

Notes to the Financial Statements

11.0 Consolidated deposits and other accounts		
Current deposits and other accounts		
Mutual Trust Bank Limited (Note-11.1.1)		
MTB Securities Limited	16,531,289,150	14,092,056,274
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
Less: Intragroup Deposit	(760,850)	(1,155,958)
	16,530,528,300	14,090,900,316
Bills payable		
Mutual Trust Bank Limited (Note-11.1.1)		
MTB Securities Limited	1,643,542,846	1,703,433,803
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
Less: Intragroup Deposit	-	-
	1,643,542,846	1,703,433,803
Saving deposit		
Mutual Trust Bank Limited (Note-11.1.1)		
MTB Securities Limited	29,884,510,508	26,239,575,869
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
Less: Intragroup Deposit	-	-
	29,884,510,508	26,239,575,869
Special Noticed Deposits		
Mutual Trust Bank Limited (Note-11.1.1)		
MTB Securities Limited	13,254,585,144	13,302,780,320
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
Less: Intragroup Deposit	(120,817,990)	(439,542,584)
	12,933,767,149	12,863,186,737
Fixed deposit		
Mutual Trust Bank Limited (Note-11.1.1)		
MTB Securities Limited	91,160,961,747	77,143,035,120
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
Less: Intragroup Deposit	(100,000,000)	(100,000,000)
	91,060,961,747	77,043,035,120
Deposit Products		
Mutual Trust Bank Limited (Note-11.1.1)		
MTB Securities Limited	39,074,403,799	32,220,158,580
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
Less: Intragroup Deposit	(190,947,704,349)	(166,160,290,425)
	39,074,403,799	32,220,158,580
11.1 Deposits and Other Accounts		
From Customers (Note 11.1.1)		
From Banks (Note 11.1.1)		
	185,869,443,195	155,801,314,966
	5,499,850,000	5,499,850,000
	191,369,293,195	166,700,989,966
11.1.1 Deposit and Other Accounts		
Current Deposit & Other Accounts :		
Current Deposit	11,510,858,770	9,405,309,807
Foreign Currency Deposit	1,996,262,259	1,755,544,307
Non-Resident Taka account	2,759,575	117,224,680
Sundry Deposit	2,830,527,155	2,805,088,992
	16,349,507,760	14,083,167,186
	1,781,390	8,885,088
	16,351,289,150	14,092,056,274
Bills Payable :		
Payment Order Issued	1,639,142,723	1,696,167,488
Pay Slip Issued	728,189	1,285,595
Demand Draft Payable	3,671,934	5,880,720
	1,643,542,846	1,703,433,803
Saving Deposit		
	29,884,510,508	26,239,575,869
Special Noticed Deposits		
	13,254,585,144	13,302,780,320
Fixed Deposits:		
Mutual Trust Bank Limited	91,160,961,747	77,143,035,120
Offshore Banking Unit	21,473,471	-
	91,160,961,747	77,143,035,120
From Customers		
	85,639,638,277	66,340,360,120
From Banks (Note 11.1.1):		
Sonal Bank Limited	999,975,000	999,975,000
Pabai Bank Limited	500,000,000	999,975,000
Bank Asia Limited	-	3,999,925,000
Southeast Bank Ltd.	999,975,000	499,975,000
Agribank Limited	-	399,975,000
The Premier Bank Ltd.	-	999,975,000
South Bangla Agriculture & Commerce Bank Limited	500,000,000	1,999,925,000
Rupali Bank Limited	499,975,000	1,499,950,000
United Commercial Bank Limited	499,975,000	499,975,000
Bank Alfiah Limited	1,499,950,000	-
Trust Bank Limited	5,499,850,000	5,499,850,000
	17,084,855,253	10,899,675,000
Deposit-Products :		
Brick by Brick	11,877,855,914	11,757,374,970
MTB Double-Save Plan	9,186,359,851	7,763,525,851
MTB Monthly Benefit Plan	8,278,341,684	4,863,043,714
MTB Millionaire Plan	4,755,570,532	2,464,335,236
MTB Kothari	3,891,040,624	2,981,111,406
MTB Education Plan	290,663,244	290,663,029
MTB Triple-Save Plan	13,726,125	134,578,242
NRB Deposit Pension Scheme	149,189,333	153,974,246
Children Education Deposit Scheme	12,144,142	14,690,638
MTB Gift Cheque	11,504,054	10,005,054
Festival Savings Plan	796,865	690,128
Best Invest Deposit	696,605	160,112
Save Everyday Deposit	520,945	521,245
MTB Quarterly Benefit Plan	141,523,881	49,698,710
Unique Savings Plan	-	-
	39,074,403,799	32,220,158,580
	191,369,293,195	166,700,989,966
11.1.2 Maturity grouping of Deposit and Other Accounts:		
On Demand	6,897,248,946	6,008,196,035
Responsible within one month	18,052,578,235	18,036,371,384
More than one month but within six months	52,194,008,073	42,852,694,438
More than six months but within one year	53,198,456,463	48,502,001,512
More than one year but within five years	52,518,037,461	44,790,850,760
More than five year but within ten years	641,349,406	5,438,535,077
More than ten years	1,129,078,829	983,535,840
	191,369,293,195	166,700,989,966
11.1.3 Demand & Time Deposit		
a) Demand Deposit		
Current Deposit	20,684,437,942	18,337,951,905
Savings Deposit (9%)	11,519,858,770	9,405,309,807
Foreign Currency Deposit non interest bearing	2,685,009,948	2,541,561,828
Non-Resident Taka Deposit	1,996,262,259	1,755,544,307
Sundry Deposit	2,832,408,545	2,813,977,499
Bills Payable	1,643,542,846	1,703,433,803
	170,684,855,253	148,363,938,062
b) Time Deposits		
Saving Deposit (9.5%)	27,184,904,562	25,698,014,041
Fixed Deposit	85,661,111,747	66,243,360,120
Deposit from Banks	5,499,850,000	5,499,850,000
Short Term Deposit	13,254,585,144	13,302,780,320
Deposit Under Scheme	39,074,403,799	32,220,158,580
	191,369,293,195	166,700,989,966
11.1.4 Sectorwise Deposit		
Government	658,498,000	614,271,138
Autonomous & Semi-Autonomous Bodies	790,289,000	790,289,000
Local Authorities	678,846,017	427,416,000
Public-Non-Financial Organization	5,501,553,086	4,428,392,860
Other Public	263,381,202	791,303,000
Foreign Currency	1,096,262,259	1,755,544,307
Private	176,069,043,621	146,987,555,661
Deposit from Banks	5,499,850,000	5,499,850,000
	191,369,293,195	166,700,989,966
12.0 Consolidated other liabilities		
Mutual Trust Bank Limited (Note-12.1)		
MTB Securities Limited	20,384,557,270	18,504,802,612
MTB Capital Limited	700,544,786	700,544,786
MTB Exchange (UK) Limited	11,075,245	15,849,403
Less: Intragroup receivable & payable	(40,679,107)	(40,679,107)
	21,174,897,994	19,599,967,598
12.01 Consolidated Provision for Loans and Advances		
Mutual Trust Bank Limited (Note-12.1)		
MTB Securities Limited	6,797,923,228	5,200,397,350
MTB Capital Limited	388,474,160	318,463,876
MTB Exchange (UK) Limited	30,000,000	15,000,000
Less: Intragroup receivable & payable	-	-
	7,136,397,388	5,533,861,226
12.02 Consolidated Provision for Current Income Tax*		
Mutual Trust Bank Limited (Note-12.1)		
MTB Securities Limited	8,594,390,700	6,580,049,674
MTB Capital Limited	71,973,559	39,864,233
MTB Exchange (UK) Limited	15,171,778	38,504,784
Less: Intragroup receivable & payable	(42,680)	(42,680)
	8,718,164,643	6,658,498,019
12.1 Other Liabilities		
Provision for Loans and Advances (Note-12.1.1)		
Provision for Off Balance Sheet Items (Note-12.1.2)		
Provision for Income Taxes in quoted companies (Note-12.1.3)		
Provision for Other Assets (Note-12.1.4)		
Provision against Shares in associated companies		
Provision for Good Borrower		
Interest Suspense (Note-12.1.5)		
Bonus Payable		
Contribution to MTB Foundation		
Contribution to MTB Employees Welfare Fund		
Accrued Expenses		
Interest Payable on Subordinated debt		
Interest Payable on Borrowing		
Lease Liabilities (Note-12.1.7)		
Liabilities Under Finance Lease		
	20,115,078,246	14,924,443,754
Offshore Banking Unit		
Less: Inter transaction with Offshore Banking Unit		
	20,264,557,270	15,054,620,612
12.1.1 Provision for Loans and Advances		
For Undisbursed		
Opening Balance	2,017,016,000	2,016,425,000
Add: Provision made during the year	1,628,603,942	591,000
Closing Balance	3,645,619,942	2,017,016,000
For Classified		
Opening Balance	3,183,381,350	2,398,340,000
Add: Provision made during the year	176,727,083	2,223,526,000
Add: Recoveries of amounts previously written off	46,570,801	94,000
Less: Waiver during the year	(448,234)	-
Less: Adjustment for Loan written off during the year	(196,472,715)	(1,439,448,000)
Closing Balance	3,609,360,284	3,183,381,350
12.1.2 Provision for Off Balance Sheet Items		
Opening Balance	594,642,050	589,300,000
Add: Provision made during the year	157,028,768	5,342,000
Closing Balance	751,670,818	594,642,050
12.1.3 Provision against Shares in quoted companies		
Opening Balance	55,267,867	55,267,867
Add: Provision made during the year	5,233,333	-
Closing Balance	60,501,200	55,267,867
12.1.4 Provision for Other Assets		
Opening Balance	41,000,000	31,000,000
Add: Provision made during the year	26,346,000	10,000,000
Less: Adjustment for Loan written off during the year	(12,142,444)	-
Closing Balance	55,193,556	41,000,000
12.1.5 Interest Suspense Account		
Opening Balance	1,433,525,546	1,062,187,946
Add: Addition during the year	1,218,626,801	874,620,619
Less: Adjustment made during the year	(517,847,898)	(603,283,033)
Closing Balance	2,134,294,449	1,433,525,546
12.1.6 Provision for Income Tax*		
Opening Balance	6,980,049,674	6,138,366,743
Add: Adjustment made during the year	1,634,341,025	(185,425,400)
Less: Provision made during the year	(8,390,390,700)	(6,980,049,674)
	6,980,049,674	6,138,366,743
*Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being.		
12.1.6.1 Provision for current tax made during the year		
Income tax @ 37.50% on estimated taxable business profit	1,606,458,478	1,035,144,875
Income tax @ 30.00% on dividend income	7,839,455	12,159,959
Income tax @ 10.00% on capital gain on sale of shares	66,093	7,527
Estimated total provision required	1,614,341,025	1,057,312,351
Computation of taxable business profit		
Profit before tax	3,025,747,105	2,368,501,898
Add: Indeductible expenditures	2,968,027,855	2,888,869,715
Less: Allowable Expenditure & Separate consideration	(1,614,341,025)	(2,489,943,448)
Estimated taxable business profit for the year	4,379,423,935	2,767,328,165

12.1.7 Lease Liabilities		
The bank recognised lease liabilities which is present value of lease payments to be made over the lease term from the date of commencement of 01 January 2019 (date of initial recognition). The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. The lease payment has been discounted using average borrowing rate 9.25%.		
13.1 Subordinated Debts		
MTB 2nd Subordinated Debt		
Opening Balance	2,400,000,000	3,000,000,000
Less: Payment during the year	(600,000,000)	(600,000,000)
	1,800,000,000	2,400,000,000
MTB 3rd Subordinated Debt		
Opening Balance	5,000,000,000	4,000,000,000
	6,800,000,000	7,400,000,000
The Bank floated MTB 2nd Non convertible Subordinated Debt through private placement for BDT 3,000 million, date of issue 20 October 2015. Interest on the 10.50% to 13.50% non convertible subordinated debt is payable half yearly from the date of issue i.e. April and October of each year.		
The Bank floated MTB 3rd Non convertible Subordinated Debt through private placement for BDT 5,000 million, date of issue 16 February 2017. Interest on the 7.00% to 10.50% non convertible subordinated debt is payable half yearly from the date of issue i.e. February and August of each year.		
Detail list of subordinated debt holders are shown in Annexure-D		
14.1 Capital		
14.1.1 Authorized Capital:		
1,000,000,000 ordinary shares of BDT 10 each	10,000,000,000	10,000,000,000
14.1.1.1 Issued, subscribed and Paid-up Capital:		
573,363,078 ordinary shares @ BDT 10 each	5,733,630,780	5,096,560,340
66,389,404 ordinary shares @ BDT 10 each issued as bonus	663,894,040	637,070,040
63,707,004 ordinary shares @ BDT 10 each issued as fresh to NORFUND	637,070,040	-
	7,034,594,860	5,733,630,380
During the year 2019 Bank issued 63,707,004 no. of fresh ordinary shares to Norwegian Investment Fund for Developing Countries (NORFUND) @ 27.1208471 each which includes a premium of BDT 17.1208471 in addition to the face value of BDT 10.		
14.1.1.2 Raising of Share Capital		
Given below the history of raising of Share Capital of the Bank:		
	Declaration	No. of Share
Up to 2002	Initial Paid-up capital	200,000,000
2003	PO & Pre-PO	400,000,000
2003-Bonus	20%	120,000,000
2004-Bonus	20%	140,000,000
2005-Bonus	20%	84,000,000
2006-Bonus	5%	47,520,000
2007-Bonus	25%	24,940,000
2008-Right	20%	24,940,000
2008-Bonus	18%	26,348,840
2009-Bonus	20%	35,326,360
2010-Bonus	42	42,391,640
2011-Bonus	10%	25,434,884
2012-Bonus	18	279,378,482
2013-Bonus	16	61,552,661
2014-Bonus	20%	73,863,193
2015-Bonus	10%	66,478,874
2016-Bonus	12.50%	63,707,004