341	970,873	100,284,054
LIABILITIES					
Borrowings from other Banks, Financial Institutions and Agents	3c	17,776,478	1,955,412,591	895,631	92,512,112
Deposits and Other Accounts		-	-	-	-
Current Accounts & Other Accounts		-	-	-	-
Bills Payable		-	-	-	-
Saving Deposits		-	-	-	-
Term Deposit		-	-	-	-
Other Deposits		-	-	-	-
Other Liabilities	4c	308,689	33,955,750	75,242	7,771,942
Total Liabilities		18,085,167	1,989,368,341	970,873	100,284,054

MEGHNA BANK PLC.

OFF- BALANCE SHEET ITEMS OF OFF-SHORE BANKING UNIT

AS AT DECEMBER 31, 2023

Particulars	Notes	2023		2022	
		USD	TK.	USD	TK.
CONTINGENT LIABILITIES					
Acceptances and Endorsements		-	-	-	-
Letters of Guarantee		-	-	-	-
Irrevocable Letters of Credit		-	-	-	-
Bills for Collection		-	-	-	-
Other Contingent Liabilities		-	-	-	-
CONTINGENT LIABILITIES		-	-	-	-

MEGHNA BANK PLC.

PROFIT AND LOSS ACCOUNT OF OFF-SHORE BANKING UNIT

FOR THE YEAR ENDED AS ON DECEMBER 31, 2023

Particulars	Notes	2023		2022	
		USD	TK.	USD	TK.
Interest Income	5c	1,316,804	144,848,440	307,623	31,775,220
Interest paid on Deposits and borrowings etc	6c	1,258,160	138,397,612	279,760	28,897,155
Net Interest Income		58,644	6,450,828	27,863	2,878,065
Investment Income		-	-	-	-
Commission, Exchange and Brokerage		-	-	-	-
Other Operating Income	7c	17,175	1,889,250	17,497	1,807,328
		17,175	1,889,250	17,497	1,807,328
Total Operating Income		75,819	8,340,078	45,360	4,685,392
Salaries and Allowances		-	-	-	-
Rent, Taxes, Insurances, Electricity etc.		-	-	-	-
Legal Expenses		-	-	-	-
Postage, Stamps, Telecommunication etc.		-	-	-	-
Stationery, Printings, Advertisements etc.		-	-	-	-
Depreciation & Repairs of Bank's Assets		-	-	-	-
Other Expenses		-	-	-	-
Total Operating Expenses		-	-	-	-
Profit/(Loss) Before Provision		75,819	8,340,078	45,360	4,685,392

	2023		2022	
	USD	TK.	TK.	BDT
1c Balance with Other Banks and Financial Institutions				
In Bangladesh	1,233,990	135,738,868	73,072	7,547,797
Outside Bangladesh (Note-1c.1)	-	-	-	-
	1,233,990	135,738,868	73,072	7,547,797
1c.1 Outside Bangladesh (NOSTRO ACCOUNT)				
AB Bank Ltd, Mumbai, ACU	-	-	17,462	1,803,665
Mashreq Bank p.s.c. New York, USD	1,213,708	133,507,890	24,877	2,569,604
Kookmin Bank, Seoul Korea, USD	20,282	2,230,978	30,733	3,174,528
	1,233,990	135,738,868	73,072	7,547,797
2c Loans and Advances				
i) General Investments	-	-	-	-
ii) Bills purchased and discounted				
<i>Payable Inside Bangladesh</i>				
Inland bills purchased and discounted	391,051	43,015,662	723,371	74,718,912
<i>Payable outside Bangladesh</i>				
Foreign bills purchased and discounted	16,460,126	1,810,613,812	174,430	18,017,345
	16,851,177	1,853,629,473	897,801	92,736,257
	16,851,177	1,853,629,473	897,801	92,736,257
3c Borrowings from other Banks & Financial Institutions and Agents				
In Bangladesh				
Borrowing from Meghna Bank PLC.	11,776,478	1,295,412,591	895,631	92,512,112
Borrowing from others Banks	6,000,000	660,000,000	-	-
	17,776,478	1,955,412,591	895,631	92,512,112
4c Other Liabilities				
Due to Head Office (Retained Earnings)	151,061	16,616,690	75,242	7,771,942
Interest payable on Borrowing	157,628	17,339,060	-	-
	308,689	33,955,750	75,242	7,771,942
5c Interest Income:				
Interest on Loans and Advances: (Note-5c.1)	1,316,804	144,848,440	307,623	31,775,220
Interest on balance with other Banks & Financial Institutions	-	-	-	-
	1,316,804	144,848,440	307,623	31,775,220
5c.1 Interest on Loans and Advances:				
Interest Income on Inland Bill Purchased/ Discount	30,863	3,394,933	58,464	6,038,902
Interest Income on Foreign Bill Purchased/ Discount	1,285,941	141,453,507	249,159	25,736,318
	1,316,804	144,848,440	307,623	31,775,220
6c Interest Paid on Deposits, Borrowing, etc:				
a) Interest on Deposits	-	-	-	-
b) Interest Paid on Borrowings	1,258,160	138,397,612	279,760	28,897,155
	1,258,160	138,397,612	279,760	28,897,155
7c Other Operating Income:				
Income From Services	16,300	1,793,000	14,370	1,484,316
Other Charges - Rebate Receipts	875	96,250	3,127	323,012
	17,175	1,889,250	17,497	1,807,328

আধুনিক ইসলামিক ব্যাংকিং-এর
সকল সুবিধা নিয়ে এলো
মেঘনা ব্যাংকের

আল-ওয়াদিয়াহ্
কারেন্ট এ্যাকাউন্ট

Financial Statements of
**MEGHNA BANK
SECURITIES LIMITED**



THE BOARD OF DIRECTORS OF MEGHNA BANK SECURITIES LIMITED



Rehana Ashequr Rahman
Chairperson



Md. Sadiqur Rahman
Director



Shyamol B. Das
Director



I Q M Abdul Jalil
Director



Sajib Kumar Saha, FCA
Director



Md. Sadekul Islam
In-Charge



Md. Rafiqul Islam Khan, FCS
Company Secretary

PROFILE OF CHAIRPERSON

Rehana Ashequr Rahman, elected Managing Board Member of Bangladesh Red Crescent Society for last four terms till 2021, at present Vice-Chairman of Bangladesh Red Crescent Society, Rangpur Unit, unanimously elected for successive terms from 2009, is also a Life Member of the Bangladesh Red Crescent Society.

Since long she has been involved in philanthropic activities in various capacities. As the eldest daughter of Late Mr. M. A. Haque, Member of Parliament, a prominent writer, noted social worker and a former Minister Govt. of Bangladesh, she established M. A. Haque Foundation. The Foundation regularly arranges Seminars, Discussion Programmes on various social issues like reduction of poverty, alleviation of gender gap, affording voice to the voiceless, stimulation of issues of young minds etc. and granting financial assistance and scholarships to needy and meritorious students.

She is the Chairperson of the NGO-DAPPE (Direct Action for Alleviation of Poverty and Protection of Environment). It deals with rural women, promotes skill development and capacity building and encourages them in producing compost fertilizer; maintain healthy hygiene, good sanitation, nutrition and family planning etc. As Life Member of Lions Foundation and Region Chairperson of the Lions Clubs International she has been working with different humanitarian projects. She is also an active member of the Zonta Clubs International and a Member of Rotary Club of Dhaka Mavericks since its inception in 2014. She is a Life Member of Bangla Academy & Jalalabad Association.

For last twenty years she has been bringing out monthly juvenile magazine "Kishore Bhuban" to ignite the young minds and usher into them world of curiosity, knowledge and infinite happiness and help them grow robust, healthy and humane.

From her Publishing House "Kishore Bhuban Publishers" she has been translating and publishing various themes like Aesop's Fables, popular Fairy Tales and Classics of great writers like Oscar Wild, Hans Christian Anderson and others in Bangla. She has to her credit a number of Biographical Series on world's Greats- Poets, Writers, Scholars, Scientists, Statesman, Humanist and so forth to inspire the young generation.

She also brought out books on the art of learning "English from Bangla" and "Bangla from English". In short

she has been earnestly engaging herself in nourishing the young minds, investing them with skills and forging the humane attitude in them.

From late nineties, she has been spearheading a programme called "Labonnyo" in Mithapukur, Rangpur, the constituency of her husband Mr. H N Ashequr Rahman, former MP and former State Minister and former Chairman Parliamentary Standing Committee Ministry of Public Administration, for school and college going girls reaching puberty. For lack of knowledge of personal hygiene, a big number of female students drop out from the schools and/or most of them suffer from female diseases from the young ages. The programme has been launched to help good health, uninterrupted good education and healthy motherhood. Distribution of sanitary kits and dissemination of health education amongst the girls are organized. School Management and Teachers have been engaged actively in the process. This is a continuous programme and every month about 30,000 sanitary packets specially packed for Mithapukur, Rangpur are distributed free among the adolescent school & college going girls.

Ms. Rahman is a celebrity vocal artist of National TV and Bangladesh Betar. She has to her credit a number of musical albums. She undertook a broadcasting training course at the BBC London in 1972. She is the President of Bangladesh Sangeet Parishad (National Association of Vocal Artists, Lyricists, Music Directors, Instrumentalists, and Dance Artists).

She is widely travelled, joined various International Conferences and Seminars organized by Lions Clubs International, Zonta Clubs International and other Cultural bodies. In June 2012, she attended the Red Cross/Red Crescent workshop on "Humanitarian Diplomacy" in Delhi, India. In December 2015 she attended the International Conference of Red Cross / Red Crescent held in Geneva, Switzerland representing Bangladesh as a Managing Board Member of Bangladesh Red Crescent Society. She also attended the Regional Red Cross / Red Crescent Workshop and Seminar in 2014 in Kathmandu, Nepal.

As Business Entrepreneur, she is the Chairperson of Meghna Bank Securities Limited. Before hailing this position she served as Director of Meghna Bank PLC till January 2024. She also serving as Chairperson-Buraq International Ltd. (A Business and Trading Firm) and Director, Diesel Motors and Services (BD) Ltd.



Rehana Ashequr Rahman

Chairperson

REPORT OF THE DIRECTORS

Dear Shareholders,

Assaalmu Alaikum Wa Rahmatullah

On behalf of the Board of Directors, I welcome you all to the 8th Annual General Meeting of Meghna Bank Securities Limited. We have the pleasure to place herewith the Directors' Report and the Auditors' Report together with the Audited Financial Statements of the Company for the year ended 31st December, 2023.

Short Profile of the Company:

Meghna Bank Securities Limited (MGBSL), the only subsidiary company of Meghna Bank PLC; engaged as stock brokerage business in Bangladesh Capital Market. MGBSL 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 Company obtained permission from Bangladesh Securities and Exchange Commission on September 16, 2015 to operate as a full-fledged Stock-Broker and Stock-Dealer bearing Registration No. Reg-3.1/DSE-124/2015/537 and Reg-3.1/DSE-124/2015/536 respectively and started commercial operation on November 19, 2015 having 3 outlets across Dhaka City with a paid up capital of Tk. 35.00 crore. Paid up capital of MGBSL have been increased to Tk. 75.00 crore in October 2023. Bangladesh capital market has witnessed a continuous downward trend since last couple of years due to various

macroeconomic consequences; such as, impact of COVID-19, war between Russia and Ukraine, higher inflation, dollar crisis and so on. Market remain stagnant throughout the year in 2023 whereas it was in bearish trend in preceding year. Total Market capitalization of Dhaka Stock Exchange stood at Tk. 780,849 crore as on December 31, 2023 from Tk. 760,936 crore as on December 31, 2022.

After commencement of operation, MGBSL has achieved significant growth in its business and profitability within short span of time. Total revenue of MGBSL stood at Tk. 2.97 crore in December, 2023 which was Tk. 3.83 crore in December, 2022. Number of total client reached at 1,300 in 2023, which was 1,282 in the previous year, representing a growth of 1.40% and client's equity stood at Tk. 177.09 crore at the end of 2023 which was Tk. 169.06 crore in December 2022 representing a growth of 4.75%.

Major products and services for the customers of MGBSL are Brokerage Service, CDBL service, Margin Loan, Low commission for Cash Account with wide Branch Network, Research Service, One-stop service for NRB Investors. MGBSL provides Margin Loan Facilities to its portfolio customers for purchase of shares and Securities. Loans are fully secured by way of shares purchased under margin loan account as per Margin Rules, 1999 by Bangladesh Securities & Exchange Commission. We have plan for launching Internet based Trading & SMS service. We have already established Mobile Apps trading platform for our valued client.

Board of Directors:

Board of Directors as on 31.12.2023

Sl. No.	Name of the Directors	Designation	Remarks
1.	Mr. Shareq Rahman	Chairman	Representative of Meghna Bank Ltd.
2.	Mr. Sohail R.K. Hussain	Director	Representative of Meghna Bank Ltd.
3.	Mr. Shyamol B. Das	Director	Representative of Meghna Bank Ltd.
4.	Mr. IQM Abdul Jalil	Director	Representative of Meghna Bank Ltd.
5.	Mr. Sajib Kumar Saha	Director	Representative of Meghna Bank Ltd.
6.	Mr. Md. Sadiqur Rahman	Director	Shareholder

Role and Responsibility of the Board:

The Board is devoted to the Company and enthusiastic for achieving sustainable long term prosperity with meeting stakeholders, expectations. The Board determines to ensure the best practice in accordance with statutory requirements.

Property, Plant and Equipment:

Details of the movement during the period of the property, plant and equipment of the company is set out in note 03(three) to the company's financial statements.

Share Capital Report:

Details of the movement of the Share Capital of the Company during the period is set out in note 14(Fourteen)to the company's financial statements. The directors confirm that the Directors Report and the financial statements have been prepared in compliance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the companies' act 1994, and other applicable laws and regulations.

Election of Directors:

According to Section 79, Schedule-1 of the Companies Act 1994, at the 8th Annual General Meeting, one third the directors are to retire from the Board and are eligible for reappointment.

Appointment of Auditors:

As per requirements of Laws & Regulations, M/s. Basu Banerjee Nath & Co., Chartered Accountants was appointed as Auditors for the year 2023. Being eligible, the Board of Director in its 35th meeting held on February 27, 2024 recommended to re-appoint M/s Basu Banerjee Nath & Co., Chartered Accountants as the statutory Auditor for the year 2024.

Recommendation of Dividend:

The Board of Directors recommended for declaring no dividend for the Financial Year 2023

Acknowledgements:

The Board would like to thanks to our valued Shareholders and all other Stakeholders of the Brokerage House for their continuous support and guidance which led to its achievements.



Rehana Ashequr Rahman
Chairperson



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF MEGHNA BANK SECURITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meghna Bank Securities Limited which comprise the Statement of Financial Position as at 31 December 2023 and the Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of cash flows for the year ended, & Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2023 and of its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a. We have obtained all the information and explanation which to best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof.
- b. In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books.
- c. The Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account.

Signed for & on behalf of
Basu Banerjee Nath & Co.
 Chartered Accountants



Uzzal Deb Nath, FCA
 Partner
 ICAB Enrollment No: 1176
 DVC: 2403041176AS696020

Dhaka;

Dated: 03 March, 2024

MEGHNA BANK SECURITIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER, 2023

Particulars	Notes	Amount in Taka	
		31-Dec-2023	31-Dec-2022
ASSETS			
Non Current Assets		340,683,686	308,026,239
Property, Plant and Equipment	3.00	36,465,732	2,934,344
Intangible Assets	4.00	441,086	579,206
Right-of-use (ROU) Assets	5.00	3,857,864	5,050,459
Deferred Tax	6.00	456,774	-
DSE TREC & Shares at Cost	7.00	299,462,230	299,462,230
Current Assets		677,058,732	238,723,106
Investment in Dealer Account	8.00	449,450,517	42,069,564
Investment in Special Fund Account	9.00	70,018,727	70,479,707
Accounts Receivable	10.00	50,981,975	38,482,429
Advances, Deposits and Prepayments	11.00	886,342	506,500
Advance Tax	12.00	25,963,641	22,755,649
Cash and Cash Equivalents	13.00	79,757,530	64,429,257
Total Assets		1,017,742,418	546,749,345
EQUITY AND LIABILITIES			
Capital and Reserves			
Paid up Capital	14.00	750,000,000	350,000,000
Capital Reserve	14.04	5,178,133	4,672,949
Retained Earnings	15.00	7,073,711	7,096,852
Shareholders' Equity		762,251,844	361,769,801
Non Current Liabilities			
Lease Liabilities	16.00	2,783,372	3,953,739
Current Liabilities			
Accounts Payable	17.00	76,374,486	56,600,086
Lease Liabilities	18.00	1,731,153	1,633,946
Loans and Borrowings	19.00	150,695,953	99,065,830
Other Liabilities	20.00	2,033,885	4,627,131
Provision for Income Tax	21.00	21,871,725	19,098,812
Total Current Liabilities		252,707,202	181,025,805
Total Liabilities		255,490,574	184,979,544
Total Equity and Liabilities		1,017,742,418	546,749,345

The annexed notes from 1.00 to 37.00 form an integral part of these Financial Statements.


Director


Director



Director


Company Secretary

Signed in terms of our report of even date.

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Dhaka;
Dated: 03 March, 2024


Uzzal Deb Nath, FCA
Partner
ICAB Enrollment No: 1176
DVC: 2403041176AS696020

MEGHNA BANK SECURITIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED AS ON 31 DECEMBER, 2023

Particulars	Notes	Amount in Taka	
		31-Dec-2023	31-Dec-2022
Operating Revenue			
Brokerage Commission Income	22.00	8,017,671	16,274,373
Interest on Margin Loan	23.00	4,313,772	5,519,783
Other Operating Income	24.00	232,287	205,193
		12,563,730	21,999,349
Less: Direct Expenses	25.00	910,562	1,843,833
Net Revenue from Operation		11,653,168	20,155,516
Add: Other Income	26.00	17,126,828	13,178,195
Total Revenue		28,779,996	33,333,711
General & Administrative Expenses			
Salary & Allowances	27.00	9,202,629	8,187,120
Rent, Taxes, Insurance, Electricity	28.00	1,203,178	1,199,784
Postage, Stamp & Telecommunication	29.00	53,626	53,441
Stationery, Printing and Advertisement	30.00	127,989	181,714
Director's Fees	31.00	24,000	72,000
Auditor's Fees	32.00	69,000	60,000
Depreciation, Amortization and Repair & Maintenance	33.00	3,231,102	2,321,630
Financial Expenses	34.00	8,369,498	7,045,947
Other Expenses	35.00	2,097,307	2,315,440
		24,378,329	21,437,076
Profit/(Loss) before Provisions		4,401,667	11,896,635
Less : Fluctuation in Shares for Investment	36.00	1,603,484	4,631,062
Provision on Margin Loan	20.01	-	-
		1,603,484	4,631,062
Profit/(Loss) before Tax		2,798,183	7,265,573
Add: Prior year adjustment of Tax	21.00	435,079	-
Add: Deferred tax income	6.01	456,774	-
Less: Income Tax Expense for the year	21.00	3,207,992	2,213,733
Net Profit after Tax		482,043	5,051,840
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss)		482,043	5,051,840
Appropriation			
Capital Reserve	14.04	505,184	3,721,445
General Reserve		-	-
		505,184	3,721,445
Earning Per Share (EPS)	37.00	0.064	1.443

The annexed notes from 1.00 to 37.00 form an integral part of these Financial Statements.


Director


Director


Director


Company Secretary

Signed in terms of our report of even date annexed.

Signed for & on behalf of
Basu Banerjee Nath & Co.
Chartered Accountants

Dhaka;

Dated: 03 March, 2024


Uzzal Deb Nath, FCA
Partner
ICAB Enrollment No: 1176
DVC: 2403041176AS696020

MEGHNA BANK SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED AS ON 31 DECEMBER, 2023

Particulars	Amount in Taka			
	Paid up Capital	Capital Reserve	Retained Earnings	Total
Balance as at 01 January 2023	350,000,000	4,672,949	7,096,852	361,769,801
Paid-up Capital added	400,000,000	-	-	400,000,000
Net profit after tax for the period ended 31 December, 2023	-	-	482,043	482,043
Transfer to Capital Reserve	-	505,184	(505,184)	-
Total Shareholders' Equity as at 31 December, 2023	750,000,000	5,178,133	7,073,711	762,251,844
Total Shareholders' Equity as at 31 December 2022	350,000,000	4,672,949	7,096,852	361,769,801


Director


Director


Director


Company Secretary

Dhaka;

Dated: 03 March, 2024

MEGHNA BANK SECURITIES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED AS ON 31 DECEMBER, 2023

Particulars	Amount in Taka	
	31-Dec-2023	31-Dec-2022
Cash flows from operating activities:		
Brokerage commission received	8,017,671	16,274,373
Interest received on margin loan	4,313,772	5,519,783
Received from operating & other income	2,251,342	4,094,033
Payment for operating & other expenses	(23,155,002)	(25,122,555)
Income taxes paid	(3,207,992)	(3,983,134)
	(11,780,209)	(3,217,500)
Changes in operating assets and liabilities :		
Other assets	(3,713,778)	45,847,880
Loans and Borrowings	51,630,123	(14,453,387)
Other liabilities	17,347,667	(35,411,656)
	65,264,011	(4,017,163)
Net cash (used in)/generated from operating activities:	53,483,803	(7,234,663)
Cash flows from investing activities:		
(Purchases)/Sale of Property, Plant & Equipment's	(35,407,722)	(667,000)
(Payment)/Receipts for (Purchases)/Sale of Shares & Investment (Dealer)	(408,984,437)	(21,287,533)
(Payment)/Receipts for (Purchases)/Sale of Shares & Investment (SF)	460,980	13,000,000
Capital Gain / Realized on sale of shares (Dealer)	2,568,966	1,856,757
Dividend received	3,206,684	6,007,324
Net cash (used in)/generated from investing activities	(438,155,529)	(1,090,451)
Cash flows from financing activities:		
Receipts from issue of shares capital	400,000,000	-
Dividend paid in cash	-	(31,500,000)
Net cash (used in)/generated from financing activities	400,000,000	(31,500,000)
Net increase/(decrease) in cash & cash equivalents	15,328,273	(39,825,115)
Cash and cash equivalents at the beginning of the year	64,429,257	104,254,371
Cash and cash equivalents at the end of the year	79,757,530	64,429,257
Closing cash and cash equivalents represents:		
Cash in hand	1,782	-
Cash at bank & equivalents	79,755,748	64,429,257
	79,757,530	64,429,257


Director


Director


Director


Company Secretary

Dhaka;

Dated: 03 March, 2024

MEGHNA BANK SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT & FOR THE YEAR ENDED 31 DECEMBER, 2023

1. Background Information and Principal Activities

1.1 Legal form of the Company

Meghna Bank Securities Limited was incorporated in Bangladesh on February 18, 2015 under the Companies Act, 1994 as a Private Limited 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 Authorized Capital of the Company is BDT 2,000,000,000 divided into 20,000,000 nos. ordinary shares of Tk. 100 each out of which the Issued, Subscribed & Paid-up capital is BDT 750,000,000 divided into 7,500,000 nos. ordinary shares of Tk. 100 each fully paid up in cash. The Meghna Bank Limited holds all shares except 1 share.

The Company has obtained permission from Bangladesh Securities and Exchange Commission on September 16, 2015 to operate as a full-fledged Stock-Broker and Stock-Dealer bearing registration nos. Reg-3.1/DSE-124/2015/537 and Reg-3.1/DSE-124/2015/536 respectively.

1.2 Nature of the business activities

The main objective of the Company is to act as a full-fledged stock broker and stock dealer to execute buy and sell orders and to maintain own portfolio as well as customer's portfolio under the discretion of customers. The company also performs the other activities related to capital market as and when regulators permit the company to carry out activities as per their guidelines.

2. Significant Accounting Policies

2.1 Basis of the Presentation of Financial Statements

"The Financial Statements (except the Statement of Cash Flows) have been prepared on a going concern basis following the system of accrual basis of accounting in accordance with the Company's Act 1994, Securities & Exchange Rules 1987, the listing Rules of Dhaka Stock Exchange Ltd. and International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and other applicable laws and regulations. The Statement of Cash Flows has been prepared following the principles related to the movements of the cash in accordance with International Accounting Standard (IAS-7) under Direct Method.

Previous year's figures have been rearranged wherever considered necessary to confirm to current year's presentation.

2.2 Components of the Financial Statements

The Financial Statements referred to here comprise of:

- a) Statement of Financial Position;
- b) Statement of Profit or Loss and Other Comprehensive Income;
- c) Statement of Changes in Equity;
- d) Statement of Cash Flows; and
- e) Notes to the Financial Statements

2.3 Basis of Measurement

The Financial Statements have been prepared based on historical cost convention basis. No adjustment has been made for inflationary factors affecting the financial statement. The accounting policies, unless otherwise stated, have been consistently applied by the Company.

2.4 Functional and Presentational Currency

These Financial Statements are prepared in Bangladeshi Taka which has been using as the Company's functional currency. All the financial figures have been rounded off to the nearest integer.

2.5 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis where revisions to accounting estimates are recognized in the periods in which the estimate is revised and that may be affected for any future periods.

2.6 Revenue Recognition

Income from brokerage commission is recognized on daily basis in the Statement of Profit or Loss and Other Comprehensive Income after receiving the trading note of securities transacted from Dhaka Stock Exchange Limited, at which point performance is assured to be completed.

2.7 Property, Plant and Equipment

Recognition and Measurement

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation where cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent Costs

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

Depreciation

Assets other than intangible Assets

Depreciation is charged to Computer & Peripherals, Office Equipment and Furniture & Fixtures on the Straight Line Method. The rates of depreciation are as follows:

Items	Method	Rate
Computer & Peripherals	Straight Line Method	33%
Office Equipment	Straight Line Method	20%
Furniture & Fixtures	Straight Line Method	10%
Vehicle	Straight Line Method	10%

2.8 Intangible Asset

Recognition and Measurement

Intangible asset is measured in accordance with IAS-38 at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization

Amortization is recognized in the statement of profit or loss and other comprehensive income on straight line method at the rate of 20% per annum.

2.9 Provision for Current Tax

The provision for Income Tax is made following the norms of applicable sections and rules of the Income Tax Act 2023 and 27.5% tax rate is considered on Income from company's normal course of business. The company does practice deferred Taxation and deferred tax assets or liability are recognized in the Statement of Financial Position from the current year.

2.10 Related Party Transactions

As per International Accounting Standards (IAS)-24 "Related Party Disclosures" parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial deals with related parties.

2.11 Directors' Responsibility toward Financial Statements

The Board of Directors takes the responsibility for the preparation and presentation of these Financial Statements and was subsequently approved by the board in its 35th meeting held on 27 February 2024.

2.12 Reporting period

These financial statements cover the period from 01 January, 2023 to 31 December, 2023.

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
3	Property, Plant & Equipment		
	Property, Plant & Equipment at Cost	44,284,431	8,876,708
	Less: Accumulated Depreciation	7,818,699	5,942,364
	Written Down Value (WDV)	36,465,732	2,934,344
	For details please refer to Annexure-A		
4	Intangible Assets		
	Software (Note-4.01)	441,086	579,206
		441,086	579,206
4.01	Software		
	Software	926,600	926,600
	Less: Accumulated Amortization	485,514	347,394
	Written Down Value (WDV)	441,086	579,206
5	Right of Use of Asset		
	Right of Use of Asset at Cost	7,298,761	7,298,761
	Less: Accumulated Amortization for Right of Use of Asset	3,440,897	2,248,302
	Written Down Value (WDV)	3,857,864	5,050,459
	For details please refer to Annexure-A		
	Meghna Bank Securities Ltd. using the space for Motijheel Office from Popular Jute Exchange Ltd. ,Nikunja Office from Dhaka Stock Exchange and Motijheel Ext. Office from Meghna Bank Ltd. To comply IFRS 16 when measuring lease liabilities, MGBSL discounted lease payment by using as per existing borrowing rate @ 7%.		
6	Deferred Tax		
	Accounting base written down value	36,906,818	-
	Tax base written down value	38,567,812	-
	Temporary deferred	(1,660,995)	-
	Company tax rate	27.50%	27.50%
	Deferred Tax (Assets)/ Liability	(456,774)	-
6.01	Deferred tax (Assets)/Liability is Arrived at as Follows		
	Deferred Tax (Assets)/Liability As on 31 December 2023	(456,774)	-
	Less: Deferred Tax (Assets)/Liability As on 31 December 2022	-	-
	Deferred Tax (Income)/Expenses	(456,774)	-
7	DSE TREC & Shares at Cost		
		299,462,230	299,462,230
		299,462,230	299,462,230
8	Investment in Dealer Account		
	Investment in Securities (Note-08.01)	55,412,067	42,069,564
	Investment in G-Sec (Note-08.02)	394,038,450	-
		449,450,517	42,069,564

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
8.01	Investment in securities under dealer account are shown at market value and any unrealized gain or loss are effected into profit & loss account as per IFRS 9 and DSE Guideline ref. DSE/COM/TAD/CLR/AFS_2021/434. Investment instrument segregated by category wise below:		
	Value of 'A' Category Instrument	48,930,035	24,126,000
	Value of 'B' Category Instrument	6,417,000	4,950,000
	Value of 'N' Category Instrument	65,032	12,993,564
		55,412,067	42,069,564
8.02	Investment in G-Sec		
	Investment	394,038,450	-
		394,038,450	-
9	Investment in Special Fund Account		
	Investment at cost (Note-09.01)	70,018,727	70,479,707
		70,018,727	70,479,707
9.01	All investment in marketable securities are valued on an aggregate portfolio basis at cost price, at the balance sheet date. Investment made under Bangladesh Bank DOS circular No. 01 dated 10 February, 2020. Investment instrument segregated by category wise below:		
	Value of 'A' Category Instrument	69,659,405	69,659,405
	Ledger Balance	359,322	820,302
		70,018,727	70,479,707
10.00	Accounts Receivable		
	Amount Receivable from Margin Clients (Note-10.01)	37,921,897	34,107,161
	Amount Receivable from Others (Note-10.02)	13,060,078	4,375,268
		50,981,975	38,482,429
10.01	Amount Receivable from Margin Clients		
	Having no margin or full erosion of equity (e.g. no equity against DB)	-	-
	Fall under force sale condition (e.g. equity is > DB but < 125% of DB)	-	-
	Fall under margin call (e.g. equity is >125% of DB but <150% of DB)	-	-
	Regular Margin Clients (e.g. equity is >150% of debit balance)	37,921,897	34,107,161
		37,921,897	34,107,161
	The Company extends margin loan facilities to customers for trading of shares on the secondary capital market in Bangladesh. Margin loans are extended on a ratio based on the equity invested by individual customers. The ration during the year based on the directives issued by Bangladesh Securities and Exchange Commission.		
10.02	Amount Receivable from Other		
	DSE Investor's Protection Fund	100,000	100,000
	Receivable from Clients due to Diff. Charges	281,728	132,819
	Receivable from DSE Ltd. against Securities Trading (Note-10.03)	2,832,741	377,652

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
	Dividend Receivable	2,827,032	3,764,797
	Accrued Interest	6,338,577	-
	IPO Application Receivable from DSE Ltd.	680,000	-
		13,060,078	4,375,268
10.03	Receivable from DSE Ltd. against Securities Trading		
	Value of 'A' Category Instrument	2,830,635	377,652
	Value of 'Z' Category Instrument	2,106	-
		2,832,741	377,652
11.00	Advances, Deposits and Prepayments		
	CDBL Security Deposit	100,000	100,000
	Security Deposit against Drinking Water-Duncan	2,500	2,500
	Telephone Security Deposit	4,000	4,000
	Suspense A/C Sundry Debtors	-	400,000
	Prepaid Insurance Premium Against Car	779,842	-
		886,342	506,500
	Prepaid expense incurred by prepaid Car Insurance & DSE Mobile app.		
12.00	Advance tax		
	Balance at the beginning of the year	22,755,649	18,772,515
	Add: Advance Tax paid during the year (Note: 12.01)	3,207,992	3,983,134
	Balance at the end of the period ended/year	25,963,641	22,755,649
12.01	Year -wise breakup of Closing Balance are as follows:		
	Income year 2018	6,696,060	6,696,060
	Income year 2019	2,425,518	2,425,518
	Income year 2020	2,653,078	2,653,078
	Income year 2021	6,997,859	6,997,859
	Income year 2022	3,983,134	3,983,134
	Income year 2023 (Note: 12.02)	3,207,992	-
		25,963,641	22,755,649
12.02	Advance Tax paid during the year		
	On Dividend Income	1,292,486	1,125,201
	On Interest Income	622,675	437,132
	DSE Turnover Tax	1,292,830	2,420,801
		3,207,992	3,983,134

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
13.00	Cash and Cash Equivalents		
	Cash in Hand	1,782	-
	Cash at Bank (Note-13.01)	79,755,748	64,429,257
		79,757,530	64,429,257
13.01	Cash at Banks:		
	SND/GCD Account with:		
	The City Bank Ltd. # 3101707641001 (CCA A/C)	59,753,205	17,348,500
	The City Bank Ltd.# 3101707641002 (IPO A/C)	126,795	127,408
	The City Bank Ltd.# 3101707641003 (Dealer A/C)	3,380,779	1,203,111
	Meghna Bank Ltd.# 110313500000028 (CCA A/C)	16,041,263	43,927,122
	Meghna Bank Ltd.# 110113500000063 (Company A/C)	441,588	124,906
	Meghna Bank Ltd.#110313500000070 (Special Fund A/C)	12,117	1,698,210
	Meghna Bank Ltd.#110113500000170 (G-sec A/C)	-	-
		79,755,748	64,429,257

14 Share capital

14.01 Authorized Capital

2,00,00,000 Ordinary shares of Tk. 100 each

2,000,000,000 **2,000,000,000**

14.02 Issued, Subscribed & Paid-up capital

75,00,000 Ordinary shares of Tk. 100 each fully paid up in cash

750,000,000 **350,000,000**

The Shareholding position for the period ended as on 31 December, 2023 are as follows:

Sl. No.	Name of Shareholders	No. of Shares		
1	Meghna Bank Limited	7,499,999	749,999,900	349,999,900
2	Md. Sadiqur Rahman	1	100	100
	Total	7,500,000	750,000,000	350,000,000

14.03 Consolidated Capital

Position of capital are given below:

a) Core Capital (Tier-I)

i) Paid-up Capital

750,000,000 350,000,000

ii) Capital Reserve (**Note-14.04**)

5,178,133 4,672,949

iii) Retained Earnings (**Note-15**)

7,073,711 7,096,852

762,251,844 **361,769,801**

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
	b) Supplementary Capital (Tier-II)		
	i) General Provision	-	-
	ii) Revaluation of Securities	-	-
		-	-
	c) Total Capital (a+b)	762,251,844	361,769,801
14.04	Capital Reserve		
	Opening Balance	4,672,949	951,504
	Add: Addition during the Year	505,184	3,721,445
		5,178,133	4,672,949
15	Retained Earnings		
	Balance at the beginning of the year	7,096,852	5,766,457
	Add: Net Profit during the period ended/year	482,043	5,051,840
	Less: Transfer to Capital Reserve	505,184	3,721,445
		7,073,711	7,096,852
16	Lease Liabilities- Non Current Portion		
	Opening Balance	3,953,739	4,618,395
	Add: Addition during the Year	-	449,540
		3,953,739	5,067,935
	Less : Adjustment during the year	-	41,036
	Less: Conversion to Short Term	1,170,367	1,073,160
		2,783,372	3,953,739
17	Accounts Payable		
	Payable to Clients for Securities Trading	75,413,640	56,573,620
	Payable to Dhaka Stock Exchange Ltd.	16,059	1,681
	Payable to Clients for IPO	920,000	-
	Suspense Account	23,894	23,894
	Sundry Payable	892	892
		76,374,486	56,600,086
18	Lease Liabilities- Current Portion		
	Opening Balance	1,633,946	1,512,464
	Add: Addition during the Period	1,170,367	1,073,160
		2,804,313	2,585,624

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
	Less: Paid during the Period	1,073,160	951,678
	Closing Balance	1,731,153	1,633,946

Meghna Bank Securities Ltd. using the space for Motijheel Office from Popular Jute Exchange Ltd., Nikunja Office from Dhaka Stock Exchange and Motijheel Ext. Office from Meghna Bank Ltd. To comply IFRS 16 when measuring lease liabilities, MGBSL discounted lease payment by using as per existing borrowing rate @ 7% .

19 Loans and Borrowings

Overdraft Loan from Meghna Bank Limited

OD A/C No. 1103 71600000021	71,307,124	71,302,466
OD A/C No. 1103 71600000023	79,388,829	27,763,364
	150,695,953	99,065,830

Overdraft loan is taken from Meghna Bank Ltd. @7% in both account.

20 Other Liabilities

Provision for Expenditure	391,007	816,856
Provision on Margin Loan (Note-20.01)	379,219	545,732
Yearly BO A/C Maintenance Fee (CDBL) Payable	-	350
BO A/C Opening fee Payable (CDBL)	2,800	1,750
Interest Payable-CCA (Note: 26.01)	1,138,872	3,157,982
VAT on Procurement	5,201	-
Tax on Procurement	3,629	1,391
VAT on Board Meeting Fees	727	-
Tax on Board Meeting Fees	727	-
Tax on Printing	133	374
VAT on Printing	372	1,245
VAT on Service	10,170	12,517
Tax on Service	9,798	8,574
VAT on Advertisement	1,125	450
Tax on Advertisement	375	120
VAT on Office Rent	15,547	14,843
Tax on Office Rent	5,182	4,948
Provision for Auditors' Fee	69,000	60,000
	2,033,885	4,627,131

20.01 Provision on Margin Loan

Balance at the beginning of the year	545,732	545,732
Less: Provision adjust during the period ended/Year	166,513	-
Balance at the end of the period ended/ year	379,219	545,732

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
21.00	Provision for Income Tax		
	Balance at the beginning of the year	19,098,812	16,885,079
	Less: Prior year adjustment 2015,16,17	435,079	-
	Add: Provision made during the period ended/Year	3,207,992	2,213,733
	Balance at the end of the period ended/ year	21,871,725	19,098,812
21.01	Breakup of Balance at the beginning of the year		
	Income year 2015	-	54,763
	Income year 2016	-	333,502
	Income year 2017	-	46,814
	Income year 2018	4,900,000	4,900,000
	Income year 2019	1,250,000	1,250,000
	Income year 2020	1,300,000	1,300,000
	Income year 2021	9,000,000	9,000,000
	Income year 2022	2,213,733	2,213,733
	Income year 2023	3,207,992	-
		21,871,725	19,098,812
22.00	Brokerage Commission Income		
	Commission Income through DSE	8,017,671	16,274,373
		8,017,671	16,274,373
23.00	Interest on Margin Loan		
		4,313,772	5,519,783
		4,313,772	5,519,783
24.00	Other Operating Income		
	Yearly BO Account Fee (Maintenance)	137,450	130,100
	BO Account Opening Fees	50,500	22,000
	CDBL Charge	18,461	5,930
	Cheque Dishonor Charge	500	4,000
	IPO Application Fee	2,590	9,395
	BO Closing Charge	22,786	33,768
		232,287	205,193
25.00	Direct Expenses		
	Laga Charges-DSE	637,266	1,209,644
	Howla Charges-DSE	-	2,450
	CDBL Expenses	273,296	631,739
		910,562	1,843,833

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
26.00	Other Income		
	Realized Capital Gain on Sale of Shares	2,568,966	1,856,757
	Interest Income on SND A/C (Note : 26.01)	789,955	730,857
	Interest Income on G-Sec	7,528,657	-
	Other Income	205,534	818,459
	Dividend Income on Shares	6,033,716	9,772,122
		17,126,828	13,178,195
26.01	Interest Income on SND A/C		
	Total Interest Income on SND A/C	1,928,827	3,888,840
	Less : CCA Account Interest Payable (Note: 20)	1,138,872	3,157,982
		789,955	730,857
27.00	Salary and Allowances		
	Basic Salary	4,502,898	4,051,498
	Houe Rent Allowance	1,522,031	1,301,586
	Conveyance Allowance	69,209	59,198
	Medical Allowance	484,257	414,106
	Market Allowance	182,934	132,000
	Leave Encashment	84,600	-
	Bonus	739,230	708,438
	PF Company Contribution	450,294	405,155
	Gratuity	179,361	519,011
	Consolidated Pay	987,815	596,128
		9,202,629	8,187,120
28.00	Rent, Taxes, Insurance, Electricity etc.		
	Office Rent & Interest on Lease Liabilities (Note : 28.01)	357,141	413,833
	Utility Charge -DSE Tower	563,400	563,400
	Electricity & Generator	282,637	222,551
		1,203,178	1,199,784
28.01	Office Rent & Interest on Lease Liabilities		
	Interest Portion on Lease Liabilities	357,141	413,833
		357,141	413,833
	Total rent expenses for the year 2023 was Tk. 1,430,301/= . As per IAS 17 this amount is taken for comply "IFRS 16".		
29.00	Postage, Stamps, Telecommunication etc.		
	Postage & Courier Charge	686	364
	Internet Connectivity Charge	15,336	15,336

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
	Telecommunication Expenses	25,304	28,846
	Non-Judicial Stamps	7,500	1,395
	Cable TV Charge	4,800	7,500
		53,626	53,441
30.00	Stationery, Printing & Advertisement etc.		
	Stationery, Printing & Advertisements	114,760	127,562
	Computer accessories	10,229	48,214
	Newspaper, Journal & Periodicals	3,000	5,938
		127,989	181,714
31	Director's Fees	24,000	72,000
		24,000	72,000
32	Auditor's Fees	69,000	60,000
		69,000	60,000
33.00	Depreciation, Amortization and Repair & Maintenance		
	Depreciation on tangible assets (Annexure A)	3,068,930	2,169,342
	Amortization on intangible assets	138,120	98,671
	Repair & Maintenance	24,052	53,617
		3,231,102	2,321,630
34.00	Financial Expenses		
	Bank Charge	271,141	424,118
	Interest Expenses on OD Account	8,098,357	6,621,829
		8,369,498	7,045,947
35.00	Other Expenses		
	Entertainment	103,729	132,750
	Wasa Charge	30,144	13,796
	Travelling & Conveyance	68,778	67,799
	Drinking Water	22,075	21,100
	Cleaning Expenses	19,902	17,120
	Donation	5,000	5,000
	DSE Charges	9,000	12,000
	Registration & Renewal Fees	239,323	469,617
	Broker Association Fees	12,500	12,500
	WAN Connectivity	335,300	324,000
	Authorized Representative Expenses	4,600	-

Notes	Particulars	Amount in Taka	
		31-Dec-2023	31-Dec-2022
	Consent fee to BSEC	5,000	-
	SMS Charge	820	-
	Mobile Allowance	57,700	59,849
	Insurance	103,990	-
	Investors Protection Fund	1,354	5,317
	Cutleries & Crockeries	839	850
	Uniform	-	14,076
	Anti Virus Charges	50,250	38,013
	Software Maintenance	139,466	239,216
	Legal & Professional Fees	72,833	56,528
	Mass Mail Solutions	42,000	42,000
	Business Promotion	-	21,611
	RJSC Fee & Expenses	7,040	148,434
	LFA	691,831	591,630
	Seminar Fee	70,000	-
	Training & Development Expenses	3,833	22,234
		2,097,307	2,315,440
36.00	Fluctuation in Shares for Investment		
	Unrealized Profit/(Loss) in Share (Dealer Investment)		
	Unrealized Portfolio Profit/(Loss) at 31.12.2021	-	2,681,765
	Unrealized Portfolio Profit/(Loss) at 31.12.2022	(1,949,297)	(1,949,297)
	Unrealized Portfolio Profit/(Loss) at 31.12.2023	(3,527,431)	-
	Unrealized Loss as at 31.12.2023	(1,578,134)	(4,631,062)
	Unrealized Profit/(Loss) in G-Sec (Dealer Investment)	-	-
	Unrealized Profit/(Loss) in 2023	(25,350)	-
		(25,350)	-
		(1,603,484)	(4,631,062)
37.00	Earning Per Share (EPS) (IAS-33)		
	Net Profit after Tax	482,043	5,051,840
	Number of Ordinary Shares outstanding (Denominator)	7,500,000	3,500,000
	Earning Per Share (EPS)	0.064	1.443


Director


Director


Director


Company Secretary

Dhaka;

Dated: 03 March, 2024

MEGHNA BANK SECURITIES LIMITED

SCHEDULE OF FIXED ASSETS

AS AT 31 DECEMBER, 2023

Annexure-A

Amount in Taka

Particulars	C O S T				Rate of Depreciation	D E P R E C I A T I O N				WDV as on December 31, 2022	WDV as on December 31, 2023
	Balance as on 1st January 2023	Additions during the period ended	Disposal/ Transfer during the period ended	Balance as on December 31, 2023		Balance as on 1st January 2023	Transfer/ Adjustment during the period ended	Charge for the period ended	Balance as on December 31, 2023		
Furniture & Fixtures	3,571,174	630,435	-	4,201,609	10%	1,769,211	-	385,102	2,154,313	1,801,963	2,047,296
Office Equipment	1,461,506	6,095	-	1,467,602	20%	1,207,388	-	76,123	1,283,511	254,118	184,091
Computer & Server	3,844,028	2,427,160	-	6,271,188	33%	2,965,765	-	1,104,962	4,070,727	878,263	2,200,461
Vehicle	-	32,344,032	-	32,344,032	10%	-	-	310,148	310,148	-	32,033,884
Total (A)	8,876,708	35,407,722	-	44,284,431		5,942,364	-	1,876,335	7,818,699	2,934,344	36,465,732

Right of Use of Assets :

Particulars	C O S T				Rate of Amortization	A M O R T I Z A T I O N				WDV as on December 31, 2022	WDV as on December 31, 2023
	Balance as on 1st January 2023	Additions during the period ended	Disposal/ Transfer during the period ended	Balance as on December 31, 2023		Balance as on 1st January 2023	Transfer/ Adjustment during the period ended	Charge for the period ended	Balance as on December 31, 2023		
Office Space	7,298,761	-	-	7,298,761	-	2,248,302	-	1,192,595	3,440,897	3,857,864	5,050,459
Total (B)	7,298,761	-	-	7,298,761		2,248,302	-	1,192,595	3,440,897	3,857,864	5,050,459

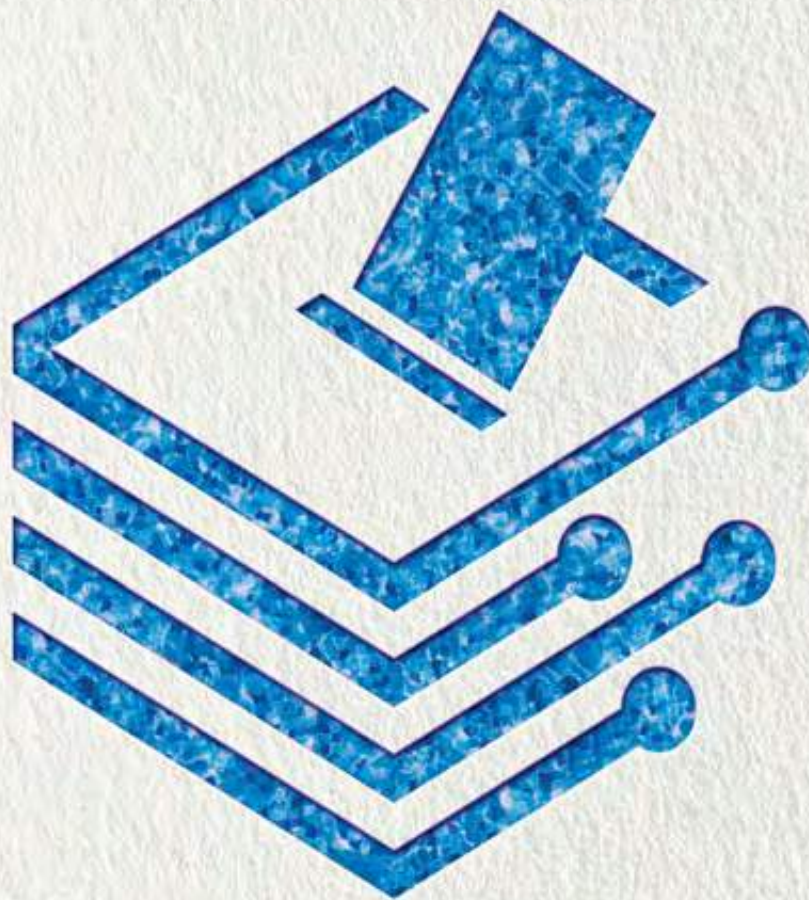
Total Property Plant & Equipments

Total (A+B)	16,175,469	35,407,722	-	51,583,192	-	8,190,666	-	3,068,930	11,259,596	40,323,596	7,984,803
--------------------	-------------------	-------------------	----------	-------------------	----------	------------------	----------	------------------	-------------------	-------------------	------------------

Intangible Assets :

Particulars	C O S T				Rate of Amortization	A M O R T I Z A T I O N				WDV as on December 31, 2022	WDV as on December 31, 2023
	Balance as on 1st January 2023	Additions during the period ended	Disposal/ Transfer during the period ended	Balance as on December 31, 2023		Balance as on 1st January 2023	Transfer/ Adjustment during the period ended	Charge for the period ended	Balance as on December 31, 2023		
Software	926,600	-	-	926,600	20%	347,394	-	138,120	485,514	579,206	441,086
Total (C)	926,600	-	-	926,600		347,394	-	138,120	485,514	579,206	441,086
Total (A + B + C)	17,102,069	35,407,722	-	52,509,792		8,538,060	-	3,207,050	11,745,110	40,764,682	8,564,009

Supplementary
INFORMATION



EVENT HIGHLIGHTS



Bangladesh Inter Bank Treasurers Conference-2023 was held at Coxs Bazar



Acme Consumer Products Ltd acquires Roots Food & Beverage Ltd under transactional advisory services of Meghna Bank PLC



Agreement with Hallow paisa



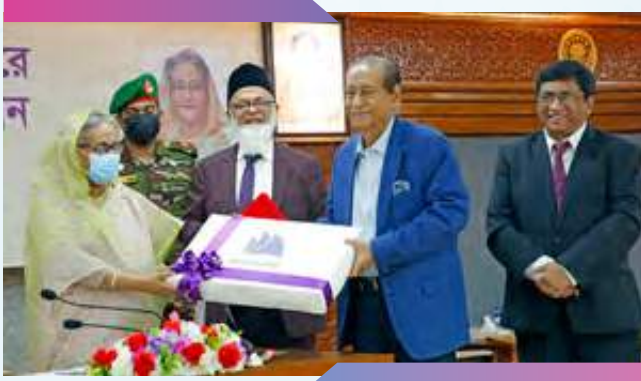
Agreement with National Exchange



Meghna Bank Cardholders and Employees to Avail Exclusive Benefits at Bangkok Hospital



MEGHNA BANK Celebrated its 10th Anniversary



Meghna Bank donated Blankets to the 'Prime Minister's Relief Fund'



Meghna Bank has officially launched their new Freelancer Account Service Pack.



Meghna Bank held AML Regional Conference-2023



Meghna Bank holds 10th Annual General Meeting



Meghna Bank inks deal with Bangladesh Bank to avail Tk. 100 Bn export facilitation pre-finance fund



Meghna Bank inks deal with Bangladesh Bank to facilitate USD long term loans for it's clients



Meghna Bank inks deal with BB to avail Tk. 1,000 cr Technology Development Up-gradation Fund & Tk.5,000 cr Refinancing Scheme



Meghna Bank Launched "LoungeKey Facility" for Meghna Platinum Credit Cardholders



Meghna Bank Launched Bangladesh's First Toll-Free Call Center (short code) A Step Forward in Customer Care



Meghna Bank launches Virtual Account Solution for Akij Venture Group for dealer collection service through H2H automated integration



Meghna Bank mandated by (BEES), one of the leading NGOs in Bangladesh to raise BDT 2000M



Meghna Bank Organizes a Daylong Strategic Meet on Islamic Banking



Meghna Bank PLC achieves ISO 90012015 certificate



Meghna Bank PLC has launched a new mobile financial service called MeghnaPay



Meghna Bank PLC inaugurated its 26th Agent Banking Outlet in the heart of Fulbari Bazar, Dinajpur



Meghna Bank PLC ink a Remittance Agreement with NEC Money Transfer Ltd.



Meghna Bank PLC Recognized for EXCELLENCE IN CREDIT CARDS by VISA



Meghna Bank PLC signed Agreement with Soft Tech Innovation Limited



Meghna Bank PLC signed MOU with Ship International Hospital



Meghna Bank PLC. signs collaboration Agreement with TVS Auto Bangladesh Limited



Meghna Bank signed Agreement with Guardian Life Insurance



Meghna Bank signed Agreement with LankaBangla Finance PLC



Meghna Bank signed MOU with Air Astra



Meghna Bank signs agreement with Bangladesh Bank to support credit expansion and reduce liquidity constraints of CMSMEs brought on by COVID-19 pandemic



Meghna Bank signs collaboration agreement with Adorsho PraniSheba Limited



Meghna Bank's Corporate Banking Conference held with the theme - 'Leading Towards Sustainable Transformation'



The 8th Meeting of the Shariah Supervisory Committee of Meghna Bank



Daylong Training Program on Sales & Negotiations



International Women's Day observed at Meghna Bank



Reward & Recognition Program

GLIMPSES OF 10TH AGM



BRANCH NETWORK

BRANCH

SI No	Name of Branch	Location	Opening Date
	Head Office	Suvastu Imam Square (3 rd & 6 th Floor), 65 Gulshan Avenue (Gulshan-1), Dhaka	
1	Principal Branch	Suvastu Imam Square (Ground Floor), 65 Gulshan Avenue (Gulshan-1), Dhaka	09-May-13
2	Sathibari Branch	Suvash Palace, Shathibari Bazar, Mithapukur-5460, Rangpur, Bangladesh	02-Oct-13
3	Chawkbazar Branch	M/s. Hazi Matiur Rahman Bhaban, 189 Water Works Road, Lalbagh, Chawkbazar, Dhaka	22-Oct-13
4	Motijheel Branch	Jibon Bima Bhaban, (Front Block, Ground Floor) 10 Dilkusha C.A., Dhaka-1000.	23-Oct-13
5	DEPZ Branch	Swapnil Tower, Bipail (Near Ashulia Police Station), Ashulia, Dhaka	08-Dec-13
6	Kalampur Branch	Jahanara Super Market, Kalampur Bazar, Dhamrai, Dhaka	15-Dec-13
7	Agrabad Branch	Aziz Court (GF & 1st Floor), 88,89,90 (Part), Agrabad C. A., Chittagong	20-Apr-14
8	Bormi Bazar Branch	"Paul Market", Pathantek, Bormi Bazar, Sreepur, Gazipur	10-Aug-14
9	Narayangonj Branch	"Hazi Hashem Trade Center", 55/A, S.M. Maleh Road, Tanbazar, Narayangonj.	14-Aug-14
10	Madambibirhat Branch	at "M A Trade Center", Madambibirhat, Near Sheuli Petrol Pump, Bhatiary, Chittagong	21-Aug-14
11	Bandura Branch	"SD Shopping Complex", Bandura, Nawabgonj, Dhaka	24-Aug-14
12	Hatikumrul Branch	"Haji Iman Ali Complex", Hatikumrul, Sirajgonj Road, Salonga, Sirajgonj.	28-Aug-14
13	Gazipur Chowrasta Branch	"Chandona Plaza", Holding # 48, Dhaka Road, Chandona Chowrasta, Gazipur.	15-Sep-14
14	Choyani Bazar Branch	Abul Kashem Plaza, 1st & 2nd Floor, Bank Road, Choyani Bazar, Begumgonj, Noakhali.	21-Sep-14
15	Madhabdi Branch	"Haji Siraj Tower", College Road, Madhabdi Bazar, Madhabdi, Narsingdi	24-Sep-14
16	Dhanmondi Branch	Holding # 48/8, Road # 9/A, Vasha Shainik Towaha Sarak (Satmasjid Road), Dhanmondi, Dhaka	30-Oct-14
17	Jubilee Rd. Branch	"2nd floor, Haque Tower, 610/11, Jubilee Road, Chittagong"	25-Aug-15
18	Munshirhat Branch	1st floor, Amir Hossain Dealer Market, Munshirhat Bazar, Chaudagram, Comilla	31-Aug-15
19	Uttara Branch	"1st floor & 2nd floor, Shafina Center, 14 Garibe Newaz Avenue, Sector # 11, Uttara, Dhaka	05-Oct-15
20	Feni Branch	Kamal & Rafiq Plaza, 327 SSK Road, Feni-3900	08-Nov-15

SI No	Name of Branch	Location	Opening Date
21	Zamindarhat Branch	1st floor, Oman Market, Zamindarhat, Begumgonj, Noakhali	30-Nov-15
22	Bogra Branch	"1st floor, Jamil Buildings, 51 & 52, Borogola, Bogra"	09-Dec-15
23	Laldighirpar Branch	1st floor, Bakht Center, Laldighirpar, Sylhet.	13-Dec-15
24	South Surma Branch	1st floor, Niamah Tower, Chondipul Point, South Surma, Sylhet-3100	13-Dec-15
25	Patherhat Branch	Noapara School Market, 1st floor, Potherhat, Noapara, Raozan, Chittagong	27-Dec-15
26	Takerhat Branch	Sahabuddin Mollah Complex, 1st floor, Takerhat, Rajoir, Madaripur.	29-Dec-15
27	Rangpur Branch	"Khan Bahadur Abdur Rauf Plaza, House# 1, Road # 1, Station Road, Rangpur"	05-Jun-16
28	Khulna Branch	"19KDA Avenue, Tetultolar Mor, Sheikhpara, Khulna"	07-Aug-16
29	Barisal Branch	"Barisal Islamia Urban Shomobaya Samity Ltd. Building", 116 Sadar Road, Barisal	18-Aug-16
30	Chehelgazi Branch	Hajee Danesh Science and Technology (HSTU); Mouza: Subra, Union: 1 Chehelgazi Union, Thana : Sader, Dist: Dinajpur.	24-Aug-16
31	Mirpur Branch	"Islam Plaza, Plot #7, Harun Mollah Road#3, Section#7, Pallabi, Dhaka"	30-Aug-16
32	Zirabo Branch	"Jalil Complex, Vill: Zirabo, Union: Yearpur, Thana: Ashulia, Dist.: Dhaka"	21-Sep-16
33	Rampal Branch	"Sufia Plaza, Shipahi Para, Rampal, Munshigonj"	01-Nov-16
34	Aman Bazar Branch	"Sanowara Convention Hall"; Aman Bazar, Chickondondi, Thana: Hathazari, Dist: Chittagong	14-Nov-16
35	Ananda Bazar Branch	Vill: Ramdaspur, Mouza: Ramdaspur; Union: Farajikandi; Thana: Matlab Uttar; Dist: Chandpur.	08-Dec-16
36	Rajshahi Branch	"Prince Tower", Saheb Bazar, 25, Rani Bazar, Batar Mor, Rajshahi.	20-Dec-16
37	Kishoregonj Branch	1st & 2nd floor, Amzad Bhuiyan Plaza, 370, Borobazar, Kishoregonj.	19-Mar-17
38	Rampur Bazar Branch	"Gawsia Tower" 1st floor, Rampur Bazar, Hajigonj, Chandpur.	13-Sep-17
39	Senbagh Branch	'Amir Ali Market", 1st floor, Senbagh Bazar, Senbagh, Noakhli	14-Sep-17
40	Sonargaon Rd. Branch	Anchor Tower (Ground Floor), 108 Bir Uttam C.R. Dutta Road, Dhaka-1205	10-Dec-17
41	Anowara Branch	Anu Miah Market (1st floor), Bandar Community Center, Shah Mohshen Aulia Sarak, Anowara, Chittagong.	21-Dec-17
42	Pangsha Branch	Maya Super Market (1st floor), Pangsha Bazar, Pangsha , Rajbari.	27-Dec-17
43	Comilla Branch	Razzak Mansion Complex (1st floor), 63, Nazrul Avenue, Kandirpar, Comilla.	23-Jan-18

SI No	Name of Branch	Location	Opening Date
44	Kushtia Branch	72 N.S. Road (1st floor), Kushtia	13-Feb-18
45	Nalchity Branch	11, Station Road (1st floor), Nalchity, Jhalakathi	05-Mar-18
46	Jessore Branch	20, R N Road (1st floor), Jessore.	27-Mar-18
47	Joypurhat Branch	84, Tazim Plaza (1st floor), Batamore, Joypurhat Powrashava, Joypurhat.	28-Mar-18
48	Banani Branch	Autograph, 67 & 68 Kamal Atatuk Avenue, Dhaka	01-Nov-22
49	Pagla Branch	Zakir Super Market Market (1st Floor), Del Para Road, Pagla Bazar, Fatullah, Narayanganj.	26-Apr-23
50	Khulshi Branch	Triangle Tower (1st floor), Holding # 10, Zakir Hossain Road, South Khulshi, Chattogram.	22-Jun-23
51	Aganagar Branch	Aganagar Tower (1st floor), Lobasador Road, Aganagar, South Keranigonj, Dhaka.	25-Jun-23

ATM

SI NO	ATM Name	ATM Location	Opening Date
1	Principal Branch ATM	Suvastu Imam Square(Ground Floor), 65 Gulshan Avenue, Gulshan-01, Dhaka-1212	18-03-2015
2	Chawkbazar Branch ATM	Hazi Motiur Rahman Bhaban(Ground Floor), 189 water Works Road, Chawkbazar, Dhaka	04-04-2015
3	Motijheel Branch ATM	Central Insurance Bhaban (Ground Floor), 7-8, Motijheel C.A, Dhaka-1000	23-06-2015
4	Hatikumrul Branch ATM	Haji Iman Ali Complex, Sirajgonj Road, Salonga, Sirajgonj	09-12-2015
5	Shathibari Branch ATM	Suvash Palace, Shathibari Bazar, Mithapukur, Rangpur	14-01-2016
6	Rangpur Branch ATM	Khan Bahadur Abdur Rauf Plaza,Ground Floor, House No-01, Road No-01, Station Road,Rangpur	05-06-2016
7	Khulna Branch ATM	19 KDA Avenue, Tetultolar mor, Sheikhpara, Khulna	07-08-2016
8	Dinajpur HSTU ATM	Hajee Danesh Science & Technology University, Mouza-Subra, Union-Chehelgazi Union, Thana-Sadar, Dist-Dinajpur	24-08-2016
9	Zirabo Branch ATM	Jalil Complex, Zirabo, Yearpur, Ashulia, Dhaka	29-03-2017
10	Barisal Sub Branch ATM	Barishal Sher-E-Bangla Medical College Hospital Sub Branch, Barishal Sadar, Barishal	07-03-2017

11	Mirpur Branch ATM	Islam Plaza, Plot-07, Main Road-3 (Harun Mollah Road), Section-07, Pallabi, Mirpur, Dhaka	23-04-2017
12	Uttara Branch ATM	Heera Bhaban, ground & 1st floor, House # 61/A, Road # 7, Sector # 4, Uttara, Dhaka	09-08-2023

AGENT BANKING OUTLETS

SL	Agent Outlet Name	Agent Banking Outlet Location	Name of Agent
1	Charbhadrasan Agent Banking Outlet	Charbhadrasan Bazar, Charbhadrasan, Faridpur.	Abir Digital World
2	Sonatala Agent Banking Outlet	Pourashava Lane, Sonatala, Bogura.	M/S Jayan Enterprise
3	Pabna Agent Banking Outlet	Sonapatti, Aurangzeb road, Pabna Sadar, Pabna.	M/S Munna Oil Mills
4	Sonahata Bazar Agent Banking Outlet	Sonahata Bazar, Dhunat, Bogura.	M/S S P Dairy Farm
5	Dinajpur Agent Banking Outlet	Kalitala, Dinajpur Sadar, Dinajpur.	M/S Moni Enterprise
6	Mohuripara Agent Banking Outlet	Mohuripara Bazar, Adarhat, Mithapukur, Rangpur.	M/S Ma Baba Traders
7	Thakurgaon Agent Banking Outlet	Thakurgaon Bus Stand, Santi Nagar, Thakurgaon Sadar, Thakurgaon.	M/S Kasimuddin Sarkar Traders
8	Chengutia Bazar Agent Banking Outlet.	M. K. Super Market, Chengutia, Abhaynagar, Jashore.	M/S The Mahmud Enterprise
9	Niketon Agent Banking Outlet	House No: 65, (3rd floor), Road# 14/1, Block-G, Niketon, Gulshan-1, Dhaka.	Law & Trust
10	Khoyertola Bazar Agent Banking Outlet	Cantonment Supper Market, Khoyertola Bazar, Jashore Sadar, Jashore.	Renasa Telecom
11	Ibrahimpur Agent Banking Outlet	270 Ibrahimpur School Road (Ground Floor), Old Sonali Bank Building, Dhaka Cantonment, Kafrul, Dhaka-1206.	Supplyline Limited
12	Birampur Agent Banking Outlet.	Khan Market, 2nd Floor, Natun Bazar, Birampur, Dinajpur.	Nova Computer & Freelancing Training Institute
13	Satnal Bazar Agent Banking Outlet	Shatnal Bazar, North Matlab, Chandpur.	M/S Amin Enterprise
14	Companyganj Bazar Agent Banking Outlet	College Supper Market, 2nd Floor, Muradnagar, Cumilla.	Mozid Fakir Poultry Fish And Cattle Feed
15	Char Shoulmari Agent Banking Outlet	Char Shoulmari Bazar, Char Shoulmari, Rowmari, Kurigram.	Adiba Afsin Dish Cable Service
16	Khalishpur Bazar Agent Banking Outlet	Khalishpur Bazar, Moheshpur, Jhenaidah.	Shafiq Telecom & Stationary
17	Velabari Agent Banking Outlet.	Muktijoddha Market, Purbo Velabari, Aditmari, Lalmonirhat.	Nova Computer & Freelancing Training Institute

SL	Agent Outlet Name	Agent Banking Outlet Location	Name of Agent
18	Fulbari Agent Banking Outlet	Fulbari Bazar, Fulbari, Dinajpur.	M/S Jahid Alom Traders
19	Dimla Agent Banking Outlet	Dimla Bazar, Dimla, Nilphamari	M/S Proadhan Enterprise
20	Madarganj Agent Banking Outlet	Madarganj Bazar, Nageshwari, Kurigram.	Milon Trading
21	Shyamoli Agent Banking Outlet	Rupayan Shelford, Holding No: 23/6, Mirpur Road, Shyamoli, Dhaka-1207.	Mahi Fishery & Hatchery
22	Mirpur Stadium Agent Banking Outlet	Shop No: 13A, Sher-e Bangla Cricket Stadium, Mirpur, Dhaka.	Mizan Furniture Complex
23	Tangoanmari Bazar Agent Banking Outlet	Tangoanmari Bazar, Jaldhaka, Nilphamari.	Chairman Traders
24	Chandra Agent Banking Outlet	Haji Mokdam Plaza, Chandra, Kaliakoir, Gazipur.	Hosnara Enterprise
25	Kashinathpur Agent Banking Outlet	Kashinathpur Bazar, Santhia, Pabna.	Masud Store
26	Pulhat Agent Banking Outlet	Pulhat, Dinajpur Sadar, Dinajpur.	M/S Simi Enterprise
27	Kushura Bazar Agent Banking Outlet	Kushura Bazar, Toperbari, Dhamrai, Dhaka.	A K Telecom
28	Fatullah Agent Banking Outlet	Fatullah Bazar, Fatullah, Narayanganj.	S S Traders
29	Kishoregonj Bazar (N) Agent Banking Outlet	Pashu Haspatal More, Kishoregonj Bazar, Kishoregonj, Nilphamari.	Mostofa Traders
30	Ishwardi Agent Banking Outlet	Station Road, Ishwardi, Pabna.	Friends Cable Network
31	Kachakata Agent Banking Outlet	Kachakata Bazar, Nageshwari, Kurigram.	Tamim Store
32	Saidpur Agent Banking Outlet	M. A Plaza (Grand Floor), Shohid Dr. Zikrul Hoque Road, Saidpur, Nilphamari.	M/S Shahjada Traders
33	Chirirbandar Agent Banking Outlet	Guguratoli, Chirirbandar, Dinajpur.	Bajaj Mart
34	Ranirbandar Agent Banking Outlet	Ranirbandar, Chirirbandar, Dinajpur.	Royal Electric and Electronics.
35	Mainamati Agent Banking Outlet	Cantonment Board Masjid Market (Ground Floor), Cumilla Cant., Cumilla.	Coffee House Sweet and Bakery
36	Tetulia Road Agent Banking Outlet	Tetulia Road, Panchagarh Sadar, Panchagarh.	M/S Papre Traders

NOTICE OF 11TH ANNUAL GENERAL MEETING

NOTICE is hereby given to all the Members of Meghna Bank PLC. (MGBPLC) that the 11th Annual General Meeting (AGM) will be held on Wednesday, April 03, 2024 at 3.30 P.M. (Dhaka Time) at LAVITA Hall, Lakeshore Hotels (Gulshan) at House - 46, Road - 41, Gulshan, Dhaka - 1212 to transact the following Agendas:

Ordinary Business:

Agenda - 1:	To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended on December 31, 2023 together with the reports of the Auditors and the Directors thereon;
Agenda - 2:	To declare dividend for the year 2023;
Agenda - 3:	To appoint Auditors of the Bank for the term until conclusion of the next Annual General Meeting and to fix their remuneration;
Agenda - 4:	To elect/re-elect Directors;

Dated: March 04, 2024

By order of the Board



Md. Rafiqul Islam Khan, FCS
Company Secretary

Notes:

1. The "Book Closure/Record Date" is March 28, 2024 as approved by the Board of Directors of the Bank.
2. Shareholders whose name appeared in the Members Register of the Bank at the close of business on 28th March, 2024 (Book Closure/Record Date) will be eligible to attend and vote in the Eleventh Annual General Meeting and will be entitled for Dividend (if any).
3. Members entitled to attend the Annual General Meeting are allowed to appoint a Proxy to attend and vote on his/her behalf. The Proxy Form, affixed with requisite revenue stamp, duly filled-in and signed, must be deposited at the Registered Office of the Company at least 72 hours before the time fixed for holding the Annual General Meeting.

PROXY FORM



Head Office

Suvastu Imam Square (3rd & 6th Floor), 65
Gulshan Avenue (Gulshan-1), Dhaka

I.....of.....being a Member(s) of Meghna Bank PLC. do hereby appoint.....of..... or failing him/her.....of..... as my proxy in my absence to attend and vote for me, and on my behalf, at the 11th Annual General Meeting of the Bank, to be held on the 3rd day of April 2024, Wednesday, at 3:30 p.m. (Dhaka Time) at LAVITA Hall, Lakeshore Hotels (Gulshan) at House – 46, Road – 41, Gulshan, Dhaka - 1212 and at any adjournment thereof.

Signature of Proxy:

Signature of Member:

Folio Number:.....

No. of Shares held



N.B: This Proxy Form, duly completed and signed, must be deposited at the Registered Office of the Company at least 72 hours before the Meeting. Proxy is invalid if not signed and stamped as explained above.



Head Office

Suvastu Imam Square (3rd & 6th Floor), 65
Gulshan Avenue (Gulshan-1), Dhaka

ATTENDANCE SLIP

I hereby record my attendance at the 10th Annual General Meeting of the Company, to be held on the 3rd day of April 2024, Wednesday, at 3:30 p.m. (Dhaka Time) at LAVITA Hall, Lakeshore Hotels (Gulshan) at House – 46, Road – 41, Gulshan, Dhaka - 1212

Name of Member/ Proxy.....

Signature of the Member/ Proxy

Date:



MEGHNA BANK

MysticCloud/01729378371

HEAD OFFICE:



Suvastu Imam Square (Level-3 & 6)
65, Gulshan Avenue (Gulshan-1), Dhaka-1212



09610-016735
16735



info@meghnabank.com.bd
www.meghnabank.com.bd